

## From the Editor

As we enter the winter months, this also signals the end of another calendar year. We hope you have enjoyed the newsletters and included articles throughout 2013 and we look forward to even more topics in 2014!

This issue includes information about the New Contractor Orientation, CPARS, and AbilityOne training. You can find tips about Subcontracting Plans and Prompt Payment Discount. Also ensure you are aware of GSA joining the Sustainable Purchasing Leadership Council and your opportunity to comment on the Federal Register about “Green” product standards and Ecolabels.

If you would like to provide feedback and/or have suggestions for subjects to cover in future newsletters, please feel free to contact [contract.relations@gsa.gov](mailto:contract.relations@gsa.gov). ■



## In This Issue

Prompt Payment Discounts

*Page 2*

Are you on the Best Subcontracting Plan?

GSA and AbilityOne Partnership Training Series

*Page 3*

Provide Your Feedback on Draft Guidelines on the Use of “Green” Product Standards and Ecolabels

*Page 4*

What is CPARS and What Does it Mean to Me?

*Page 5*

General Services Administration Joins the Sustainable Purchasing Leadership Council

*Page 6*

## New Contractor Orientation

Are you a new GSA Multiple Award Schedule (MAS) contract holder? If this is your first MAS contract, it is in your best interest to attend a New Contractor Orientation. This presentation will provide you with important information that will assist you with making your contract successful. You can attend the New Contract Orientation at no cost to your company one of two ways:

- Live Webinar – Presented online with the ability to chat questions to GSA personnel
- Online – Complete via the [Vendor Education Center](#)

GSA notifies all contractors of the opportunity to attend a live webinar via e-mail. After two e-mail attempts, however, we will refer you to the Vendor Education Center to complete the New Contract Orientation online. Therefore, if you would like to attend the live webinar, look for the e-mail requesting you to sign up! ■



## Prompt Payment Discounts

Prompt payment discounts are incentives offered by vendors to encourage faster payment. Discounts for early payment may be incorporated into the base GSA Schedule contract or offered on individual invoices. The government will take this discount if payment is made within the specified prompt payment period, except when payment is made by the government purchase card.

Refer to your company's original GSA Schedule contract (Standard Form 1449 and attached pages) or subsequent modifications (Standard Form 30) to determine if you have agreed to a prompt payment discount. If your GSA Schedule prompt payment terms are Net 30, you have not agreed to a prompt payment discount, but can choose to offer one to GSA Schedule customers to encourage early payment. Per Clause I-FSS-600, Contract Pricelists (JUL 2004), your company must display its prompt payment terms on its GSA Schedule pricelist, including the version posted on [GSAAdvantage!](#)<sup>®</sup>.



If your company has agreed to a prompt payment discount, those terms must be displayed on the GSA Schedule invoices (refer to FAR 52.212-4, Contract Terms and Conditions – Commercial Items (FEB 2012) (Deviation FEB 2007)).

### Prompt Payment Discounts in Practice

Let's say your company has agreed to prompt payment terms of 1% 10 Days, Net 30 under its GSA Schedule contract and has just received its first GSA Schedule task order. The prompt payment discount terms, 1% 10 Days, Net 30, must be displayed on all subsequent invoices. If the customer pays within 10 days, they are entitled to a 1% discount on the invoice amount. However, customers making payments in 11 days are not entitled to the 1% discount. Please note payments made by government purchase card are not eligible for a prompt payment discount.

### Are Prompt Payment Discounts Negotiable?

Contract holders with standard Net 30 payment terms are free to offer prompt payment discounts on individual orders and invoices, and contractors who have agreed to a GSA Schedule prompt payment discount may offer additional discounts. However, customers are not permitted to negotiate prompt payment discounts out of the contractual agreement in exchange for other considerations.

For example, a federal agency may offer to waive a prompt payment discount in exchange for other considerations, such as a price discount, if they do not anticipate paying by the discount deadline. However, customers must abide by FAR 8.406-1 when ordering from a GSA Schedule contract; the clause states customers "...shall place an order directly with the contractor in accordance with the terms and conditions of the pricelists." In other words, if your pricelist contains a prompt payment discount, it cannot be waived. In such a scenario, the customer may still seek additional concessions, but not in exchange for the prompt payment discount. ■

## Are you on the Best Subcontracting Plan?

### What's the Differences between Commercial and Individual Subcontracting Plans?

Commercial plans cover the entire business activity of a company. The plan is submitted and negotiated annually, based on a company's fiscal year (12 month period). This plan includes proposed goals based on the anticipated subcontracting for both commercial and government business. Once the commercial plan is approved, this can be utilized for additional commercial subcontracting plans for any Federal Agency during the same fiscal year.

