



FISCAL YEAR

2017



SCHEDULES & GWAC PERFORMANCE

ACRONYM LIST

| | |
|---|---|
| BPA - Blanket Purchase Agreement | GSA - General Services Administration |
| CDC - Centers for Disease Control and Prevention | GWAC - Government-wide Acquisition Contract |
| CPI - Consumer Price Index (a measure of inflation) | HCaTS - Human Capital and Training Solutions |
| DHA - Defense Health Agency | HHS - Department of Health and Human Services |
| DHS - Department of Homeland Security | HUD - Department of Housing and Urban Development |
| DLA - Defense Logistics Agency | IDIQ - Indefinite Delivery/Indefinite Quantity |
| DOC - Department of Commerce | MAS - Multiple Award Schedule |
| DOD - Department of Defense | NASA - National Aeronautics and Space Agency |
| DoEd - Department of Education | NIH - National Institutes of Health |
| DOE - Department of Energy | OASIS - One Acquisition Solution for Integrated Services |
| DOI - Department of the Interior | PSS - Professional Services Schedule |
| DOJ - Department of Justice | SEWP - Solutions for Enterprise-wide Procurement |
| DOL - Department of Labor | SSA - Social Security Administration |
| DOT - Department of Transportation | SSQ - Schedule Sales Query |
| EPA - Environmental Protection Agency | USAID - United States Agency for International Development |
| FEMA - Federal Emergency Management Agency | USDA - Department of Agriculture |
| FEDSIM - Federal Systems Integration and Management Center | VA - Department of Veterans Affairs |
| FPDS - Federal Procurement Data System | |
| FSS - Federal Supply Schedule | |
| GAO - Government Accountability Office | |

Dear Members,

The Coalition for Government Procurement is thrilled to be able to present our Second Annual Market Report: A View of the Schedules, GWACs, and Commercial Item Contracting. The report has been developed to help our members with their business development and acquisition policy objectives.

The Coalition is always looking for new ways to improve the member experience, and we believe that this publication will continue to be an essential benefit of Coalition membership in the coming years. We encourage members to provide any thoughts on future topics for this report!

As the Federal market continues to change and grow, the Coalition is ready to help members navigate through the complexities and to support common sense acquisition reforms.

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

Roger Waldron
President

A handwritten signature in black ink, appearing to read 'Bill Gormley', written in a cursive style.

Bill Gormley
Chairman



INTRODUCTION

In FY2017, the Federal Government spent more than \$500 billion on contracts – reaching a five year high of contract spending. The Government also spent more than \$31 billion on the GSA Multiple Award Schedules (Schedules) program and \$14 billion on the VA Schedules, which makes the Schedules the largest multiple award contract (MAC) in the Federal Government. Despite a slight decline in spending on the Schedules, it still remains a significant portion of Government spending.

2017 also saw several interesting developments in the Federal Market, including:

- Schedules – Although the overall spending on the Schedules declined slightly, several markets within the Schedules have experienced growth including spending on six different Schedules like IT Schedule 70, Schedule 56, Schedule 66, and Schedule 738 X, spending on the VA Schedules, spending on Blanket Purchase Agreements (BPAs), spending through GSA Advantage!, and spending through GSA eBuy
- GWACs – For the tenth year in a row, spending on the Government-Wide Acquisition Contracts (GWACs) increased, bringing total GWAC spending up to almost \$13 billion in 2017
- Assisted Acquisition Services – Agencies spent more than \$5 billion on GSA's Assisted Acquisition Services, making it one of the largest portfolios within GSA and indicating the popularity of these services with Agency customers
- Blanket Purchase Agreements – Spending on BPAs increased for the fourth year in a row, and BPAs now account for more than 46 percent of total spending on the Schedules
- Federal Healthcare Market – Spending on healthcare products and services has increased for the fourth year in a row, and that trend is

likely to continue as the veteran population grows over the next few years. Interestingly, spending on the Medical Supplies and Equipment Schedule (65 II A) declined slightly as the VA seeks to implement the Medical/Surgical Prime Vendor (MSPV) program.

- e-Commerce –As GSA and OMB implement Section 846 of the 2018 NDAA, e-Commerce is going to remain an important fixture in the Federal market. Existing government-managed e-commerce platforms, such as GSA Advantage!, represent a small portion of current spending, in this case less than 2 percent or \$600 million of Schedule spending. However, the use of these portals has been increasing and remains prominent in some commercial product markets such as office supplies and hardware.
- Contract Duplication – The percentage of open market spending for commercial items increased slightly in 2017. While contract duplication remains a serious issue, some agencies, such as the SSA, VA, and the Treasury Department, have made strides to utilize existing contracting vehicles. Conversely, HHS, State Department, and USDA are the agencies least likely to use existing contracts for commercial item acquisitions.
- Socio-Economic Goals – According to data from FPDS, spending on small businesses increased for the second year in a row, and the Federal Government has most likely met its goal of 23 percent spending on small business during FY2017. The Schedules and GWACs are crucial tools to help agencies reach their small business goals, accounting for about 10 percent of total spending, but 18 percent of total small business spending. The VA also increased its spending to Veteran-Owned Businesses by almost 20 percent – most likely in response to the Kingdomware Supreme Court decision from 2016.

