

GSA Office of Governmentwide Policy

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MEMORANDUM FOR THE GSA ACQUISITION WORKFORCE

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SUBJECT: On-Ramping Strategies for Multiple Award Vehicles

1. What is the purpose of this document?

This Acquisition Alert (AA) highlights strategies and flexibilities available to acquisition teams developing multiple-award contracts such as indefinite-delivery / indefinite-quantity (IDIQ) contracts and FAR part 8 blanket purchase agreements (BPAs) - or other Multiple Award Vehicles (MAV) for simplicity in this document - through the use of an on-ramping mechanism.

2. Why might on-ramping be a tool for your acquisition?

On-ramping supports iterative development of an acquisition. Market conditions can change, competition can become stale, or the acquisition team can become aware of new entrants or suppliers that will improve the overall MAV offering, among other developments. This iterative development can also include increasing the use of small businesses, including various socio-economic small businesses¹, and/or increasing opportunities for underserved communities². On-ramping can allow the acquisition team to consider those developments and on-ramp contractors, as needed, assuming on-ramping was contemplated during acquisition planning and ultimately included in the initial competition.

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¹ On-ramping also provides small businesses who may have not had enough past performance, experience, or both when the contract was initially awarded another opportunity to receive a contract for the remaining years of the contract.

² The term "underserved communities" refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, including procurement and contracting opportunities. A representative list of underserved communities can be found in Section 2 of <u>Executive Order 13985</u>, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.

3. Isn't on-ramping just for large governmentwide vehicles?

Nope! On-ramping for regionalized MAVs, or even program office specific MAVs, can be a valuable tool to incentivize continued competition and increase access to innovative new services or supplies at a more local level.

For example, a Public Buildings Service (PBS) region may have a regional Multiple Award IDIQ for various construction services (e.g. CM contracts). Having an on-ramp mechanism, especially in the out-years, can help keep competition fresh where some contractors may have already met their maximum order levels and can no longer compete for task orders, or where some contractors choose to no longer compete for task orders.

In the Federal Acquisition Service (FAS), as another example, a program office may have a BPA for various Software-as-a-Service (SaaS) technologies. Modern technology can quickly change and the acquisition team may want to increase its access to contractors who are authorized to resell new SaaS technologies, but also wants to support its small business goals by adding more socio-economic small businesses. On-ramping would provide the ability to meet these initiatives while avoiding the burden of starting a brand new procurement.

4. How does an evaluation work for on-ramping?

Do not feel constrained by the evaluation language in the original solicitation. If the original evaluation worked well, you can use it. If parts of the evaluation were not effective, there is no need to repeat it. It is appropriate for the basis for award for an on-ramping contractor(s) to reflect lessons learned between the initial award(s) and the on-ramping event.

The acquisition team should assess the initial evaluation with current performance outcomes and continuing needs. Does the initial evaluation still reflect market conditions? Will improved factors result in obtaining new innovative contractors and techniques?

It's a good practice to include language in the initial solicitation stating that GSA will update criteria, for on-ramping, based on program needs.

A good example is a MAV that covers a large zonal area. The original evaluation may not have considered an offeror's service coverage area. After issuing several task orders, the acquisition team is noticing the current awardees compete for all orders near urban areas, but task orders issued for more rural areas receive limited competition. In this scenario, on-ramping could be one way to support finding additional contractors that can support these rural areas (as well as still compete for all other task orders). And for the on-ramping event, the evaluation can be updated to concentrate on an offeror's ability to cover the rural areas.

Again, one requirement for on-ramping is that it must have been contemplated during acquisition planning and ultimately included in the initial competition.

5. What about off-ramping?

Off-ramping can be a counterbalance to on-ramping. Off-ramping provides flexibility to remove contractors that are no longer providing value because they are not actively competing for orders, have reached their order limit threshold already, no longer provide the innovative solutions desired, or are no longer providing satisfactory services or performance, or for other reasons.

But just because the acquisition team on-ramps a contractor(s), doesn't mean a contractor(s) has to be off-ramped. The acquisition team should discuss the current and future needs and what's reasonable to improve outcomes. Some of the off-ramping objectives can be achieved through the unilateral right of not exercising options, but having that ability may not always apply (e.g. multiple award BPAs utilizing FAR 8.405-3 don't require options at 12-month intervals) so putting contractors on notice, and including off-ramping language in your MAVs, provides flexibility should you need it.

