

## Common Questions That Companies Have About SmartBUY

### **Q1. What is the current GSA/OMB review process for agencies wanting to purchase enterprise agreements or other large volume software packages prior to full implementation of the SmartBUY Program?**

A1. If there is an immediate need, and the SmartBuy program has not been fully implemented, GSA will allow the agency to proceed with the acquisition. However, agencies need to consult with GSA, providing the background for their software requirements, acquisition costs, type of contracting mechanism, and mission impact if the acquisition would not be allowed to proceed. Agencies also must include a standard clause in their contract addressing price redetermination and migration to a SmartBUY agreement. This clause currently states: "If during the term of this contract, \_\_\_\_\_(vendor) or its resellers enter into an agreement with the General Services Administration under the SmartBUY Initiative - which includes pricing for the specific products or services similar to those licensed under this contract, that is less than the pricing under this contract, \_\_\_\_\_(vendor) will enter into good faith negotiations to lower its prices to its reseller(s), and thus this contract, consistent with the similar terms and conditions of the SmartBUY agreement, or allow these requirements to move to the SmartBUY agreement at the Government's option, with full credit for all funds paid under this contract."

If there are no resellers, references to them are dropped.

### **Q2. How long do you expect the review [of a proposed agency buy] to take and what does the agency have to provide in order to get a request approved?**

A2. The length of these reviews varies from 3 days to 3 weeks, depending on the quality and completeness of information the agency provides. To get a request approved to move forward with an acquisition, agencies need to provide information about acquisition costs, type of contracting mechanism, and mission impact if the acquisition is delayed by a SmartBUY negotiation.

### **Q3. How will resellers be involved in SmartBUY?**

A3. SmartBUY does not reorganize the software distribution and sales marketplace. SmartBUY does not interfere with the software publisher's decision whether or not to use resellers. The focus is on the terms, conditions and prices.

### **Q4. Do agencies have to justify a non-SmartBUY purchase?**

A4. If there is a SmartBUY agreement or a pending SmartBUY agreement for a particular software product, agencies must justify why they do not use the SmartBUY vehicle to purchase the software.

**Q5. How will “full and open competition” be maintained? In other words, if one software company has a SmartBUY contract and a competing company does not, how will agencies still have the opportunity to evaluate and acquire the software program that best meets its needs without seeking waivers?**

A5. The SmartBUY acquisition strategy already reflects the existing base of requirements for software that agencies have fulfilled through a competitive process. By combining the buying power of the Federal government, SmartBUY merely leverages these previous competitive decisions in an attempt to obtain better services and prices. SmartBUY targets an existing base of software throughout the Federal government. Agencies have total discretion in establishing their software requirements. SmartBUY does not determine requirements or influence selection. Agencies must employ a SmartBUY agreement to fulfill their requirements only when the SmartBUY agreement contains the software that the agency has or would have purchased with or without a SmartBUY agreement.

**Q6. Will GSA only negotiate SmartBUY contracts by competitive groupings of companies so that no company is disadvantaged by not having a SmartBUY contract at the same time?**

A6. The SmartBUY program is still evolving. Expanding the responsibility of the SmartBUY work groups to consider competitive groupings has merit. The SmartBUY concept normally involves a spend analysis first, followed by aggregating requirements and making SmartBUY deals in a defined market space. In these cases, no company doing business with the government in that market space will be disadvantaged by a SmartBUY deal. In some cases, companies may make an unsolicited SmartBUY offer that the government chooses to proceed with, in which case, every effort will be made to complete a spend analysis as quickly as possible.

**Q7. How will an agency make a volume commitment under SmartBUY?**

A7. Agencies will conduct a spend analysis identifying the amount of software purchased and associated services by market space and company. Based on this spend analysis, agencies will commit to their requirements in aggregate reflecting historically disaggregated purchases. There is no single model that will fit all situations. GSA is willing to consider various approaches.

**Q8. Can you confirm that there will not be a single agency procurement and payment point for the government?**

A8. The procurement and payment point will vary depending on the SmartBuy agreement in place. In some cases, GSA will conduct SmartBUY procurements and collect funds from customer agencies for software titles. In some cases, GSA may delegate its authority as Executive Agent to another agency with expertise in specific software titles. That agency would

then conduct the designated SmartBUY procurement for all participating customer agencies and collect funds from the customer agencies. In other cases, agencies may pay vendors directly.

**Q9. What will the process be when agencies want a software package that is different than that offered on a SmartBUY contract? Will the agency have to get approval from OMB or GSA? What will an agency need to provide in order to be “approved”? How long will the approval process take? How do you expect the modified package to be priced?**

A9. If agencies want a software package that is different from those being established for the SmartBUY agreement, the agency needs no approval from GSA. (The CIO.gov secure site contains a list of software under consideration for SmartBUY).

