

The Road to CIO-SP4: Uncharted But Not Entirely Uncertain



Aside from [DoD's ASTRO solicitation](#) scheduled for release in early 2020, the next big contract that IT and Professional Services firms should have their eyes on is NITAAC's Chief Information Officer Solutions and Partners 4 (CIO-SP4). Based on recent communications, the CIO-SP4 solicitation is expected to be released in **October of 2020**, with a draft solicitation to be released in **March 2020**.

NITAAC (NIH Information Technology Acquisition and Assessment Center) has used a traditional best value approach on previous iterations of the CIO-SP"x" contracts, but it appears that the recent successes of scorecard RFPs has found its way to NITAAC. Based on recent correspondence between NITAAC and current CIO-SP3 holders, we anticipate NITAAC to adopt their own version of the scorecard RFP for the CIO-SP4 on-ramp.

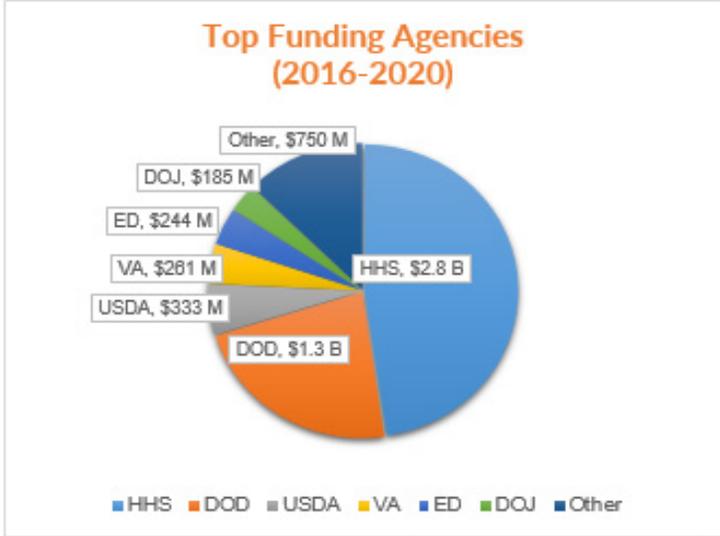
In the sections that follow, we will take a look at CIO-SP3 in an effort to understand what the future might look like under the next iteration of this Governmentwide Acquisition Contract (GWAC). Based on our historical review and research of the current state, we will also make some educated projections about what to expect and how to prepare for CIO-SP4.

CIO-SP3 Overview, Performance, and Scope

CIO-SP3 is considered a "Best-in-Class" (BIC) GWAC as defined in the Federal Government's "Category Management" initiative. The vehicle is a multiple-award, indefinite-delivery, indefinite-quantity GWAC, available for use by every federal civilian and DoD agency. There are currently 53 CIO-SP3 contract holders (51 other than small businesses and 2 small businesses). There are also 5 small business vehicles for various socioeconomic categories, but for the purposes of this article we are focused on the unrestricted vehicle.

Given that NITAAC administers the contract, it is not a surprise to find that the Department of Health and Human Services (HHS) accounts for nearly half of the total spend under the vehicle. Within HHS, the National Institutes of Health (NIH) and the Center for Medicare and Medicaid Services (CMS) are the two largest buyers. DoD also accounts for a significant amount of the spend under CIO-SP3, followed by USDA, VA, ED, and DOJ.

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Source: Bloomberg Government (www.bgov.com)

The CIO-SP3 vehicle is designed for IT solutions and services, including health and biomedical-related IT services to meet scientific, health, administrative, operational, managerial, and information management requirements. The primary NAICS code is 541512 (Computer Systems Design Services), but the types of services sold under the contract vary widely at the task order level.

