



May 1, 2017

Shondrea Lyublanovits  
Director, Office of IT Security, ITC, FAS  
General Services Administration  
1800 F St. NW  
Washington, DC 20405-0001

Subject: GSA Proposed Continuous Diagnostics and Mitigation (CDM) SIN

Dear Ms. Lyublanovits,

The Coalition for Government Procurement appreciates the opportunity to submit the following comments regarding the proposed Continuous Diagnostics and Mitigation (CDM) Special Item Number (SIN).

The Coalition for Government Procurement (The Coalition) is a non-profit association of firms selling commercial services and products to the Federal Government. Our members collectively account for tens of billions of dollars of the sales generated through the GSA Multiple Award Schedules (MAS) program, VA Federal Supply Schedule (FSS), the Government-wide Acquisition Contracts (GWAC), and agency-specific multiple award contracts (MAC). Coalition members include small, medium, and large business concerns that account for more than 40% of all Government IT spending and 70% of the sales on the CDM BPA. The Coalition is proud to have worked with Government officials for more than 35 years towards the mutual goal of common sense acquisition.

### **Continuous Diagnostics and Mitigation SIN**

The recent CDM RFI proposes the creation a new CDM SIN on IT Schedule 70, replacing the current CDM Blanket Purchase agreements, which expire in August 2018. According to the RFI, in order for hardware and software products to be added to the SIN they must undergo a DHS product qualification process and be added to the CDM Approved Products List (APL). The goal of the proposed CDM SIN is to establish a Government-wide solution to provide a consistent set of CDM tools, as well as to bring innovative tools to the program. The proposed CDM SIN would be the third major SIN update in the past two years for IT Schedule 70. Previously, a Health IT SIN and Highly Adaptive Cybersecurity (HACS) SINs were created for Schedule 70 in order to tap into those markets. Additionally, GSA has also proposed the creation of a Geospatial SIN.

The Coalition supports GSA's efforts to meet Federal agencies' requirements for quality CDM products through the MAS program. We offer the following input on the development of an additional CDM SIN under Schedule 70 and recommendations for alternatives to GSA.

## **Costs for Adding a New SIN**

Coalition members are concerned about the addition of a new SIN to Schedule 70. Adding products and labor categories to a new SIN can be a costly and timely process and increase compliance and contract management costs in the long term. Schedule 70 contractors will have to invest in changes to accounting systems, internal training, and undertake additional reporting. These costs are inevitably passed on to Federal customers in the form of higher prices, which we understand is counter to one of FAS's primary objectives—to lower pricing under the Schedules program.

In addition, Coalition member companies report that they are already able to perform work within the scope of the CDM BPA under the existing Schedule 70 SIN structure, and have been doing so for years.

As GSA considers the establishment of new SINs, such as CDM, the Coalition requests that GSA complete a business case analysis which could include the following information to ensure that the benefits outweigh the costs to industry and customer agencies:

1. Estimated sales under the new SIN
2. Potential customers and volume commitments from customers to use the new SIN
3. Analysis of the current market (i.e. will the Government be shifting its spend from open market purchases to the new SIN and what contract vehicles are currently being utilized to acquire the products)
4. A plan for marketing to and educating customers about the new SIN so that agencies are aware of the new offering and utilize it to the fullest extent possible
5. An estimate of the "total cost of acquisition" including industry's costs and the administrative costs to GSA
6. An analysis of how the products or services under the SIN are acquired in the commercial market

A business case will help to justify GSA's investment in new SINs, and if shared with the public, could be a resource to Schedule holders as they make business decisions about whether to participate in new SINs.

## **Streamlining the Acquisition Process**

According to the CDM RFI, one of the goals of the CDM SIN is to allow offerors to bring new and innovative solutions to the CDM program. The Coalition supports GSA's efforts to encourage vendors to provide innovative solutions, and we believe that this can be best accomplished by streamlining requirements for contractors. Minimizing vendor evaluation, security requirements, and terms and conditions at the SIN level will increase competition, value, and allow vendors the flexibility necessary to provide innovative solutions. Allowing requirements to be determined at the task order level will provide contracting officers with greater flexibility when ordering solutions off the Schedule.

Additionally, there are changes that GSA can make to the Schedules program as a whole which would streamline the acquisition process and enhance vendors' ability to provide innovative CDM products. These enhancements to the Schedules program include:

- Eliminating the price reductions clause
- Reducing unnecessary reporting requirements such as transactional data reporting
- Allowing vendors to cross offer products and labor categories across multiple SINs, particularly in light of the new market focused SINs on Schedule 70
- Developing a streamlined process so that certain products (such as for CDM products) can be added to Schedule quickly. It is difficult for a vendor take a newly developed product to market and have sufficient sales to satisfy the Commercial Sales Practices requirements, while still meeting the critical mission need the product was developed to support in a timely manner.

### **Summary of Recommendations**

Instead of creating a new SIN for CDM products, the Coalition recommends that GSA consider the following alternatives:

1. Create an icon to identify products on the APL, similar to the way an icon for ENERGY STAR is used to identify green products
2. Improve the functionality of *GSA Advantage!* so that approved products can be easily located, researched, and purchased by Government buyers
3. Invest in training programs that demonstrate how CDM products can be acquired under the existing structure of Schedule 70. GSA can accomplish this by utilizing the Office of Customer and Stakeholder Engagement (formerly known as the Office of Customer Accounts and Research) to provide training to Government buyers

In regards to creation of new SINs, the Coalition recommends that GSA take the following steps before new SINs are added to the Schedule:

1. Complete a business case analysis for the creation of new SINs and share the analysis with industry—measure Total Acquisition Costs in the business case to include industry's costs and GSA's administrative costs. The business case analysis should clearly outline if benefits of the proposed SIN exceed the costs of creating it. The business case should also look at the way the products or services are acquired commercially.
2. Create a plan for marketing to and educating customers about the new SIN so that agencies are aware of the new offering and utilize it to the fullest extent possible
3. Streamline the process for adding new products to the SIN in order to ensure innovation and flexibility. The SIN should also the maximum extent practicable mirror the way that products and services are acquired commercially.
4. Simplify the requirements at the Schedule contract/SIN level in order to minimize administrative costs for industry, which will lead to lower prices for Government buyers and ultimately ensure that new and innovative products can reach customers in a timely manner.

Along with the recommendations discussed above, we would also like to submit the following questions. Answers to these questions will help provide clarification to questions that Coalition members have regarding the direction of the new SIN.

- There has been a shift in recent years towards SINs divided by market (i.e. healthcare IT, cybersecurity, geospatial, and CDM) as opposed to SINs divided by scope (products, services, software). Has analysis been conducted on these new “market SINs” and their return on investment and their effectiveness for bringing spend under management?
- Is GSA considering alternatives to the creation of a SIN, such as establishing the APL, but allowing companies to continue to list their products on already existing SINs or developing an icon to identify contractors/products/services that meet certain criteria?

Thank you for considering the Coalition’s comments concerning the development of a Continuous Diagnostics and Mitigation SIN. If there are any questions, please contact me at (202) 331-0975 or [rwaldron@thecgp.org](mailto:rwaldron@thecgp.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'RWaldron', with a long horizontal flourish extending to the right.

Roger Waldron  
President