Notes on the Analysis

- All years are Government Fiscal Years (FY)
- Analysis of the GWACs includes all GWACs from GSA, NASA, and NIH
- There are two main sources of data – Federal Procurement Data System (FPDS) and GSA Schedule Sales Query Plus (SSQ+). FPDS tracks obligations and data are collected by the Government through contract writing systems and manual entry by agency contracting personnel. SSQ+ tracks spending and is reported by vendors and tied to the Industrial Funding Fee and Transactional Data Reporting. Because of the differences, the two systems will have differences in output (SSQ+ estimates Schedules spending at \$31 billion, while FPDS estimates \$29.9 billion). In this analysis, SSQ+ will be used, unless data elements are only available through FPDS.
- Analyses that take place over multiple years have been adjusted for inflation, using the Consumer Price Index (CPI) calculated by the Bureau of Labor Statistics.
- Data are available upon request. Please contact Sean Nulty at snulty@thecgp.org

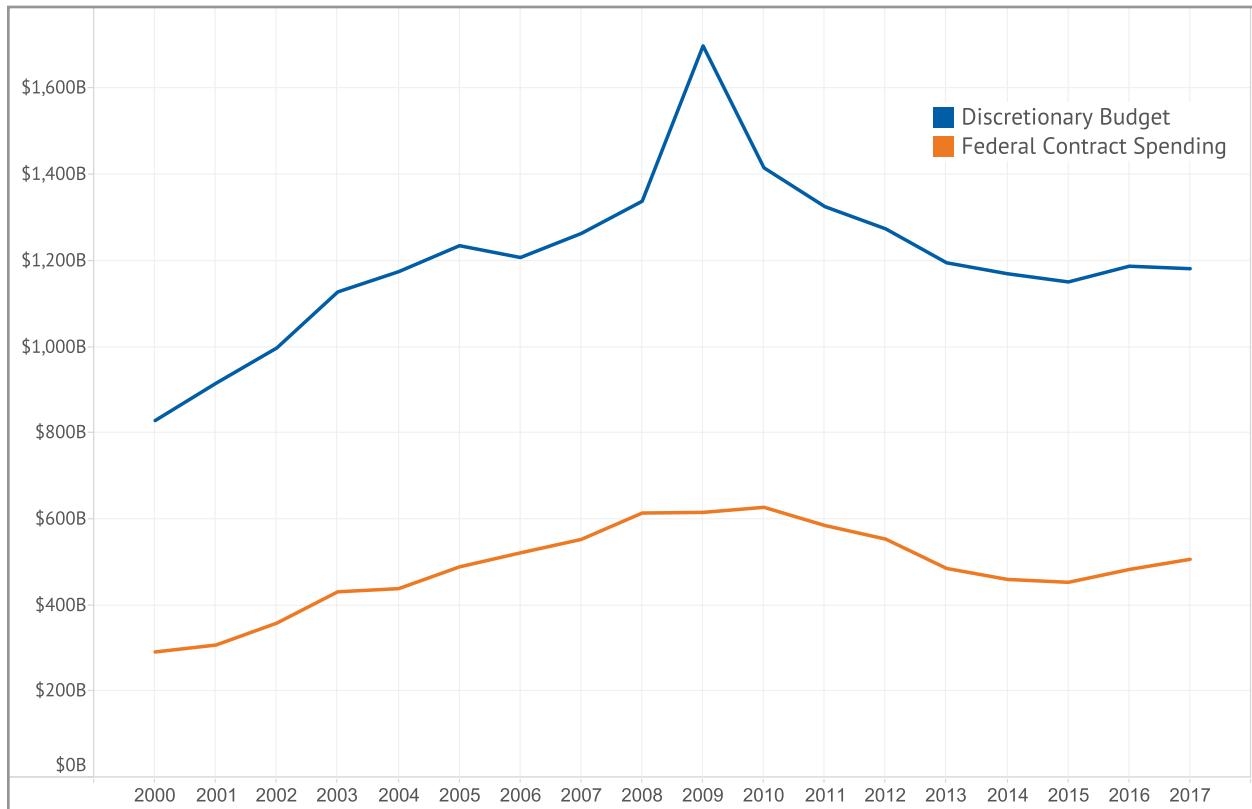


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HOW MUCH IS THE GOVERNMENT SPENDING?



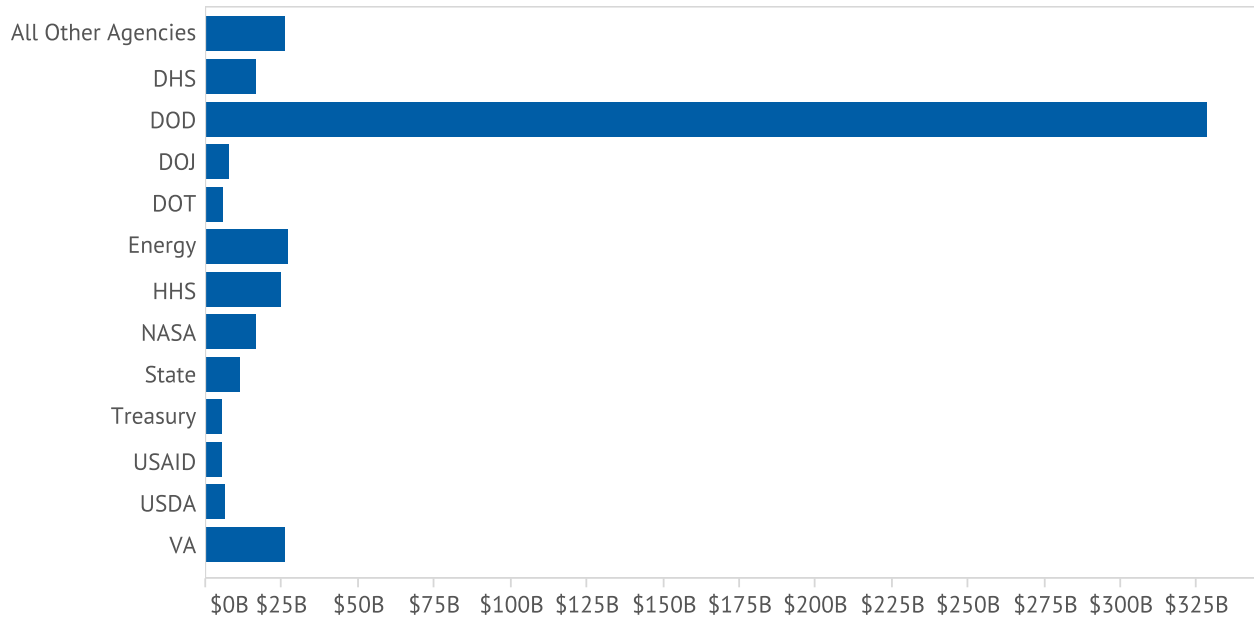
Observations

- This graph shows all spending by the Federal Government through contracts that are reported into FPDS. The graph also shows the total value of the discretionary budget for the year. Discretionary budgets do not include mandatory spending on items such as Social Security, Medicare, and Medicaid.
- Federal contracting accounted for 2.6 percent of US Gross Domestic Product in 2017
- Spending increased after 2001 because of overseas deployments and spending also increased during the recession; there has been decreases due to budget cuts
- Spending has been increasing steadily for the past three years

