



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

OCT 18 2010

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: Federal Strategic Sourcing Initiative Blanket Purchase Agreements
for Office Supplies

In June 2010, the General Services Administration (GSA) awarded fifteen (15) Federal Strategic Sourcing Initiative (FSSI) Office Supply Blanket Purchase Agreements (BPAs) for a base year and three one-year option periods. The BPAs are the result of a collaborative effort of agencies (led by GSA) to provide office supply ordering vehicles for use by Federal Agencies as a means of leveraging the Government's buying power.

DOC is committed to using the BPAs to the maximum extent practicable in order to take advantage of the significant discounts realized through this competition. Savings are expected to range from 5% to 20%, with discounts averaging 19%. The greatest discounts will be for the top 1,000 core office supply items purchased across the Federal Government. Discounts will increase as the collective purchases increase across the Federal Government. Once a tiered discount threshold is reached on collective purchases against a BPA, the next tiered discount will apply to all orders for the life of the BPA or until the next discounted tier is reached.

Effective immediately, DOC Contracting Officers, purchasing agents and purchase cardholders shall first review the FSSI Office Supply BPAs to determine if they offer the best value for the agency (e.g., price, quality, warranty, etc.) before purchasing items from any other source. A blanket exception to use of the FSSI Office Supply BPAs is approved for offices located in Herbert C. Hoover Building or at Census Headquarters when the *PaperClips* store is utilized. Decisions to not utilize the FSSI Office Supply BPAs shall be documented in the acquisition file or purchase card record detailing the basis for determining not to utilize the FSSI Office Supply BPAs and shall include an approval by the servicing Bureau Procurement Official (BPO). (A list of the Department BPOs is included at the end of this memorandum.) No BPO approval is required for use of *PaperClips*; however, if a purchaser in HCHB or at Census Headquarters does not utilize *PaperClips*, use of the FSSI Office Supply BPAs are mandatory unless a specific exception is granted by the servicing BPO. Approval of the exception can be accomplished via e-mail by providing the BPO with the exception determination and e-mail response by the BPO. A

copy of each exception determination shall be provided to the Office of Acquisition Management (OAM) at TQueen@doc.gov. It is expected that determinations will provide a concise rationale for not using the FSSI BPAs that reflects adequate planning for needs occurred and that urgent requirements do not result from poor planning.

It is recognized that there will be situations where either immediacy of need or availability of better pricing warrant not using the BPAs. By documenting the exceptions to use, OAM will be able to provide important information to the FSSI team, particularly where better pricing is available. OAM will monitor use of the BPAs and compliance with the exception process as part of their routine acquisition management oversight.

There are three BPA pools from which to choose. Pool 1 consists of nine (9) BPAs and focuses on participation from targeted socio-economic category businesses. Pool 2 consists of three (3) BPAs focused on lowest price. Pool 1 and 2 vendors carry all the top 1,000 core office supply items. Pool 3 consists of three (3) BPAs for toner products and toner cartridges, and focuses on small disadvantaged and service disabled, veteran-owned small businesses. We recommend comparing prices among BPA holders to obtain the lowest prices.

COs can use e-Buy on GSA Advantage to compete amongst the BPA holders and obtain additional discounts. For example, additional discounts should be offered for large dollar requirements (e.g., \$100,000). COs can also solicit quotes by contacting the BPA holders. Toward the end of calendar year 2010, the large business BPA holders will offer the same discounted prices in their stores if the government purchase card is used.

OAM shall issue guidance regarding the waiver requirements which will apply to non-use of the Office Supply BPAs. If operating units are consistently identifying that the BPAs do not offer the best pricing or unsatisfactory products or service, documentation should be provided to OAM (HHurcome@doc.gov) to enable informing GSA and the Office of Federal Procurement Policy of those issues.

Additional information on accessing the Office Supply BPAs is provided in the attachment.

