Revving the Engine of Contract Vehicles

Moderator:
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Speakers:
Jeramy Arnold, Proposal Manager
Ralph Scichilone, Contract Programs Manager
Adam Hyman, Senior Manager, GSA Programs
Jenni Taylor, Contract Programs Manager
Charlie Whipple, Corporate Counsel
immixGroup provides a platform of services to grow your public sector business

Increase Revenue  Support Demand Creators  Operate Efficiently

Government Aggregation Platform

Market Intelligence  Marketing  Lead Generation  Channel Development  Government Business Infrastructure
Proven Success with...

Top Technology Manufacturers

- EMC
- IBM
- Adobe
- Cisco
- Oracle
- McAfee
- Polycom
- Appian
- Citrix
- Information Builders
- Brocade
- SAP

600+ Channel Partners

- Iron Bow
- HPE
- Dell
- Harris
- CSC
- BAE Systems
- EDS
- GSA
- Govplace
- US Army
- Red River
- SAIC
- MicroTech
- CACI
- DLA

Government Agencies

- U.S. Air Force
- U.S. Navy
- U.S. Army
- NASA
- VA

A Broad Range Of Contracts

- GSA
- SEWP
- DLA
- Net Cents
- FirstSource
- E2
- E2
- E2
- E2
Upcoming Solicitations

Jeramy Arnold
Proposal Manager, immixGroup
## Access to Contracts…

<table>
<thead>
<tr>
<th>GSA IT 70</th>
<th>Federal</th>
<th>ESI/ESS BPAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ GS-35F-0511T</td>
<td>✓ NASA SEWP IV</td>
<td>✓ IBM (software)</td>
</tr>
<tr>
<td>✓ GS-35F-0265X</td>
<td>✓ NASA SEWP V</td>
<td>✓ Oracle</td>
</tr>
<tr>
<td>✓ GS-35F-0901N</td>
<td>✓ NETCENTS 2</td>
<td>✓ Flexera</td>
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<td></td>
<td>✓ CDM</td>
<td>✓ Powersteering</td>
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<td>✓ PTC</td>
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<td>✓ McAfee</td>
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ITES SOFTWARE

- Run by Army CHESS contracting office
- Supplemental software contract to ITES 3H and 3S
- $50M ceiling over 5 years
Upcoming Solicitations

ITES 3H

- Run by Army CHESS contracting office
- $5B over 5 years
- Targeting 8 Awards
- Currently in protest
- Expected award Spring 2015
Upcoming Solicitations

NIH CIO-CS

- Run by NITAAC
- Replacing ECS III
- GWAC authority
- $20B over 10 years, 5 year base with 5 year option
Upcoming Solicitations

T4NG

- Services ID/IQ for the VA
- $22B over 10 years
- Expires June 2016
- RFP release any day now
SEWP and NETCENTS-2

Ralph Scichilone
SEWP and NETCENTS-2 Program Manager, immixGroup
SEWP IV Sales Trends

SEWPIV Totals
By Fiscal Year

$3,000,000,000
$2,500,000,000
$2,000,000,000
$1,500,000,000
$1,000,000,000
$500,000,000
$0

BILLIONS OF DOLLARS

2007 2008 2009 2010 2011 2012 2013 2014


178,916 Orders 165 Government Agencies

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Solutions for Enterprise-Wide Procurement (SEWP) IV
- Extended 6 months due to protests (04/30/15)

Solutions for Enterprise-Wide Procurement (SEWP) V
- 5 Year Contract with One 5 Year Option
- SEWP Fee 0.39% (SEWPIV 0.45, GSA 0.75)
- Category A (Computer Systems/Servers) NAICS #334111 (1000 Mfg / 500 Non-Mfg) Size Standard
  - Group A Computer Based Systems – Full and Open competition
    - 23 Awardees
- Category B (Complementary Products) NAICS #541519 150 employees
  - Group B Mass Storage Devices (SDVOSB) Set-Aside
    - 10 Awardees
  - Group B1 Mass Storage Devices (HUB-Zone Set-Aside)
    - 7 Awardees
  - Group C Server Support Devices/Multi-Functional Devices (Small Business Set-Aside)
    - 41 Awardees
  - Group D Networks/Security/Video and Conference Tools (Full and Open)
    - 33 Awardees
SEWP V Initiatives

Strengthen Global Supply Chain Security
- Curtail Supply Chain risks
- Disclosure where companies are getting products
- Quote will indicate level of manufacturer authorization
- Allow CO to make a risk-based buy decision

Strategic Sourcing
- Directive from OMB to develop framework and strategy (IT workstations)
- Centralize the acquisition of similar products to drive savings and efficiency
- Higher purchasing volume through fewer channels
- Provide detailed order level information
- Product categories can provide important information such as EPEAT and Energy Star compliance