Source: Federal Procurement Data System, Bureau of Economic Analysis, Bureau of Labor Statistics CPI, President's Budgets

| Year | Inflation-Adjusted Contract Obligations | Inflation-Adjusted Discretionary Budget | Percent of Budget for Contracting | Growth |
|------|---|---|-----------------------------------|---------|
| 2000 | \$291,643,406,397 | \$829,014,032,520 | 35.18% | 5.17% |
| 2001 | \$307,713,226,861 | \$915,704,268,775 | 33.60% | 5.51% |
| 2002 | \$358,728,810,685 | \$997,814,085,603 | 35.95% | 16.58% |
| 2003 | \$431,358,233,956 | \$1,127,826,882,609 | 38.25% | 20.25% |
| 2004 | \$438,722,372,994 | \$1,174,882,542,086 | 37.34% | 1.71% |
| 2005 | \$489,284,084,671 | \$1,235,264,860,215 | 39.61% | 11.52% |
| 2006 | \$521,801,191,799 | \$1,207,799,326,389 | 43.20% | 6.65% |
| 2007 | \$553,104,671,428 | \$1,263,663,846,599 | 43.77% | 6.00% |
| 2008 | \$614,311,940,087 | \$1,338,541,599,628 | 45.89% | 11.07% |
| 2009 | \$615,796,934,392 | \$1,699,314,354,312 | 36.24% | 0.24% |
| 2010 | \$627,616,899,845 | \$1,416,136,867,950 | 44.32% | 1.92% |
| 2011 | \$585,427,267,102 | \$1,326,014,559,804 | 44.15% | -6.72% |
| 2012 | \$553,686,142,883 | \$1,274,313,914,634 | 43.45% | -5.42% |
| 2013 | \$485,615,204,432 | \$1,195,519,271,674 | 40.62% | -12.29% |
| 2014 | \$460,083,999,415 | \$1,170,097,917,617 | 39.32% | -5.26% |
| 2015 | \$453,392,102,481 | \$1,151,063,259,072 | 39.39% | -1.45% |
| 2016 | \$483,226,949,045 | \$1,187,611,518,333 | 40.69% | 6.58% |
| 2017 | \$506,849,338,954 | \$1,181,835,000,000 | 42.89% | 4.89% |

WHO'S BUYING? CONTRACT SPENDING BY AGENCY



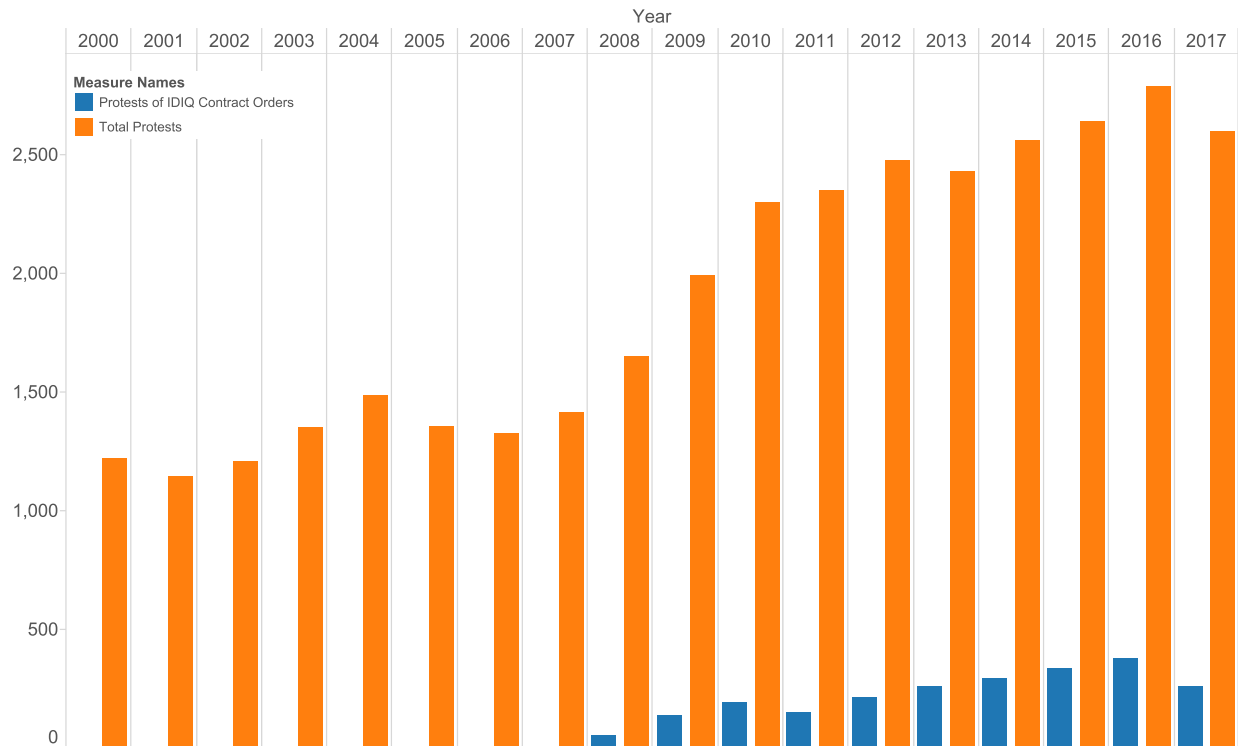
Observations

- DoD is by far the largest source of contract spending, accounting for almost 65 percent of total contract spending
- Most agencies saw significant growth in contract spending
- NASA and Energy have complex missions therefore both spend a high percentage of their budgets on contracting for goods and services such as satellites, operation of the National labs, and R&D

