

The crucial missing piece in GSA's goals  
Roger Waldron  
Jan. 24, 2014

Today marks the launch of a new blog focusing on GWACs and GSA. I want to thank Federal Times for the opportunity to expand the dialogue on interagency contracting and in particular GSA's role in our procurement system. What better way to kick things off but to focus on GSA's Draft Strategic Plan for FY 2014-2018 and what it says and doesn't say about the future role of GSA?

On December 20, 2013, GSA posted on its website the agency's Draft Strategic Plan for FY 2014-2018. The plan can be found [here](#). GSA is to be commended for posting the plan and providing the public with an opportunity to comment. It is welcomed transparency that provides all stakeholders in GSA's programs with an opportunity to provide feedback on the way forward for the agency.

The plan identifies three strategic goals:

- Provide savings to federal departments and agencies;
- Improve the efficiency of operations and service delivery;
- Deliver excellent customer service.

The goals are laudable. They reflect the necessary and appropriate focus on delivering savings and value to customer agencies and the American people.

However, the vision and strategies for achieving the strategic goals fail to focus on improving GSA's largest, most successful contract vehicle: the Multiple Award Schedule program. As such, GSA is unlikely to achieve the strategic goals identified in the plan without a course correction.

The current draft plan notes that the Federal Acquisition Service provides federal agencies with over 11 million different products and services thereby delivering over \$54 billion in procurement solutions, services and products on a government-wide basis. In looking at the numbers, the MAS program accounts for approximately \$40 billion of FAS's \$54 billion or roughly 75 percent of the total dollar volume.

Yet, the draft strategic plan makes only one formal mention of the MAS program. The plan is devoid of any discussion on improving the program for the long term. The void raises several questions

Can a strategic plan that essentially ignores a program that accounts for three quarters of the total business volume be successful? What does the plan say about the role of the MAS program at GSA? Is GSA, as many in industry believe, seeking to dismantle the program? Is there a strategic role for commercial item contracting at GSA?

Reforming the MAS program to streamline the contracting processes, enhance task order competitions and reduce transactional costs can have a profound impact on government-wide

procurement operations. MAS reform that leads to even just a one percent savings across the MAS program would deliver \$400 million in annual savings, far exceeding the projected \$255 million in savings by 2015 GSA claims will result from its Federal Strategic Sourcing Initiatives.

Moreover, the potential savings through reform and streamlining of the program can have a multiplying effect across the procurement system. Streamlining the MAS contracting process will reduce operational costs for GSA which in turn could lead to a reduction in the Industrial Funding Fee. MAS Reform can increase access to new commercial technologies thereby increasing competition, savings, and value for customer agencies. MAS Reform can reduce contract duplication saving government and industry millions, if not billions over the long term. Reducing the cost of doing business with the government can result in real savings for contractors—savings that can be passed on to Federal agencies. The time is now for reforming, streamlining, and improving the MAS program.

Reform of the MAS program includes the following:

- Create an Innovation Schedule that provides streamlined access to the latest commercial technologies
- Update the MAS Pricing Policies to reflect current commercial practices and the federal marketplace where pricing is driven by task order competition for agency specific requirements
- Eliminate the Price Reduction Clause which increases transactional costs for all while restricting the ability of MAS contractors to compete in the private sector
- Enhance MAS commercial solutions by authorizing “other direct costs” for orders
- Review and eliminate all MAS contract terms and conditions where the costs outweigh the benefits