**Q10. How will existing multi-year agency software agreements be addressed?**

A10. It is anticipated that the awarded SmartBUY agreement will incorporate the out-year requirements of existing multi-year software contracts with the parties involved in the SmartBUY agreement. The SmartBUY agreement will also authorize a no cost partial or total termination for convenience of existing affected multi-year contracts, as appropriate.

**Q11. Will each SmartBUY agreement have the same terms and conditions? In other words, would all competitors have the same terms and conditions? Will those terms and conditions be commercial terms and conditions?**

A11. Across a given market space, terms and conditions may vary based on commercial practices. Our experience thus far has demonstrated that there is no one model that can be employed for all SmartBUY agreements. At a minimum, SmartBUY agreements reflect the most favorable terms and conditions already awarded to individual agencies. SmartBUY agreements will be tailored to meet the specific demands of the parties involved.

**Q12. Will SmartBUY be under the FTS as opposed to the FSS?**

A12. Yes, the leadership is transitioning to FTS but other organizations will be involved. The internal management of the SmartBUY program is evolving as we gain experience. GSA executives are currently strategizing the most appropriate Project Management Office (PMO) structure for SmartBUY. A formalized SmartBUY PMO will be put in place soon.

**Q13. Which aspects of SmartBUY will be mandatory?**

A13. If an agency has a requirement for software (specific brand and model) that is covered by SmartBUY, they need to acquire that software via the respective SmartBUY agreement.

**Q14. How does SmartBUY compare to DOD's Enterprise Software Initiative (ESI)? What parts of ESI are you looking to replicate through SmartBUY and what aspects are you looking to de-emphasize?**

A14. DoD's Enterprise Software Initiative (ESI) is participating in the governmentwide SmartBUY effort. There are no aspects of ESI we are looking to de-emphasize. We are leveraging their significant experience in these enterprise software activities.

**Q15. Is SmartBUY only for GSA schedule products or will it also include retail products sold through the GSA schedule on the open market?**

A15. SmartBUY is not limited to GSA schedule products. As needed, it will include retail products sold through the GSA schedule on the open market. We will use the contract vehicle that best meets the requirement for Federal agencies.

**Q16. While large agencies/departments already have large discounts with existing enterprise licensing, small agencies often do not and want to leverage already existing ELAs. Does GSA intend to remove these barriers through incentives, for example, through a 6-month suspension of the IFF if a large department saves the smaller departments some amount?**

A16. GSA is very willing to pursue mechanisms that remove barriers for small agencies. If a SmartBUY purchase uses the Federal Supply Schedule, appropriate revisions to ordering procedures and pricing will be evaluated. The purpose of SmartBUY is to provide the whole government the benefit of an aggregated buy in terms of price and terms and conditions. SmartBUY will negotiate the best deal on behalf of all agencies through whatever mechanisms are necessary.

**Q17. Would GSA use a SmartBUY pilot and cost-share the risk with sponsoring department, other departments, and the OEM?**

A17. Yes, if the circumstances permit. However, while we want to remain flexible, we currently have no plans to do so.

**Q18. How would GSA provide asset management for the SmartBUY? (e.g., who keeps track of the licenses, keys, versions etc.?)**

A18. Agencies should be conducting asset management as part of their responsibilities under the Clinger-Cohen Act and Executive Order 13103. Based on our early experience with SmartBUY, an interagency team is being formed to better address software asset management. If GSA conducts SmartBUY procurements for software titles, then GSA would also keep track of the licenses,

keys, versions, etc. for those software titles. If GSA delegates its authority as Executive Agent to an agency, then that agency would conduct their designated SmartBUY procurement and keep track of the licenses, keys, versions, etc. In general, we plan to put a greater focus on software asset management.

**Q19. Is it mandatory to migrate an existing Blanket Purchase Agreement (BPA) or Enterprise Software Agreement (ESA) to SmartBUY?**

A19. Yes, if an agency has a requirement for software that is covered by SmartBUY, they need to acquire that software via the respective SmartBUY agreement. Consequently, it is mandatory to migrate existing BPAs or ESAs that fall within this category to SmartBUY.

**Q20. What is the process for migrating an existing BPA or ESA into a SmartBUY contract?**

A20. When appropriate, language in SmartBUY agreements will allow for the migration of existing BPAs and ESAs into SmartBUY.

**Q21. Will GSA/OMB submit language to the FAR Council to incorporate SmartBUY language into the Federal Acquisition Regulations?**

A21. We expect to add language to the FAR Part 8 to identify SmartBUY as a mandatory source for software covered by the SmartBUY program.