Source: Federal Procurement Data System, President's Budget

| Agency | 2017 Obligations | Annual Growth | Percent of Discretionary Budget on Contracts |
|--------------------|--------------------------|---------------|--|
| DOD | \$328,362,810,806 | 8.01% | 52.45% |
| Navy | \$114,070,535,047 | | |
| Army | \$76,823,217,425 | | |
| Air Force | \$65,762,591,811 | | |
| DOE | \$27,001,818,197 | 1.81% | 90.85% |
| VA | \$26,085,139,698 | 12.36% | 35.02% |
| HHS | \$24,514,693,562 | 2.94% | 30.94% |
| DHS | \$16,731,923,173 | 19.05% | 54.82% |
| NASA | \$16,566,378,724 | 2.49% | 85.73% |
| State | \$11,020,151,306 | 25.11% | 52.60% |
| DOJ | \$7,685,639,938 | 8.09% | 45.25% |
| USDA | \$6,388,239,986 | 8.12% | 25.99% |
| DOT | \$6,071,530,390 | -7.11% | 30.97% |
| Treasury | \$5,277,152,432 | -12.97% | 44.95% |
| USAID | \$5,034,402,902 | 8.81% | 68.12% |
| All Other Agencies | \$26,109,457,838 | 2.43% | 13.66% |
| Total | \$506,849,338,954 | | |

GAO BID PROTEST TRENDS



Observations

- Although protests have been increasing since the early 2000's, the percentage of contracts protested has been relatively flat. In 1995 (not shown on graph), 0.47 percent of contracts were protested - the highest level in the available data
- During 2017, 9.9 percent of all protests were for task or delivery orders under IDIQ contracts, a decrease from 13.5 percent of protests in the previous year
- Also during 2017, contractors received some form of relief in 47 percent of protests, which was an increase from 46 percent in the previous year

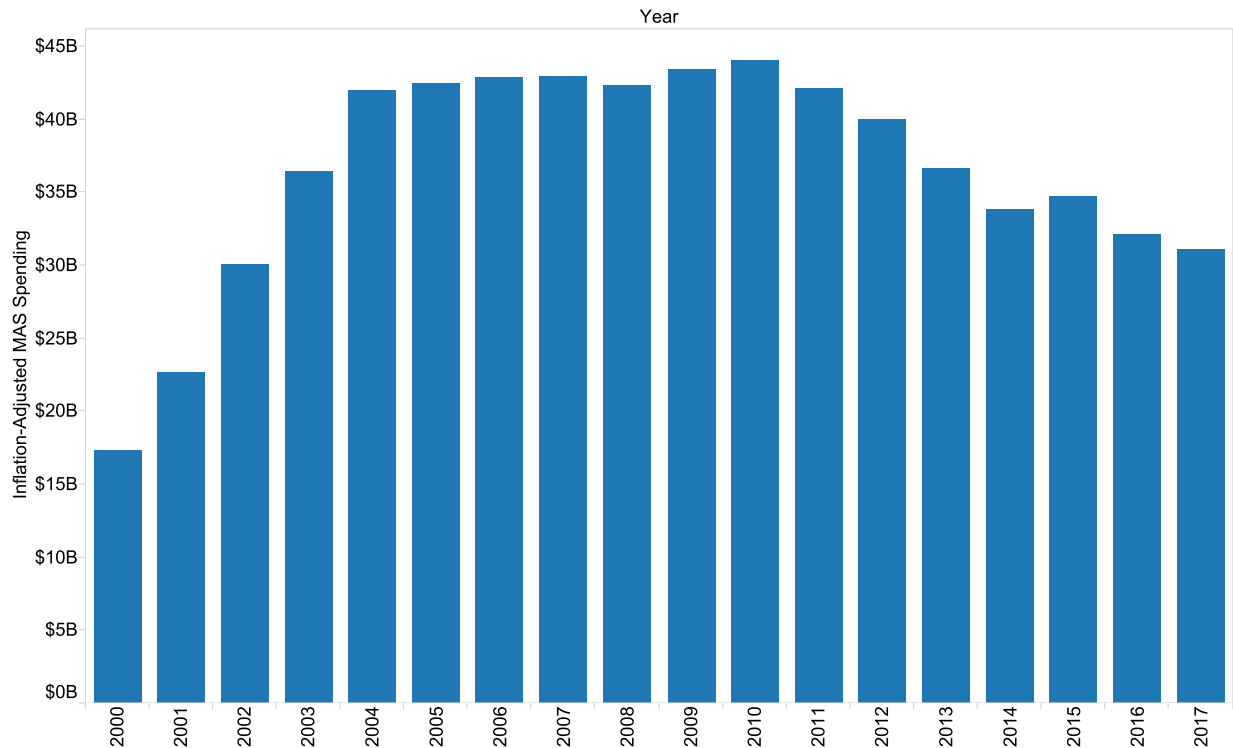
Source: Federal Procurement Data System, GAO Annual Report to Congress