6. Interested? Have questions? Or just want to brainstorm?

Connect with the GSA Acquisition Policy Division at <u>GSARPolicy@gsa.gov</u> and we can help you brainstorm, provide sample language, or connect you with an Acquisition Innovation Advocate to think through additional on-ramping best practices and lessons learned.

Appendix A has a few frequently asked questions and helpful notes. In addition, the <u>FAI</u> <u>Acquisition Periodic Table</u> has helpful use cases and samples.

Appendix A

Summary & Highlights		
1. Who can use on-ramping?	Available to all GSA contracting activities that could potentially benefit from on-ramping.	
2. Does on-ramping and off-ramping need to be outlined in the initial solicitation?	Yes, but it is a good idea to state that the process will be updated as needed.	
3. Can I improve my basis of award language during on-ramping to reflect lessons learned and current needs?	Yes	
4. When can on-ramping and off-ramping occur?	When the acquisition team determines it's in GSA's best interest,	
5.a. Does on-ramping change the originally awarded overall MAV ceiling? 5.b. Does on-ramping change the ordering period?	 5.a. It depends on the language utilized in your solicitation/award and the method of procurement. Schedule BPAs typically don't have ceilings, but estimated quantities that can be exceeded (unlike IDIQs).³ In some cases however, it can be helpful, or required (FAR Subpart 16.5, for example) to specifically state that additional on-ramped contracts do not change the overall potential value. 5.b. On-ramping does not change the ordering period. The period of performance for any new awards is coterminous with the existing term for all other contractors. This language should be included in the initial solicitation. 	
6. Would a new GSA Form 2689 be required for on-ramping?	It depends on how the original GSA Form 2689 (as applicable) was completed. If the original GSA Form 2689 included on-ramp information, then a new GSA Form 2689 would not be required. However, if on-ramping was not identified in the original GSA Form 2689, then a new form submission (in accordance with GSAM 519.502-70) would be required if not setting aside the on-ramping event for small business or a socioeconomic program.	

³ Multiple Award Schedules Desk Reference (Winter 2019)

7. If on-ramping was addressed in the original acquisition plan, is a new acquisition plan required?

For a small on-ramp, a simple addendum is sufficient. For a major on-ramp consisting of a very large number of vendors for a very high dollar program, it may be prudent.

Other Considerations				
Area	Consideration	Helpful Notes		
Length of Requirement	If it's less than 24 months in total, new innovative techniques or products may not have improved considerably that would benefit from on-ramping. Conversely, if your requirement is for Building Operations & Maintenance (O&M), and contemplates a 60 month period of performance, having on-ramp ability may prove useful.	Ultimately, flexibility is key. Even if including the possibility of on-ramping in your requirement, there is no mandate in the future to use it. Not having it though will limit your flexibility.		
	Additionally, since construction IDIQ contracts may have a period of performance that exceeds five years, on/off-ramping can be especially helpful.			
Historical Orders	If the requirement has a history of having multiple contractors, but being dominated by one or a few which is affecting the quality of service, on-ramping may be useful.	Depending on the complexity and size, making fewer initial awards, and making additional awards through on-ramping, can be more strategic and be more manageable than making too many initial awards.		
Partnership	Partner with industry during both pre-award and post-award stages. Be transparent about why on-ramping is being included (assuming it is) and the goals for doing so. During post-award, be open with the current awardees about why the acquisition team is considering an on-ramping event. This may motivate the contract partners and open a	During post-award, have on-going and continuous check-ins with the contractors, not just at Option periods. Share with them why the acquisition team is considering or proceeding with on-ramping.		

	dialogue that identifies areas that can be improved by both sides.	
Protests	Protests can occur as a result of an on-ramping event.	The same care and effort should be placed in the evaluation process for on-ramping as was utilized during the initial evaluation to mitigate any potential protest risk. Suggest using the following language in your solicitation to mitigate risk: The on-ramping competition is considered a separate and distinct open procurement; so, any Protests raised during an on-ramping event will not interfere with any new and/or existing Task Order requirements from being reviewed, competed, and/or issued with the original or current Contractor awardee pool.
On-Ramping Notice	When initiating an on-ramping event, follow the same procedures for announcing the opportunity as was used with the initial solicitation.	Depending on the on-ramping notice process required, additional market research may be useful to ensure a competitive group of contractors. On-ramping shall follow competition requirements relevant to the strategy used.

