



UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer and
Assistant Secretary for Administration
Washington, D.C. 20230

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MEMORANDUM FOR: Heads of Contracting Activity
Chief Financial Officers
Bureau Procurement Officials
Department of Commerce Purchase Cardholders

FROM: Scott Quehl 
Chief Acquisition Officer and
Chief Financial Officer/Assistant
Secretary for Administration

SUBJECT: Updated Policy on Use of Federal Strategic Sourcing Initiative
Blanket Purchase Agreements for Office Supplies

Background

The Federal Strategic Sourcing Initiative Office Supply (FSSI OS2) Blanket Purchase Agreements (BPA) were awarded by the General Services Administration (GSA) and became mandatory within the Department of Commerce (DOC) on October 18, 2010, through issuance of the memorandum entitled "Federal Strategic Sourcing Initiative Blanket Purchase Agreements for Office Supplies".

Measurable savings have been achieved to date by operating units within DOC. One of the significant advantages to the FSSI BPAs is the volume pricing available through multi-agency use. In order for DOC to gain full benefit from these contract vehicles as an agency, a global perspective must be maintained by each buyer so that we save as an agency based on volume even if that requires, in rare instance, foregoing nominal advantages in unit pricing for a particular item.

The FSSI OS2 BPAs offer the Department distinct advantages including, but not limited to discounted pricing, automatic purchase cardholder discounts, and Stock-Keeping Unit (SKU)-level data on all purchases to assist with reporting requirements. Additionally, all FSSI OS2 BPA vendors are required to comply and remain *AbilityOne* certified resellers. Awards under these programs can help DOC achieve mandatory socio-economic goals and sustainability goals.

In order to further refine the use of these BPAs, this memorandum provides important changes to DOC's policy and provides helpful information to assist contracting officials and purchase cardholders to optimize the use and benefits of the FSSI BPAs.

Policy Update

Use of the FSSI OS2 BPAs is mandatory unless a specific waiver is granted by the servicing Bureau Procurement Official (BPO) or Head of Contracting Office (HCO), if delegated. The primary revisions to the existing DOC policy are changes to waiver thresholds. These changes reflect the need to maximize usage of the FSSI OS2 BPAs in order to gain the benefits of 1) volume discounts that increase over time; 2) flexibility with on-line and in-store use of purchase cards; and 3) important data on the commodities that DOC purchases through the FSSI BPAs. In support of these efforts, effective immediately, for items available on the GSA FSSI OS2 BPAs, no waivers shall be granted for non-FSSI OS2 vendors for any order with a total value under \$1,000. In addition, waivers shall not be available for orders to non-FSSI OS2 vendors with demonstrated savings of less than \$500 per order. Waivers may be granted for unavailable products or delivery issues.

Exceptions

A blanket exception of the FSSI OS2 BPAs is applicable only to *PaperClips* stores located at the Commerce Headquarters (Herbert C. Hoover Building) and Census. Other *PaperClips* stores (e.g. at a Department of Defense location) are not automatically excepted.

Waivers

If an order value is above \$1,000 **and** the savings with a non-FSSI OS2 vendor is more than \$500, a waiver may be issued by the cognizant Bureau Procurement Official or Head of Contracting Office if determined to be appropriate.

Waivers may also be granted if FSSI OS2 vendors do not have the required product available or if the FSSI OS2 vendor is not able to deliver in the required timeframe. These waiver requests and determinations must concisely demonstrate that the request does not stem from inadequate planning for future or known needs. This documentation will also serve to support DOC efforts to improve implementation of the FSSI OS2 Program through specific feedback to GSA.

Prior to entering into any acquisition of office supplies not obtained through the FSSI OS2 BPAs, or at Commerce Headquarters or Census *PaperClips* stores, the contracting officer (CO) or purchase cardholder shall complete a *FSSI OS2 BPA Office Supplies Mandatory Use Waiver Request* form (Attachment B). The BPO or HCO, if delegated, shall provide a copy of each waiver determination to the Office of Acquisition Management (OAM) at: OAM_Mailbox@doc.gov. The content and approval process for the form is as follows:

1. **Complete the FSSI OS2 BPA Office Supplies Waiver Request**
The basis for the waiver request shall be specifically documented. For example, if the basis for the waiver request is price advantage of an alternative vendor, the prices compared for the determination must be included in the documentation. If the basis for the waiver request is time constraint prohibiting the one-day delivery available from FSSI OS2 vendor(s), the time constraint must be specifically described including the impact to the mission of the organization. Any other bases for the waiver request shall be specifically documented.
2. **Obtain Necessary Approval**
The waiver request including supporting documentation shall be approved by the Bureau Procurement Official for acquisitions including those utilizing the purchase card. This authority may be delegated no lower than the Head of Contracting Office at the discretion of the BPO.