| Year | GAO Protests | Protests of IDIQ Orders | Actions | Percent of Actions Protested |
|------|--------------|-------------------------|-----------|------------------------------|
| 2000 | 1,220 | -- | 594,607 | 0.259% |
| 2001 | 1,146 | -- | 642,064 | 0.205% |
| 2002 | 1,204 | -- | 830,617 | 0.178% |
| 2003 | 1,352 | -- | 1,183,866 | 0.145% |
| 2004 | 1,485 | -- | 2,001,853 | 0.114% |
| 2005 | 1,356 | -- | 2,923,134 | 0.074% |
| 2006 | 1,327 | -- | 3,797,499 | 0.046% |
| 2007 | 1,411 | -- | 4,111,527 | 0.035% |
| 2008 | 1,652 | 49 | 4,504,951 | 0.034% |
| 2009 | 1,989 | 139 | 3,496,468 | 0.037% |
| 2010 | 2,299 | 189 | 3,540,552 | 0.057% |
| 2011 | 2,353 | 147 | 3,403,420 | 0.065% |
| 2012 | 2,475 | 209 | 3,123,541 | 0.069% |
| 2013 | 2,429 | 259 | 2,510,442 | 0.079% |
| 2014 | 2,561 | 292 | 2,524,747 | 0.097% |
| 2015 | 2,639 | 335 | 4,365,048 | 0.101% |
| 2016 | 2,789 | 375 | 4,810,486 | 0.060% |
| 2017 | 2,596 | 256 | 4,849,297 | 0.054% |

THE GSA SCHEDULES

The Largest Contracting Program in the Government

GSA SCHEDULES SALES



Observations

- This graph shows sales on GSA Schedule contracts; the data are reported quarterly by GSA contractors.
- Schedule sales reached their peak in 2010 with almost \$44 billion of sales
- Although the Schedules was originally focused on products, it has been growing to include professional services so that during 2017 more than two-thirds of sales were for services
- Spending has dropped significantly since 2010 because of the scaling back of military actions, an increased political focus on the Federal budget, and the Sequestration of 2013
- Spending on the Schedules has been mostly stable, but sales have fallen in the last two years
- The changes to the micro-purchase and simplified acquisition thresholds could potentially make the Schedules easier to use, but they could also encourage open market purchases

Source: GSA Schedule Sales Query Plus and Bureau of Labor Statistics CPI

THE GSA SCHEDULES

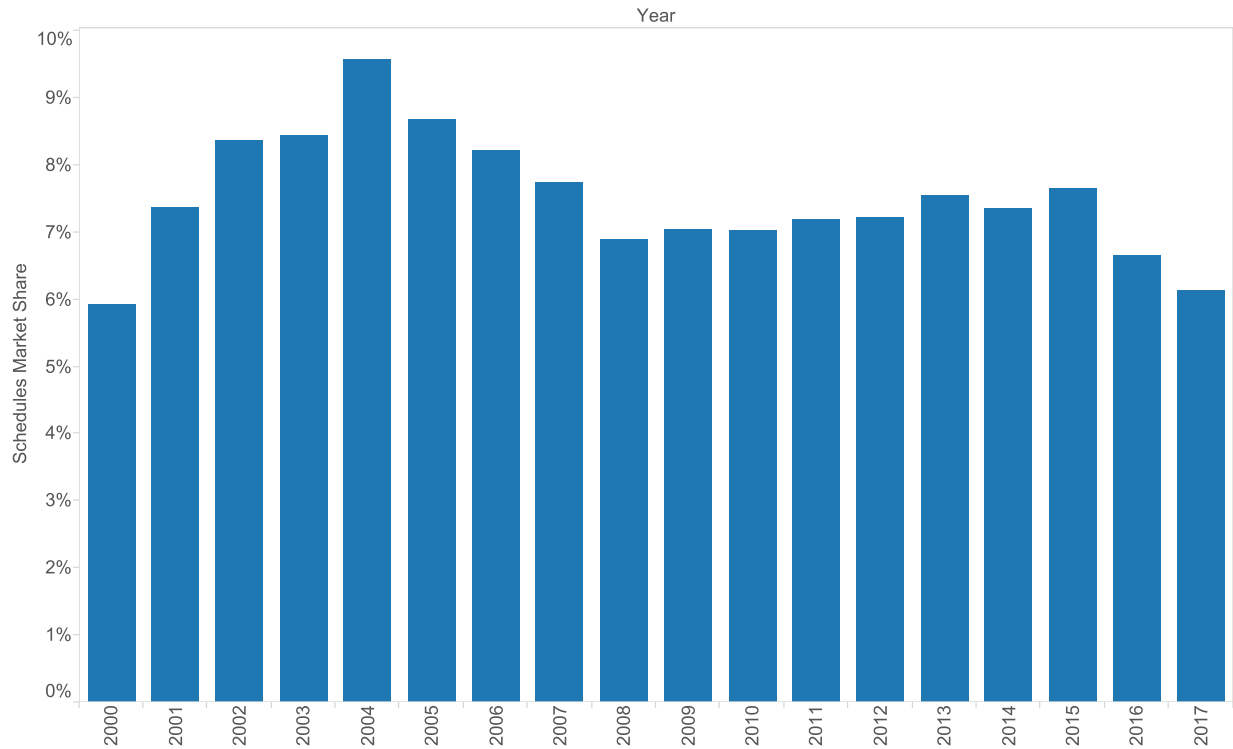
The Largest Contracting Program in the Government