Scope Additions
- Medical equipment if IT related
- Sensors (Identity Management)
- Monthly Services (e.g. phone/data services)
Network-Centric Solutions-2

- Primary Source of Net-Centric and IT Products, Services and Solutions
  - Networking, Servers, Storage, Peripherals, Multimedia, Software, Maintenance
  - Identity Management, Biometrics HW/SW and Big Data/Analytics
  - Installation and Implementation allowed if sold in conjunction with products
  - Separate NC-2 Services contracts

- Mandatory use by Air Force organizations (January 2011)
  - FY15 discretionary budget $109B and IT budget of $5.91B

- Base period 3 years and 3, 1 year options
- Requires TAA Certification
- Requires Asset Tagging
- Open to other agencies that support USAF missions
- NC-2 Product Contract Awarded to 25 Companies
Successful FY14

“The FY14 end of year IT spending on QEB products resulted in the highest volume of sales in recent memory. Our vendors are pulling out the stops to respond to product demand that is in some cases four times our estimate.”

- $349M in FY14
- 2,735 Awards

NC-2 Program Office focusing on procurements being run through other vehicles such as SEWP

- $960M run through SEWPIV over 7 year contract period
- $121M in FY14
GSA IT70 Schedules

Adam Hyman
Senior Manager, GSA Programs,
immixGroup
GSA Schedule 70 Sales Trend

Across more than 5,000 IT MAS Contracts.

Source: Schedule Sales Query

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GSAM 538.271
- Contracting Officers to determine that offered prices are “fair and reasonable.”
- Agencies are telling GSA that their catalog prices should be cheaper.
  • As a result, horizontal price analysis is being conducted by GSA prior to award of new items on contract.

Causing delays in refreshing GSA catalog with latest technology
- Schedule contracts, BPA’s and other GSA based catalogs not current.
- Other non-GSA GWAC/MACs catalogs are current.

Recommendations
- Take charge of your channel and channel pricing.
  • Increased price visibility across agencies, vehicles and at order level.
- Who is authorized or is not authorized to sell your items?
  • DOD buyers and prime contractors require chain of custody documentation back to OEM through OEM-authorized channels to address Supply Chain Risks Management rules.
1. All EULA/Term’s must be reviewed and approved by GSA Legal.
   – GSA Legal works for the Contracting Officer (CO is client).
   – Delays in reviews continue due to large backlog of EULA/Term’s.

2. Adhere to GSA Legal “Fail Chart.”
   – Anti-Deficiency Act violations are the primary concern.

3. Any terms referenced by URL will not be accepted.
   – All terms must be explicit and visible in the contract.

4. Include maintenance and support terms.
   – Support offering descriptions.
   – Including details like service response times.
Blanket Purchase Agreement (BPA)

Jenni Taylor
Contract Programs Manager, immixGroup
Blanket Purchase Agreement (BPA)

- Useful for repetitive purchases by a customer.

- GSA Schedule provides contractual terms: warranty, delivery, license, maintenance.

- BPA may include discounts off the GSA Schedule for volume and term considerations for orders through a single point.

- **Warning**: A BPA can end up being a seldom used “Charge Account” that precipitates unnecessary price and/or margin erosion.
BPA Advantages

Facilitates repetitive buys
- Reduces administrative costs by eliminating the need for repetitive, competitive procedures.

Narrows the playing field
- Only BPA awardees are considered for subsequent orders.
- Annual review to ensure best value.

Agencies typically seek additional discounts when awarding a BPA. Be sure to get commitment that will lower cost of sales in future years before giving discounts.
## BPA: Examples

<table>
<thead>
<tr>
<th>BPA</th>
<th>Description</th>
<th>Expires</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOD Enterprise Software Initiative (ESI)</strong></td>
<td>Joint DOD effort to implement a software enterprise management process. Creates DOD-wide Enterprise Software Agreements (ESAs) to reduce the cost of common use COTS software.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>SmartBUY</strong></td>
<td>Complementary effort to ESI focusing on civilian agencies. Wide variety of BPAs to achieve enterprise software license cost savings. GSA is the SmartBUY executive agent.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Data at Rest (DAR) BPAs</strong></td>
<td>Series of BPAs awarded by ESI and SmartBUY for encryption tools to protect sensitive, unclassified data residing on government laptops, mobile devices and removable storage media.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>CDM</strong></td>
<td>Driven by Information Systems Security Line of Business requirements, CDM is DHS program implemented through a series of BPAs for Situational Awareness and Incident Response tools covering Configuration Management, Network Mapping, and Vulnerability Management.</td>
<td>August 11, 2018</td>
<td>$6 Billion</td>
</tr>
</tbody>
</table>
The Continuous Diagnostics and Mitigation (CDM)/Continuous Monitoring as a Service (CMaaS) program