Sample Language		
Sample	Reference	
BPA example The Government will review BPA performance and requirements on a regular basis (at least yearly) and determine the necessity of on-ramping. The Government reserves the right to announce and issue a new solicitation for the purposes of: (i) adding additional	For more information, sample language, ideas, and considerations, see FAI Periodic Table of Acquisition Innovations ("Pre-Solicitation column", first tab).	

Contractors to expeditiously meet the requirement as the need for increased assessments materialize; and (ii) increase the small business pool of Contractors; and (iii) increase competition. The Government may implement on-ramp procedures at any time by reopening the competition and utilizing the same basis of award established in the initial solicitation. Any resulting BPA(s) awarded will include the same terms and conditions as the current basic contract. Implementing this procedure will not affect the overall period of performance for the basic agreement.	The sample information can be updated to reflect your specific needs. Reference also provides off-ramping sample language.	
Consistent with FAR 16.504(c)(1)(ii)(A), the PCO has determined that it is in the Government's best interest that at all times during the term of the Basic Contract, there remain an adequate number of contractors eligible to compete for Orders. Over time, the total number of contractors may fluctuate due to various reasons including industry consolidation, significant changes in the marketplace or advances in technology, general economic conditions, the Government's exercise of the off-ramp process, or other reasons. Recognizing this, GSA intends to periodically review the total number of contractors participating in the Ordering Process and determine whether it would be in the Government's best interest to initiate on-ramping to add new contractors to the Basic Contract. This is a discretionary unilateral authority of the Government.	For more information, sample language, ideas, and considerations, see 8(a) STARS II Conformed Contract, Section IV. 18. The sample information can be updated to reflect your specific needs. Reference also provides off-ramping sample language.	
Basis of Evaluation The basis of the competition during on-ramping may rely upon substantially the same methodology as in the original solicitation. However, GSA reserves the right to update the evaluation criteria with consideration to market conditions, the utility of the criteria, and the specific needs being sought through the on-ramping event. Refreshing Scope Language	Suggested language as part of the initial solicitation Suggested language as part of the initial solicitation	
The Government may implement technical refreshment of the scope and/or the labor categories consistent with the appropriate changes clause in order to improve performance or react to changes in technology [and/or market changes, innovative process, or techniques, for example]. IDIQ example	For more information, sample language, ideas, and	

Over time, the total number of contractors may fluctuate due to various reasons including industry consolidation, significant changes in the federal marketplace, advances in technology, general economic conditions, or other unforeseen reasons. Recognizing these market variables, GSA intends to periodically review the total number of contractors and the quality of those contractors participating in the Task Ordering process, to include the review of the sole source requirements, and Fair Opportunity requirements resulting in competitive one-bid responses among other factors to determine whether it would be in the Government's best interest to initiate an Open Season so to add new qualified contractors to the Master Contract. No set schedule will be established as to when an Open Season will be considered or implemented, and there is no guarantee that an Open Season will be executed during the term of the Master Contract.

considerations, see Alliant 2
Unrestricted Master
Contract, Section H.21.

The sample information can be updated to reflect your specific needs.

Reference also provides off-ramping sample language.

Off-Ramping example

GSA reserves the unilateral right to off-ramp contractors who are no longer needed to meet program objectives. Contractors may be off-ramped from new work even while continuing current work. Off-ramping methods may result from one of the following conditions:

- A. Not exercising a contractor's option
- B. GSA no longer having a requirement appropriate to the contractor's skills, talents, size, or socio-economic status
- C. Debarment, Suspension, or Ineligibility as defined in FAR Subpart 9.4.
- D. Termination as defined in FAR Part 49.
- E. Failure to meet the standards of performance, deliverables, or compliances.
- F. Taking any other action which may be permitted under the Master Contract's terms and conditions.

For more information, sample language, ideas, and considerations, see <u>OASIS</u>
Contract, Section H.17.

The sample information can be updated to reflect your specific needs.

Reference also provides on-ramping sample language.