| Year | Inflation-Adjusted MAS Spending | Growth | Percent Sales for Products | Percent Sales for Services |
|------|---------------------------------|--------|----------------------------|----------------------------|
| 2000 | \$17,257,748,651 | 37.88% | 57.98% | 42.02% |
| 2001 | \$22,649,361,382 | 31.24% | 52.06% | 47.94% |
| 2002 | \$30,010,446,090 | 32.50% | 51.34% | 48.66% |
| 2003 | \$36,386,162,103 | 21.24% | 48.55% | 51.45% |
| 2004 | \$41,962,780,711 | 15.33% | 47.24% | 52.76% |
| 2005 | \$42,421,810,631 | 1.09% | 43.28% | 56.72% |
| 2006 | \$42,822,984,564 | 0.95% | 40.71% | 59.29% |
| 2007 | \$42,871,230,176 | 0.11% | 40.15% | 59.85% |
| 2008 | \$42,287,731,437 | -1.36% | 39.43% | 60.57% |
| 2009 | \$43,363,127,680 | 2.54% | 38.67% | 61.33% |
| 2010 | \$43,966,700,858 | 1.39% | 38.19% | 61.81% |
| 2011 | \$42,021,595,389 | -4.42% | 36.26% | 63.74% |
| 2012 | \$39,939,320,683 | -4.96% | 35.38% | 64.62% |
| 2013 | \$36,649,871,367 | -8.24% | 34.20% | 65.80% |
| 2014 | \$33,790,414,176 | -7.80% | 34.17% | 65.83% |
| 2015 | \$34,693,573,838 | 2.67% | 33.53% | 66.47% |
| 2016 | \$32,111,328,301 | -7.44% | 33.46% | 66.54% |
| 2017 | \$31,072,540,872 | -3.23% | 32.46% | 67.54% |

THE GSA SCHEDULES

The Largest Contracting Program in the Government

GSA SCHEDULES MARKET SHARE



Observations

- Schedules market share is an important metric that is calculated by dividing GSA Schedule spending by total contract obligations. Total volume of spend is closely tied with budgets - using market share shows how much the government is using the Schedules based on the levels of funding that are available
- Schedules Market share has been consistently holding at around 6 percent to 7 percent since FY2007.

Source: GSA Schedule Sales Query Plus, Federal Procurement Data System, and Bureau of Labor Statistics CPI

THE GSA SCHEDULES

The Largest Contracting Program in the Government

| Year | Inflation-Adjusted MAS Spending | Inflation-Adjusted Government-wide Spending | Schedules Market Share |
|------|---------------------------------|---|------------------------|
| 2000 | \$17,257,748,651 | \$291,643,406,397 | 5.92% |
| 2001 | \$22,649,361,382 | \$307,713,226,861 | 7.36% |
| 2002 | \$30,010,446,090 | \$358,728,810,685 | 8.37% |
| 2003 | \$36,386,162,103 | \$431,358,233,956 | 8.44% |
| 2004 | \$41,962,780,711 | \$438,722,372,994 | 9.56% |
| 2005 | \$42,421,810,631 | \$489,284,084,671 | 8.67% |
| 2006 | \$42,822,984,564 | \$521,801,191,799 | 8.21% |
| 2007 | \$42,871,230,176 | \$553,104,671,428 | 7.75% |
| 2008 | \$42,287,731,437 | \$614,311,940,087 | 6.88% |
| 2009 | \$43,363,127,680 | \$615,796,934,392 | 7.04% |
| 2010 | \$43,966,700,858 | \$627,616,899,845 | 7.01% |
| 2011 | \$42,021,595,389 | \$585,427,267,102 | 7.18% |
| 2012 | \$39,939,320,683 | \$553,686,142,883 | 7.21% |
| 2013 | \$36,649,871,367 | \$485,615,204,432 | 7.55% |
| 2014 | \$33,790,414,176 | \$460,083,999,415 | 7.34% |
| 2015 | \$34,693,573,838 | \$453,392,102,481 | 7.65% |
| 2016 | \$32,111,328,301 | \$483,226,949,045 | 6.65% |
| 2017 | \$31,072,540,872 | \$506,849,338,954 | 6.13% |

THE GSA SCHEDULES

The Largest Contracting Program in the Government

SALES BY GSA SCHEDULE

| Schedule | Description | 2013 |
|----------------|---|-------------------------|
| 00CORP* | Professional Services | \$11,701,770,590 |
| 03FAC | Facilities Maintenance & Management | \$487,438,190 |
| 23 V | Automotive Superstore | \$219,908,553 |
| 36 | Office, Imaging, & Document Solution | \$724,164,362 |
| 48 | Transportation, Delivery, & Relocation Services | \$583,391,354 |
| 51 V | Hardware Superstore | \$613,662,352 |
| 56 | Buildings & Building Materials | \$410,877,570 |
| 58 I | Professional A/V | \$152,287,917 |
| 66 | Scientific Equipment & Services | \$669,828,443 |
| 67 | Photographic Equipment | \$34,208,743 |
| 70 | Information Technology | \$14,668,107,263 |
| 71 | Furniture | \$1,038,520,517 |
| 71 II K | Comprehensive Furniture Management Services | \$26,373,064 |
| 72 | Furnishings & Floor Coverings | \$46,337,749 |
| 73 | Food Service, Hospitality, Cleaning Equipment & Supplies, Chemicals, & Services | \$217,441,991 |
| 75 & OS3** | Office Products & Supplies | \$617,880,063 |
| 76 | Publication Media | \$105,171,234 |
| 78 | Recreational Products | \$213,296,414 |
| 81 I B | Shipping, Packaging, & Packing Supplies | \$102,407,350 |
| 84 | Total Solutions for Law Enforcement | \$2,024,968,249 |
| 599 | Travel Service Solutions | \$316,380,542 |
| 736 | Temporary Administrative & Professional Staffing | \$109,736,170 |
| 738 X | Human Capital Management & Administrative Support Services | \$232,822,156 |
| 751 | Leasing of Automobiles & Light Trucks | \$3,941,702 |
| Totals: | | \$35,320,922,538 |

Source: GSA Schedule Sales Query Plus

*The Professional Services Schedule (PSS) was created through the consolidation of eight Schedules: 520 (Financial and Business Solutions), 541 (Advertising and Integrated Marketing Services), 738 II (Language Services), 871 (Professional Engineering Services), 874 (Mission Oriented Business Integrated Services), 874 V (Logistics Worldwide), and 00CORP (Consolidated Schedule). The data for FY13-FY15 are the combined sales of the eight schedules that merged into the PSS.