3. Retention of Waiver Approval in Contract or Purchase Card File

The contracting officer or purchase cardholder shall retain the approved form in the contract or purchase card file.

Oversight

Compliance with FSSI OS2 BPAs for office supplies will be reviewed through the acquisition management review process. In addition, based on current and contemplated strategic sourcing initiatives, data calls regarding the number and basis for waivers may be conducted. On an ongoing basis, Bureau Procurement Officials may be asked to provide information to the Senior Procurement Executive (SPE) regarding observed trends for acquisitions for office supplies outside of FSSI OS2 BPAs and the basis for the exceptions so that feedback can be provided to GSA regarding the effectiveness of the FSSI OS2 Program and opportunities for improvements.

Additional Resources

The information below is provided to enable compliance with this requirement. For direct questions on how to utilize the FSSI OS2 BPAs, please contact your servicing Acquisition Office or Agency Program Coordinator (APC).

Table 1: Frequently Asked Questions

| Frequently Asked Questions | |
|---|---|
| Questions | Answers |
| <i>Do all FSSI OS2 BPA vendors have a \$100 order minimum?</i> | <ul style="list-style-type: none"> ▪ GSA has negotiated with several vendors to decrease order minimums <ul style="list-style-type: none"> ▪ <u>Vendors with \$25 order minimum: Metro Office Products, Staples, and Office Depot</u> ▪ <u>Vendors with \$50 order minimum: Document Imaging Dimensions, WECsys, New York Inkjet, EZ Print Supplies, and Imaging Systems</u> ▪ <u>Vendors with \$100 order minimum: Capitol Supply Inc., Independent Stationers Inc., Shelby Distribution, SITA Business Systems, Stephens Office Supply, ASE Direct, Inc., and Cartridge Savers</u> |
| <i>Why do shipping charges seem so much higher when ordering through the FSSI OS2 BPAs?</i> | <ul style="list-style-type: none"> ▪ Market research has determined that total order costs are consistently lower when purchased through the FSSI OS2 BPAs ▪ All FSSI OS2 vendor prices include standard 3-4 business day delivery (delivery is often faster; many orders placed before 3pm are delivered the next day) ▪ Several vendors including <i>Metro Office Products, WECsys, New York Inkjet, EZ Print Supplies, Office Depot, and Staples</i> do not charge extra for Next Day, or Desktop/Secure Desktop delivery |
| <i>Can FSSI OS2 BPAs accommodate delivery to OCONUS locations?</i> | <ul style="list-style-type: none"> ▪ Office Depot, has locations in Alaska, Hawaii, and Puerto Rico and can accommodate deliveries outside of the continental U.S. |
| <i>Why does it appear that only the Pool 3 FSSI OS2 vendors supply toner?</i> | <ul style="list-style-type: none"> ▪ <u>All 15</u> FSSI OS2 BPA vendors carry toner products; the Pool 3 goal is to have Service Disabled Veteran-Owned Small Businesses become part of the FSSI OS2 BPAs |
| <i>Are FSSI OS2 vendors equipped to handle large orders?</i> | <ul style="list-style-type: none"> ▪ There are two vendors on the FSSI OS2 BPAs (Office Depot and Staples) that are equipped to handle large orders ▪ Small business FSSI OS2 vendors can handle larger orders; it is recommended that you contact the vendors directly in these cases |
| <i>What products are included in the FSSI OS2 BPAs?</i> | <ul style="list-style-type: none"> ▪ The scope of the Office Supplies initiative can be defined by products available under the GSA Schedule 75-200 SIN for Office Products |