Individual plans are specific to a single contract with a specific agency. It will cover the entire contract period or term, and will be renewed or renegotiated at option periods. Keep in mind that contract goals and dollars are stated and reported separately in an individual plan.

### When Should I Use One Over the Other?

A Commercial plan is preferred if your company is furnishing "commercial" type products and services to the federal government. A benefit of a Commercial plan is that you only need to submit one (1) Summary Subcontract Report (SSR) annually for all contracts that have the Commercial plan. This should be submitted during the first 30 days of October each year.

Each contract with an Individual plan requires you to submit an Individual Subcontract Report (ISR) twice a year in April and October. Additionally, you are required to fulfill the SSR requirement mentioned above.

It is important that your company carefully assesses the differences between these types of plans and selects the appropriate plan that is best suited to ensure the subcontracting requirements of your contracts awarded are appropriately monitored. For more information on subcontracting plans, please refer to the requirements outlined in FAR Part 19.7- The Small Business Subcontracting Program, which are also detailed in FAR Part 52.219.9 and GSAM 519.7.

subcontracting  
plan

Submitted and negotiated annually  
FAR Part 19.7 – The Small Business Subcontracting Program

COMMERCIAL VS.  
SSR

INDIVIDUAL  
ISR + SSR

FAR Part 52.219.9 and GSAM 519.7

## GSA and AbilityOne Partnership Training Series

In last quarter's newsletter we announced a three part training series that is being provided in conjunction with AbilityOne and GSA. The link below is the first training class entitled AbilityOne Program Overview and Distribution Authorization. This class will inform you on: AbilityOne's mission and goals, explain the Statutory and Regulatory Framework, and provide information on how to become an AbilityOne Authorized Distributor. For access to this training please click on the following link to register and the training will immediately begin. <https://cc.callinfo.com/cc/playback/Playback.do?id=h1ghv5>

*Please look for our second training session in next quarter's newsletter about AbilityOne's Compliance Program.*



## GREEN CORNER

### Provide Your Feedback on Draft Guidelines on the Use of “Green” Product Standards and Ecolabels in Federal Procurement

Big news for MAS vendors selling “green” products! The Environmental Protection Agency (EPA) is proposing Guidelines that are intended to be used as the basis for selecting non-governmental product environmental performance standards and ecolabels for voluntary use in federal procurement. The Guidelines and other relevant information are available on the EPA’s Environmentally Preferable Purchasing website [www.epa.gov/epp/draftGuidelines/](http://www.epa.gov/epp/draftGuidelines/). The site includes a link to the Federal Register which has an online docket that can be used to submit feedback to EPA. Now is your chance to review the Guidelines and share your opinions!

The Guidelines WILL NOT change or revise existing requirements for federal purchasers to purchase products meeting standards, ecolabels, attributes, and programs currently required by Executive Order, statute, or regulation. So ENERGY STAR®, EPEAT, BioPreferred and other programs will still be required for federal buyers. For a full list of these green purchasing requirements, visit the [Green Procurement Compilation](#).

The Guidelines ARE intended to address other product environmental standards and ecolabels. Let’s use furniture as an example. Federal buyers must procure furniture with a minimum level of recovered content<sup>1</sup>. However, there are many other “green” standards and ecolabels that address furniture – including the full product life cycle and environmental impacts. The Guidelines would be used to select these standards and ecolabels for voluntary use in federal procurement.

As a MAS contract holder, a significant impact is that the standards and ecolabels that are determined to meet the Guidelines will eventually be included on *GSA Advantage!*<sup>®</sup>, the Green Procurement Compilation and other platforms.

The Guidelines offer a fair, systematic and transparent way for GSA to increase its green offerings and help agencies to make a more sustainable government. Now is the time to let EPA know what you think!

#### The Guidelines are organized into the following four sections:

**Section I** “Guidelines for the Process for Developing Standards” addresses the procedures used to develop, maintain, and update an environmental standard.

**Section II** “Guidelines for the Environmental Effectiveness of the Standards” addresses the criteria in the standard or ecolabel that support the claim of environmental preferability.

**Section III** “Guidelines for Conformity Assessment” addresses the procedures and practices by which products are assessed for conformity to the criteria specified by standards and ecolabeling programs.

**Section IV** “Guidelines for Management of Ecolabeling Programs” addresses the organizational and management practices of an ecolabeling program.



<sup>1</sup> EPA’s Comprehensive Procurement Guidelines establish the recovered content thresholds for various product categories. See [sftool.gov/greenprocurement](http://sftool.gov/greenprocurement) for more information.