- Established on behalf of DHS’s Office of Cybersecurity and Communications (CS&C), Continuous Diagnostics and Mitigation (CDM) Program
- Managed by General Services Administration (GSA), Federal Systems Integration and Management Center (FEDSIM)
- Term: August 12, 2013 – August 11, 2018 (Base Year, plus 4 one year options)
- $6 billion ceiling
- Authorized agencies: All Federal Departments and Agencies (D/As).gov, State, Local, Regional, and Tribal (SLRT) Governments

Task Order 2 - Proposed Sequence Competitions – Departments/Agencies for .gov

- Group A – DHS
- Group B – Energy, DOI, DOT, EOP, USDA, VA, OPM
- Group C – DOC, DOJ, DOL, State, USAID
- Group D – GSA, HHS, NASA, SSA, Treasury, USPS (Has been removed)
- Group E – BBG, CSOSA, Education, EEOC, FEC, FERC, FHFA, HUD, MCC, NARA, NRC, NSF, OGE, SBA
- Group F – CFPB, CPSC, DNFSB, EPA, FTC, IBWC, NCPC, NLRB, NTSB, OPM, OSHRC, PBGC, Peace Corps, RATB, SSS, TVA, USAB, USADF
CDM/CMaaS BPA (continued)

15 Tool Functional Areas (FA), as well as provides ancillary hardware

- FA 1: Hardware Asset Management
- FA 2: Software Asset Management
- FA 3: Configuration Management
- FA 4: Vulnerability Management
- FA 5: Manage Network Access Controls
- FA 6: Manage Trust In People Granted Access
- FA 7: Manage Security Related Behavior
- FA 8: Manage Credentials and Authentication
- FA 9: Manage Account Access
- FA 10: Prepare for Contingencies and Incidents
- FA 11: Respond to Contingencies and Incidents
- FA 12: Design and Build in Requirements Policy and Planning
- FA 13: Design and Build in Quality
- FA 14: Manage Audit Information
- FA 15: Manage Operation Security

immixGroup is working with the following 16 Systems Integrators (SI) that were awarded the DHS CDM/CMaaS BPA representing 35 Manufacturers

- Booz Allen Hamilton
- CGI Federal
- Computer Sciences Corporation
- Digital Management, Inc.
- Dynamics Research Corporation (Engility)
- General Dynamics IT
- HP Enterprise Services
- IBM
- Knowledge Consulting Group/GovPlace
- Kratos (SecureInfo)
- Lockheed Martin
- ManTech
- MicroTech
- Northrop Grumman
- SAIC (Leidos)
- SRA International
For more details on CDM and how to work with the CDM BPA holders, please join our additional sessions below:

1. Cracking the SI Code: How to Work with Systems Integrators  
   2:15-3:15 PM

2. CDM: Don’t Miss Out on Opportunity Waiting for the Big Bang  
   3:30-4:30 PM
Legal Issues

Charlie Whipple
Corporate Counsel, immixGroup
Contractor Teaming Arrangements/Teaming Agreements (FAR 9.6)

1. Teaming Agreements
   - Traditional prime/subcontractor relationship

2. Contractor Teaming Arrangements (GSA specific)
   - Private relationship between Schedule contractors
   - Each team member must have its own GSA Schedule contract
   - Each team member is considered prime and has privity of contract with government
GSA Agent / Participating Dealer Arrangements

1. Schedule Contractors authorize Dealers to sell off of their GSA Schedule contract
   • Dealers sell direct to government customers

2. Expands reach of GSA Schedule contract by opening it up to channel partners (Dealers)

3. Benefits all parties when the dealer has good relationships with agencies in their territory

*Schedule Contractors and Dealers enter into Agent Agreements – Schedule Contractors must ensure that Dealers agree to certain terms
Schedule Contractor

- Schedule Contractor maintains single contract with GSA
- Schedule Contractor reports sales and pays IFF

Authorized Dealers

- Dealers authorized to take orders, invoice customer, and receive payments
- Dealer provides quarterly reports to Schedule Contractor detailing sale price for reporting and IFF payment

Authorized Agents/Dealers
Purchasing from Government Supply Sources

- FAR 51.1 provides contractors with access to Federal Supply Schedules and GSA Global Supply Programs – limited to certain contract-types.
  - Contract must include FAR 52.251-1, Government Supply Sources
  - Expands customers eligible to purchase from GSA
  - Simplifies acquisitions – saves time and effort

Potential Pitfalls

- Title to items – vests with government unless contract provides otherwise
- Payment – Selling Contractor looks to Buying Contractor for payment
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Questions? Contact us at info@immixgroup.com