Table 2: Scope of FSSI OS2 BPAs

| Office Supplies Category | Office Supplies Sub-Category | Definition |
|--------------------------|--|---|
| Paper | Paper | Carbon, Cards, Computer, Fine Stationery, Inkjet, Laser, Multipurpose and Copy, Notebook Filler, Resume, Rolls, Stationery, and Labels |
| Toner | New Toner & Inkjet Cartridges | New ink and laserjet cartridges; multi-color and black |
| | Remanufactured Toner & Inkjet Cartridges | Remanufactured ink and laserjet cartridges; multi-color and black |
| General Office Supplies | Adding Machines & Calculators | All adding machines & calculators |
| | Binding & Filing Supplies | Binders, binding elements, file folders, document protectors, bank boxes & other filing boxes |
| | Calendars, Personal Organizers and other dated items | All calendars and organizers |
| | Cases & Portfolios | Carrying Cases, presentation portfolios, leather and vinyl portfolios, twin pocket portfolios, and zipper portfolios |
| | Computer Accessories | Mousepads, Wrist rests, Anti-glare screens, Desktop cleaning supplies, Media storage, Keyboard drawers (Excludes EIT) |
| | Computer Media | Diskettes, CDs, DVDs, Data tape |
| | Drawing & Graphic Arts supplies | Adhesives and glue, erasers, rulers and measures |
| | Mailing & Shipping Supplies | Envelopes, shipping sacks, packaging tape |
| | Miscellaneous Office Supplies | Fastening items: staplers, paper clips, binder clips, etc.; adhesive tape, label makers, rubber stamps, ink, push pins, etc. Paper hole puncher |
| | Office Furnishings | Clocks, stools, picture frames, wastebaskets |
| | Shredders | Both office type and high security shredders |
| | Visual Communications & Meeting Aids | Blackboards, Whiteboards, Easels, Videotape, audiotape, dictation supplies |
| Writing Instruments | Pens, pencils, highlighters, markers | |

Table 3: FSSI OS2 Vendors

| FSSI OS2 Vendors | | | |
|------------------|------------------------------|--------------|-----------------------|
| Pool | Vendor Name | BPA Number | Socio-Economic Status |
| 1 | Capitol Supply, Inc. | GS-02F-XA001 | S |
| | Document Imaging Dimensions | GS-02F-XA002 | S/W |
| | Independent Stationers, Inc. | GS-02F-XA003 | S |
| | Metro Office Products LLC | GS-02F-XA004 | S/D |
| | New York Inkjet LLC | GS-02F-XA012 | S/W |
| | Shelby Distribution, Inc. | GS-02F-XA005 | SDVOSB |
| | SIT A Business Systems, Inc. | GS-02F-XA006 | S/D/W |
| | Stephens Office Supply | GS-02F-XA014 | S/W |
| | WECSYS LLC | GS-02F-XA007 | S/D |
| 2 | EZ Print Supplies, Inc. | GS-02F-XA008 | S/W |
| | Office Depot | GS-02F-XA009 | L |
| | Staples, Inc. | GS-02F-XA013 | L |
| 3 | ASE Direct, Inc. | OS-02F-XA010 | SDVOSB |
| | Cartridge Savers, Inc. | OS-02F-XA011 | S/D |
| | Imaging Systems, LLC | GS-02F-XA015 | SDVOSB |

*Key for Socio-Economic Status: S = Small Business; S/W = Small, Women-Owned Business; S/D = Small, Disadvantaged Business; L = Large Business; S/D/W = Small disadvantaged, Woman-Owned Business; SDVOSB = Service Disabled Veteran-Owned Small Business

Table 4: FSSI OS2 Delivery Options

| Pool | Vendor Name | BPA Contract Number | DELIVERY OPTIONS BEYOND 3-4 DAY DELIVERY | | | |
|------|---|---------------------|--|-------------------------|--------------------------------|--|
| | | | Next Day % per order fee | Desktop % per order fee | Secure Desktop % per order fee | International Delivery % per order fee |
| 1 | Capitol Supply Inc. | GS-02F-XA001 | 15 | Not Available | Not Available | 15 |
| | Document Imaging Dimensions | GS-02F-XA002 | 10 | 0 | 3 | 20 |
| | Independent Stationers Inc. | GS-02F-XA003 | 5 | 4 | 8 | 15 |
| | Metro Office Products LLC | GS-02F-XA004 | 0 | 0 | 0 | Not Available |
| | Shelby Distribution Inc. | GS-02F-XA005 | 20 | 0 | 20 | 30 |
| | SITA Business Systems Inc. | GS-02F-XA006 | Not Available | Not Available | Not Available | Not Available |
| | WECSYS LLC | GS-02F-XA007 | 0 | 0 | 0 | 19 |
| | New York Inkjet LLC | GS-02F-XA012 | 0 | 0 | 0 | 3.5 |
| | Stephens Office Supply/dba Office Group | GS-02F-XA014 | 10 | 5 | 10 | Not Available |
| 2 | EZ Print Supplies Inc. | GS-02F-XA008 | 0 | 0 | 0 | Not Available |
| | Office Depot | GS-02F-XA009 | 0 | 0 | 0 | FOB Origin |
| | Staples, Inc. | GS-02F-XA013 | 0 | 0 | 0 | 25 |
| 3 | ASE Direct Inc. | GS-02F-XA010 | 5 | 5 | 10 | 25 |
| | Cartridge Savers Inc. | GS-02F-XA011 | 10 | 12 | 15 | 25 |
| | Imaging Systems LLC dba Access Products | GS-02F-XA015 | 6 | 6 | 12 | Not Available |

*Values in Table T-3 are expressed as a percentage of the order total.