## What is CPARS and What Does it Mean to Me?

### What is the Contractor Performance Assessment Reporting System (CPARS)?

- CPARS is a Web-enabled application that collects and manages a library of automated contractor reports. And before you ask “What is a Contractor Report?”, it is an evaluation that consists of rating and narratives of a contractor’s performance on a specific contract or order.

### What is the purpose of Past Performance Report?

- Provides documentation of a contractor’s ability to meet requirements
- Facilitates Government – Contractor Communication
- Determines Prospective Contractor Responsibility

### Who drafts the Past Performance Report?

- Those assigned reporting responsibilities for the contract, such as, the Assessing Official, the Assessing Official Representative, and the Contracting Officer Representatives can all provide contract performance information.

### Does the contractor get to comment on a Past Performance Report?

- Yes, contractors are notified when they can review and comment on a past performance report. Although be aware that the contractor only has a 30 days window.

### Who can access Past Performance Report?

- Government personnel with need to know
- Contractor who is subject of the report (evaluation)

### How long will a Past Performance Report be held?

- The Past Performance Report is retained until three years after contract completion.

### What proactive measures can I do to improve future Past Performance Report?

- Discuss expectations
- Discuss areas to be evaluated
- Communicate regarding evaluations
- Don’t wait until the final evaluation to communicate regarding your performance!

### How can I learn more about CPARS?

- You can enroll in a [CPARS Contractor Course](#) or review [CPARS FAQ](#)
- Contact the CPARS Helpdesk (Monday - Friday; 6:30 a.m. – 6:00 p.m. EST) Phone: (207) 438-1690

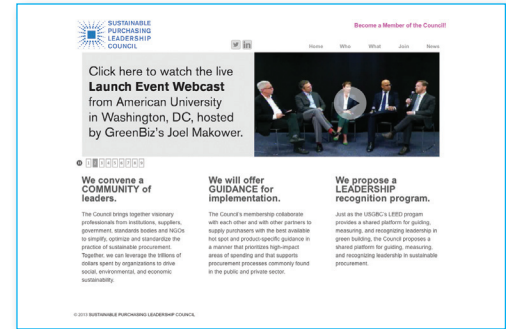


## General Services Administration Joins the Sustainable Purchasing Leadership Council

The General Service Administration recently joined the newly formed Sustainable Purchasing Leadership Council (SPLC). The mission of the SPLC is to support institutions in understanding and taking responsibility for all of the consequences of their spending. GSA believes that the SPLC, as an organization and a framework, will assist GSA meet the sustainable purchasing objectives of Executive Order 13514 and Federal Acquisition Regulation Part 23.

The SPLC's activities include the following:

- Convening a **COMMUNITY** of leaders in sustainable procurement. The Council brings together professionals from institutions, suppliers, government, standards bodies and NGOs to simplify, optimize and standardize the practice of sustainable procurement.
- Offering **GUIDANCE** for implementing sustainable procurement. The Council's members collaborate with each other and with other partners to supply purchasers with the best available guidance in a manner that prioritizes high-impact areas of spending.
- Developing a **LEADERSHIP** recognition program. The Council is developing a shared rating system for guiding, measuring and recognizing leadership in sustainable procurement.



The SPLC's vision for leadership in sustainable purchasing aligns with several initiatives being conducted by GSA. For example, the SPLC emphasizes the importance of organizations undertaking a sustainability analysis of their spending. GSA recently completed this type of analysis for GSA and other federal agencies. The SPLC recognizes a need for an independent respected body that can guide organizations through the overwhelming, disparate and sometimes conflicting guidance for products and services. GSA has been addressing a portion of this problem by working with EPA to develop guidelines regarding federal use of eco-labels. Collaboration with the SPLC will improve the effectiveness of these initiatives.

The purpose of this article is to inform MAS contractors about GSA membership. No action is necessary on the part of MAS contractors at this time. If you are interested in more information about the SPLC or want to join, please visit <http://www.purchasingcouncil.org/>.

### ANALOGY USBGC / LEED

The SPLC wants to improve sustainable procurement in the same way that the U.S. Green Building Council (USGBC) improved green building through LEED (Leadership in Energy & Environmental Design). Before LEED, green building was complex. LEED brought clarity that is helping green building become the norm .

BEFORE (early 1990's)	AFTER (early 2010's)
Market fragmented by inconsistent guidelines	LEED provides all stakeholders common language
Can't differentiate credible from greenwashing	LEED defines credible standards and eco-labels
Leadership recognition based on marketing	Leadership recognition based on performance
Creativity consumed reinventing the wheel	Creativity focused on innovation
ROI demonstrated on a case by case basis	ROI of LEED approach consistently documented
No shared training program for green for green building	LEED AP provides common training program