THE GSA SCHEDULES

The Largest Contracting Program in the Government

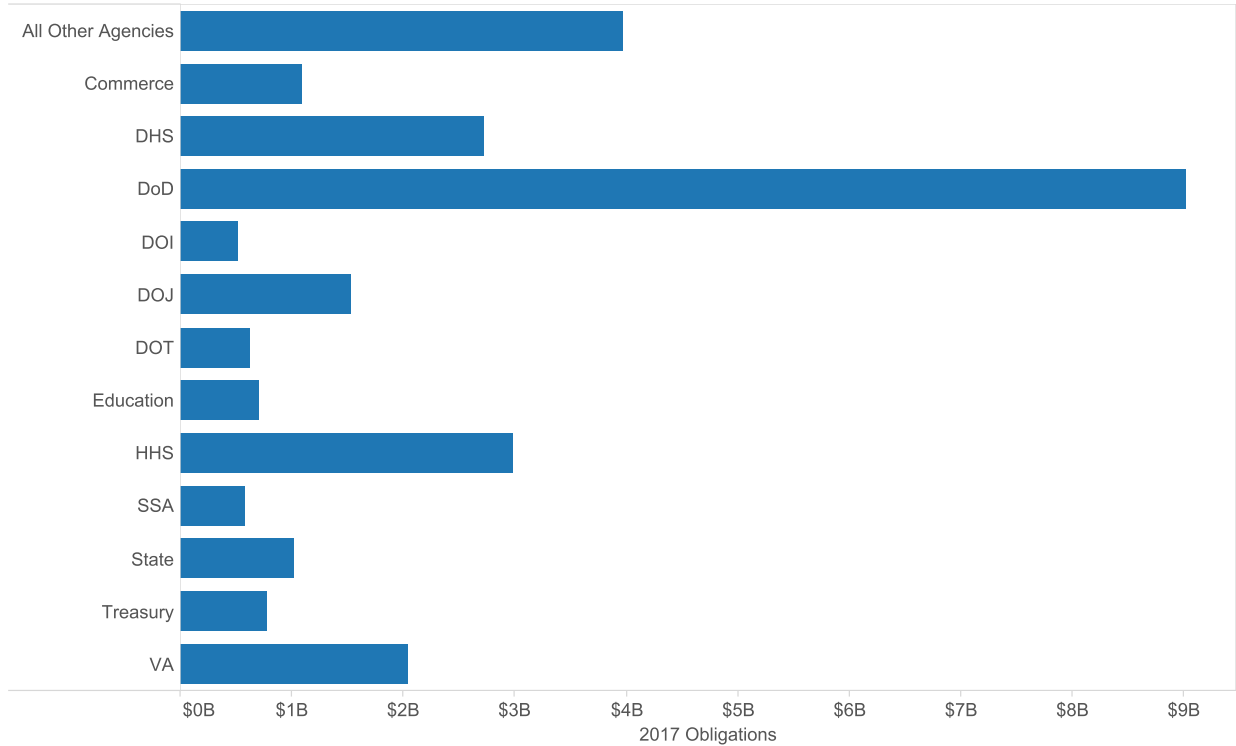
| 2014 | 2015 | 2016 | 2017 | 4-Year CAGR |
|-------------------------|-------------------------|-------------------------|-------------------------|---------------|
| \$10,896,796,793 | \$11,347,075,725 | \$9,735,988,702 | \$9,292,341,886 | -5.60% |
| \$500,710,031 | \$521,910,542 | \$471,987,441 | \$457,764,674 | -1.56% |
| \$165,422,420 | \$194,269,046 | \$204,085,612 | \$172,482,890 | -5.89% |
| \$675,849,909 | \$636,122,979 | \$604,511,646 | \$571,148,218 | -5.76% |
| \$539,154,717 | \$492,375,665 | \$505,744,196 | \$225,351,043 | -21.16% |
| \$628,905,960 | \$664,881,493 | \$653,964,715 | \$602,790,322 | -0.45% |
| \$352,837,399 | \$279,039,617 | \$227,792,902 | \$240,879,055 | -12.50% |
| \$142,692,646 | \$104,263,138 | \$79,526,801 | \$68,886,083 | -17.99% |
| \$632,202,258 | \$621,969,772 | \$622,793,807 | \$639,507,660 | -1.15% |
| \$31,599,217 | \$33,376,854 | \$29,580,049 | \$29,041,686 | -4.01% |
| \$14,294,511,887 | \$14,708,143,248 | \$14,691,492,268 | \$15,004,305,081 | 0.57% |
| \$927,422,436 | \$900,427,230 | \$868,313,334 | \$855,954,708 | -4.72% |
| \$24,327,128 | \$23,283,726 | \$23,050,983 | \$23,011,513 | -3.35% |
| \$37,083,924 | \$35,252,193 | \$36,986,274 | \$27,720,601 | -12.05% |
| \$208,894,669 | \$181,750,748 | \$161,265,636 | \$157,155,907 | -7.80% |
| \$592,812,115 | \$614,142,137 | \$504,130,536 | \$438,780,057 | -8.20% |
| \$101,193,524 | \$102,769,124 | \$90,888,121 | \$79,775,056 | -6.68% |
| \$155,709,011 | \$155,551,606 | \$141,067,170 | \$143,993,144 | -9.36% |
| \$97,377,065 | \$79,860,461 | \$54,901,577 | \$76,492,805 | -7.03% |
| \$1,456,367,928 | \$1,381,249,241 | \$1,250,164,906 | \$1,179,782,347 | -12.63% |
| \$228,218,737 | \$220,988,221 | \$275,355,971 | \$473,350,489 | 10.60% |
| \$104,106,351 | \$123,768,517 | \$125,775,277 | \$111,184,439 | 0.33% |
| \$264,600,081 | \$272,523,426 | \$285,644,951 | \$323,750,112 | 8.59% |
| \$2,302,051 | \$1,509,163 | \$1,214,241 | \$1,269,272 | -24.67% |
| \$33,061,098,257 | \$33,601,717,050 | \$31,510,309,558 | \$31,072,540,872 | -3.15% |