Bureau Procurement Officials

Mitchell J. Ross, NOAA

Michael Palensky, Census

Darryl Anderson, O/S

Cecelia Royster, NIST

Kate Kudrewicz, PTO

Attachment

Second Generation Federal Strategic Sourcing Initiative

The Second Generation Federal Strategic sourcing Initiative Office Supply BPAs are divided into three pools:

POOL ONE – comprised of nine companies that provide **full office supply** catalogs.

Vendor Name	BPA Number	Socio-Economic Status*
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
SITA Business Systems, Inc.	GS-02F-XA006	S/D/W
Stephens Office Supply	GS-02F-XA014	S/W
WECSYS LLC	GS-02F-XA007	S/D

POOL TWO – comprised of three companies that provide **full office supply catalogs, next day delivery, secure desktop delivery, fill/kill and international shipping.**

Vendor Name	BPA Number	Socio-Economic Status*
EZ Print Supplies, Inc.	GS-02F-XA008	S/W
Office Depot	GS-02F-XA009	L
Staples, Inc.	GS-02F-XA013	L

POOL THREE – comprised of three companies that provide **toner cartridges.**

Vendor Name	BPA Number	Socio-Economic Status*
ASE Direct, Inc.	GS-02F-XA010	SDVOSB
Cartridge Savers, Inc.	GS-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

To use the BPAs on GSA Advantage and/or obtain current pricing:

- Go to <https://www.gsaadvantage.gov>;
- There are 3 ways to access the FSSI Office Supplies BPA's from GSA Advantage:
 - Select Strategic Sourcing BPA's under Special Programs, or
 - Select FSSI Office Supplies under Products, or
 - Select FSSI Office Supplies under the drop down menu that shows "All Categories."
- Scan down to the listing of FSSI Office Supplies BPAs or to access the FSSI Office Supplies Store directly, enter <https://www.gsaadvantage.gsa.gov/fssi/office-supplies>
- 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.
- Ensure that you follow the order procedures outlined below:
 - *Orders at or below the micro-purchase threshold.* An ordering agency may place orders at or below the micro-purchase threshold (\$3,000) with any Pool 1 Full Catalog BPA holders and Pool 2 full Catalog BPA holders which include next day delivery, desktop delivery, secure desktop delivery, Fill or Kill and International shipping, in addition to Pool 3 toner Only BPA holders. An ordering agency should attempt to distribute orders at or below the micro-purchase threshold among all BPA holders.
 - *Orders exceeding the micro-purchase threshold but not exceeding the maximum order threshold (\$150,000).* Ordering activities shall place orders with the schedule contractor that can provide the supplies that represents the best value. Before placing an order, an ordering activity shall consider reasonably available information about the supply offered under the BPA by surveying at least three BPA-holders from Pool 1, 2, and 3 through *GSA Advantage!*® on-line shopping service, or by reviewing the catalogs or pricelists of at least three BPA-holders. In addition to price, when determining best value, the ordering activity may consider, among other factors, the following:
 - 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 exceeding the maximum order threshold (\$150,000).* Each schedule contract has a maximum order threshold established on a SIN-by-SIN basis. 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 in the above paragraph (for orders above the micro-purchase threshold but not exceeding the maximum order threshold) and before placing an order that exceeds the maximum order threshold, ordering activities shall—
- Review the pricelists of additional BPA-holders among Pool 1, 2, and 3
 - Based upon the initial evaluation, seek price reductions from the BPA-holder(s) considered to offer the best value; and
 - After seeking price reductions, place the order with the BPA-holder that provides the best value. If further price reductions are not offered, an order may still be placed.
- 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 day delivery is standard but next day, desktop, secure desktop and international delivery are available at additional costs.

Other Pertinent Information for Use

No competition is required on orders below the micro-purchase threshold, \$3,000. 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.

Through the use of these BPAs you can be assured you are not paying sales tax when using your purchase card. As well, by using your government-wide purchase card, you'll automatically get the BPA prices (regardless of how orders are placed).

All BPA holders are required to remain Ability One certified resellers.

Reminder: Awards under these programs can help the agency achieve mandatory socio-economic goals and sustainability goals under the Green Procurement Program.

If you are interested in obtaining green office supplies, you will be able to see all available items under various environmental attributes.