The 2012 solicitation provides insight into the type of services offered under the vehicle, with the use of "Task Areas." NITAAC outlined 10 task areas (listed below) that contractors were required to address in their written proposals:

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- Task Area 1: IT Services for Biomedical Research, Health Sciences, and Healthcare
- Task Area 2: Chief Information Officer (CIO) Support
- Task Area 3: Imaging
- Task Area 4: Outsourcing
- Task Area 5: IT Operations and Maintenance
- Task Area 6: Integration Services
- Task Area 7: Critical Infrastructure Protection and Information Assurance
- Task Area 8: Digital Government
- Task Area 9: Enterprise Resource Planning
- Task Area 10: Software Development

To better understand the categories of services offered under ASTRO, GSA released “Sources Sought” notifications for 24 NAICS codes related to a wide spectrum of services. While these are subject to change, one can assume these NAICS codes are largely aligned with FEDSIM’s intentions for future task orders.

CIO-SP4 Expectations

While we expect certain aspects of CIO-SP4 to align closely with CIO-SP3, there will be some major changes to CIO-SP4. Here is Baker Tilly’s take:

Buyers: Just as everyday consumers develop preferences in where they shop, agencies also develop preferences. Buying centers within the federal government become accustomed to certain contract vehicles and to the contractors who sell through those vehicles. For this reason we anticipate that agency spend under the future CIO-SP4 contract will largely reflect the breakout among agencies that we have seen on CIO-SP3. As RFP writers, NITAAC will prepare a solicitation that caters to their needs, but also entices other federal buyers to choose their vehicle. The largest agency buyers will have a say in RFP scope and structure.

Contract Holders: On the industry side, while incumbent CIO-SP3 contractors are expected to have a “leg-up”, NITTAC has indicated it is interested in moving to a self-scoring system for proposal evaluation (more on this below). Incumbents will have the benefit of a portfolio of existing CIO-SP3 task orders to rely on, which will certainly look strong in a CIO-SP4 proposal, especially if they are “health or bio-medical IT” related. Correspondence at quarterly contract holder meetings may also provide incumbents with greater insight into solicitation expectations; however, scorecard RFP’s deviate from traditional best value procurements in a number of ways. CIO-SP3 contract holders may or may not have the best proposal score, even if they are incumbents. This could present opportunities for those who are currently on the outside looking in.

Scope: The CIO-SP4 scope will be similar to that of CIO-SP3; however, a significant refresh may be necessary to account for IT trends in the digital age. For example, as part of a recent market research exercise performed by the Professional Services Council (PSC) and industry teams, key priorities of HHS were found to include:

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- Smart Cloud and integration with business systems
- Testing and implementing emerging technologies (Blockchain and AI in particular, could have major applications in the health or bio-medical IT space)
- Cybersecurity
- Deriving value from an overabundance of unstructured data
- Implementing new frameworks and techniques such as DevSecOps and Agile to push modernization and adopt a “fail fast” mentality
- Training staff

Given that NITAAC is an organization within HHS, a Health IT focus is certainly expected. Contractors that were successful under the CIO-SP3 vehicle are likely to have past performance submissions that will be in line with the expected Task Areas on CIO-SP4.

Procurement Method: A move to a scorecard RFP will be the most significant update to this existing class of NITAAC vehicles. Scorecard RFPs led by other agencies over the course of the last several years have placed a significant emphasis on the submittal of complex relevant experience projects with strong past performance ratings, as well as proof of approved contractor systems, certifications, and clearances. We anticipate a similar focus from NITAAC on CIO-SP4. Based on experiences working with contractors to prepare bids for other scorecard RFPs like OASIS and Alliant (conducted by GSA), we recommend preparing by beginning to consider or perform some basic activities.

How to Prepare:

1. **Identify potential relevant experience projects:** Work with key personnel in contracts, finance, or program management to find at least 5 projects that:
 - a. Were performed in the past 5 years
 - b. Have a “Health IT” or “Bio-medical IT” focus
 - c. Have a large annual value (at least \$5M in funding per year)
 - d. Have a strong CPARS rating (at least an average of “Very Good” (4.0) or above)
2. **Begin Accumulating Documentation:** The administrative burden associated with these proposals is significant. We recommend beginning to accumulate the following documentation:
 - a. For relevant experience projects, identify and organize all contract award documents, statements of work, contract modifications, and most recent CPARS. Make sure the contract documents are signed by the cognizant contracting officer.
 - b. Identify and organize documentation to demonstrate DCAA, DCMA, or CFA approval for your company’s accounting system, billing rates, purchasing system, earned value management system, and/or estimating system.
3. **Assign roles and determine responsibilities:** To avoid confusion when the solicitation is released, it is best to get the personnel question answered first:
 - a. Who is responsible for checking beta.sam.gov and the NITAAC website for any pre-solicitation updates?
 - b. Who will be the lead program sponsor, contracts manager, finance manager, and proposal manager?
 - c. Who will communicate the status of CIO-SP4 to leadership?
 - d. Does your team need to outsource support to ensure a compliant proposal?