Table 5: Using GSA Advantage

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| <ul style="list-style-type: none"> ▪ Go to https://www.gsaadvantage.gov ▪ Enter User ID and Password. If you do not have a User ID and Password, register by following the system generated directions to create your User ID and Password (the process only takes a few minutes). ▪ Click on "Ordering" on the right side of the screen to access the "Ordering Site," or compare prices to determine the lowest priced item by clicking on "Compare Prices" on the right side of the screen. ▪ Select the BPA you want to access. Once you proceed to the vendor page, you will be able to ascertain business size, contract number, BPA number, and other terms and conditions that are applicable; ▪ Select the products and quantities you want, add them to your cart and proceed to checkout. ▪ You can choose to order from one company and get all your supplies in one shipment or order from a variety of companies and get multiple shipments. ▪ Upon checkout, choose from a variety of delivery options: 3-4 business day delivery is standard but next day, desktop, secure desktop and international delivery are available (at additional costs from some vendors). |
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Table 6: FSSI OS2 Ordering Procedures

| FSSI Ordering Procedures | |
|--|---|
| Ordering Threshold | Procedures |
| Orders <u>at</u> or <u>below</u> the micro-purchase threshold (\$3,000) | Ordering agencies should attempt to distribute orders at or below the micro-purchase threshold among all FSSI OS2 BPA vendors. <i>Competition is not required on orders below the micro-purchase threshold, \$3,000.</i> |
| Orders <i>exceeding</i> the micro-purchase threshold but not exceeding the maximum order threshold (\$150,000)* | Ordering activities shall place orders with the FSSI OS2 vendor that can provide the supplies that represents the best value. Before placing an order, an ordering activity shall consider reasonably available information about the supplies offered under the FSSI OS2 BPAs by surveying <u>at least three</u> FSSI OS2 BPA vendors from Pools 1, 2, and 3. In addition to price, when determining best value, the ordering activity may consider, among other factors, the following: <ul style="list-style-type: none"> ▪ Past performance ▪ Special features of the supply required for effective program performance ▪ Trade-in considerations ▪ Probable life of the item selected as compared with that of a comparable item ▪ Warranty considerations ▪ Maintenance availability ▪ Environmental and energy efficiency considerations ▪ Delivery terms |
| Orders <i>exceeding the maximum order threshold (\$150,000)</i> . Each schedule contract has a maximum order threshold* | Although a price reduction may be sought at any time, this threshold represents the point where, given the dollar value of the potential order, the ordering activity shall seek a price reduction. In addition to following the procedures for orders above the micro-purchase threshold, ordering activities shall: <ul style="list-style-type: none"> ▪ Review the pricelists of additional FSSI OS2 BPA vendors among Pools 1, 2, and 3 ▪ Based upon the initial evaluation, seek price reductions from the FSSI OS2 BPA vendors considered to offer the best value ▪ After seeking price reductions, place the order with the FSSI OS2 BPA vendor that provides the best value. If further price reductions are not offered, an order may still be placed. |

*For orders exceeding the micro-purchase threshold your Contracting Officer can post your requirements on GSA's e-Buy system or conduct pricing comparisons on GSA Advantage and compete amongst the BPA holders.

**DEPARTMENT OF COMMERCE
FSSI OS2 BPA OFFICE SUPPLIES MANDATORY USE WAIVER REQUEST**

The Department of Commerce requires that office supplies be purchased from General Services Administration's FSSI OS2 BPAs. Purchase of any office supplies whether by purchase order, contract or purchase card, except Commerce Headquarters and Census *PaperClips* stores, must be justified and approved by the Bureau Procurement Official or their delegate.

Rationale and Supporting Documentation (provide specific information for your waiver request including price factors, availability factors and/or time constraints.

Purchase Cardholder or Contracting Officer

Signature

Date

CONCURRENCE:

Purchase Card Approving Official

Signature

Date

APPROVAL:

Approve

Disapprove

Name and Title of BPO or HCO

Signature

Date