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Below is a summary of the OASIS scorecard, which may provide some insight into the types of attributes that NITAAC could end up considering for point-scoring purposes in CIO-SP4 proposals.

OASIS Scoring				
	Proposal Requirement	Points Possible Per Project	Total Points Possible	Total
Relevant Experience	NAICS	150	750	4,000 Points
	Primary Project Value	100	500	
	Core Disciplines	100	500	
	Locations	100	500	
	Subcontracting/Teaming:	100	500	
	Ancillary Support Products:	50	250	
	Ancillary Support Services:	50	250	
	Cost Reimbursement Projects:	100	200	
	OCONUS Projects:	100	200	
	Mission Spaces:	-	200	
Multiple Award Contracts/Task Orders:	-	150		
Past Performance	Past Performance	600	3,000	4,000 Points
	Total Small Business Goals	200	1,000	
Systems, Certifications, and Clearances	Approved Purchasing System	-	500	2,000 Points
	Current FPRA, FPRR, and/or Approved Billing Rates	-	200	
	EVMS ANSI/EIA Standard-748	-	200	
	Acceptable Estimating System	-	200	
	CMMI Maturity Level 3 or higher	-	200	
	ISO 9001:2008	-	200	
	ISO 17025	-	100	
	ISO 14001:2004	-	100	
	AS9100	-	100	
	Top Secret / Secret Clearance	-	200	
Total			10,000 Points	

4. Preparing Business Systems and Billing Rates: At this time, it is unclear exactly which business systems will receive points in NITAACs CIO-SP4 solicitation. Historically in GSA's scorecard RFPs, proposal points were awarded to contractors with approved business systems and/or billing rates, as shown in the OASIS scorecard above. In OASIS, GSA awarded points to contractors with approved purchasing systems, estimating systems, and Earned Value Management Systems (EVMS). From a billing rate perspective, contractors garnered points for approved billing rates, including provisional rates, final rates, and forward pricing rates.

Additionally, GSA only accepted DCMA, DCAA, and/or "Cognizant Agency" approval for these systems and rates, but it is unclear what level of approval NITAAC will accept in their CIO-SP4 evaluations. Contractors without approved systems should pay close attention to whether NITAAC decides to accept approvals from accredited third parties in addition to government agency approvals.

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Interestingly, NITACC has also preliminarily indicated that point scoring criteria for certifications could include FEDRAMP approval – which would be a notable departure from previous popular scorecard frameworks.

To prepare, contractors should:

- a. Prepare a risk assessment of their business systems to understand status of each
- b. Consider whether it would be beneficial and prudent to contact their cognizant Contracting Officer to ask about the potential for an audit
- c. Use best practices to prepare for the applicable audit

Other Bidding Considerations:

There are many open questions related to allowable teaming structures, the anticipated number of contract awards, and timing. CIO-SP3 and CIO-SP3 Small Business solicitations did allow for partnership and joint venture CTAs, but it would be a leap to assume they will do the same with CIO-SP4. While sales through the vehicle have grown consistently over the past several years, we cannot be certain if the number of CIO-SP4 contracts awarded will also rise. As for timing, announcements from NITACC identify October 2020 as the solicitation release date (with a draft RFP to be released by March 2020), but that timeframe is certainly not set in stone. Baker Tilly plans to track this procurement closely, so stay tuned for updates on any new developments.

For more information on this topic, or to learn how Baker Tilly specialists can help, [contact our team](#).

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