**The FSSI OS2 BPA expired in FY14; the follow-on vehicle OS3 was competed as a separate IDIQ, not a BPA like OS2; although technically separate vehicles, these data show the combined sales of OS3 and Schedule 75 in order to give a more complete view of the Office Supplies market

THE GSA SCHEDULES

The Largest Contracting Program in the Government

AGENCY BUYERS ON THE GSA SCHEDULES



Observations

- DoD, HHS, DHS, and VA are the largest users of the Schedules program accounting for more than 60 percent of spending
- DoD accounts for 64.79 percent of spending government-wide, but 32.7 percent of spending on Schedules; DOE accounts for 5.3 percent of spending government-wide, but 1.6 percent of spending on Schedules (not shown on the graph); NASA accounts for 3.3 percent of spending government-wide, but 0.97 percent of spending on Schedules (not shown on graph). In all three cases these agencies purchase goods and services not available on Schedules (defense goods and services, energy research & development facilities, and satellites, respectively)

Source: Federal Procurement Data System

THE GSA SCHEDULES

The Largest Contracting Program in the Government

| Agency | 2017 Obligations | Growth |
|--------------------|-------------------------|--------|
| DOD | \$9,015,881,751 | 9.27% |
| Army | \$3,123,283,766 | |
| Air Force | \$2,118,245,889 | |
| Navy | \$1,350,331,504 | |
| HHS | \$2,988,878,145 | 1.96% |
| DHS | \$2,716,592,251 | 5.10% |
| VA | \$2,045,650,443 | -0.57% |
| DOJ | \$1,526,962,008 | 3.79% |
| DOC | \$1,090,528,184 | 1.28% |
| State | \$1,015,827,874 | -0.77% |
| Treasury | \$781,579,317 | 7.76% |
| DoEd | \$697,444,955 | 0.05% |
| DOT | \$628,894,893 | -5.64% |
| SSA | \$578,485,170 | -0.01% |
| DOI | \$515,011,938 | 0.04% |
| All Other Agencies | \$3,969,505,113 | -1.38% |
| Total | \$27,571,242,042 | |

THE GSA SCHEDULES

The Largest Contracting Program in the Government

TOP 100 GSA & VA SCHEDULE CONTRACTORS

| | Vendor Name | 2017 Sales | Schedules |
|-----|--|-----------------|------------------------------------|
| 1. | Gilead Sciences, Inc. | \$1,064,462,957 | Schedule 65 I B |
| 2. | Carahsoft Technology Corporation | \$867,585,328 | Schedules 70, 738X |
| 3. | Pfizer, Inc. | \$803,285,768 | Schedule 65 I B |
| 4. | Booz Allen Hamilton, Inc. | \$722,154,860 | Schedules PSS, 03FAC, 70, 84, 738X |
| 5. | Merck Sharp & Dohme Corporation | \$700,637,298 | Schedule 65 I B |
| 6. | Insight Public Sector, Inc. | \$696,378,953 | Schedule 70 |
| 7. | Johnson & Johnson Health Care Systems Inc. | \$661,584,339 | Schedules 65 I B, 65 II A |
| 8. | Dell Federal Systems L.P. | \$624,524,807 | Schedule 70 |
| 9. | Cellco Partnership | \$574,040,802 | Schedule 70 |
| 10. | Deloitte Consulting, LLP | \$528,258,138 | Schedules PSS, 36, 70, 738X |
| 11. | Accenture Federal Services, LLC | \$500,775,560 | Schedules PSS, 70, 738X |
| 12. | International Business Machines | \$457,101,649 | Schedules PSS, 70, 738X |
| 13. | CSRA Inc. | \$405,562,597 | Schedules PSS, 03FAC, 70, 84, 738X |
| 14. | Genentech USA | \$394,471,111 | Schedule 65 I B |
| 15. | Novartis Pharmaceuticals Corporation | \$392,150,676 | Schedule 65 I B |
| 16. | AstraZeneca | \$374,555,307 | Schedule 65 I B |
| 17. | Bristol Myers Squibb Company | \$373,924,074 | Schedule 65 I B |
| 18. | Boehringer Ingelheim Pharmaceuticals, Inc. | \$371,298,993 | Schedule 65 I B |
| 19. | Mythics, Inc. | \$370,297,462 | Schedule 70 |
| 20. | Abbvie US LLC | \$366,928,109 | Schedule 65 I B |
| 21. | ImmixTechnology, Inc. | \$362,009,850 | Schedule 70 |
| 22. | Science Applications International Corporation | \$361,223,119 | Schedules PSS, 70 |
| 23. | Amgen USA, Inc. | \$345,842,093 | Schedule 65 I B |
| 24. | Eli Lilly & Company | \$342,584,586 | Schedule 65 I B |
| 25. | GlaxoSmithKline | \$324,160,378 | Schedule 65 I B |
| 26. | DLT Solutions, LLC | \$307,178,594 | Schedule 70 |
| 27. | Sanofi Aventis U.S. LLC | \$283,525,435 | Schedule 65 I B |
| 28. | HPI Federal, LLC | \$269,288,165 | Schedules 36, 70 |
| 29. | Novo Nordisk Inc. | \$257,258,121 | Schedule 65 I B |
| 30. | KPMG, LLP | \$235,860,563 | Schedules PSS, 70 |
| 31. | Allergan USA, Inc. | \$234,495,843 | Schedule 65 I B |
| 32. | CW Government Travel, Inc. | \$225,800,954 | Schedule 599 |
| 33. | Biogen U.S. Corporation | \$209,303,489 | Schedule 65 I B |
| 34. | Leidos, Inc. | \$208,324,148 | Schedules PSS, 70, 84, 738X |
| 35. | Fedex Supply Chain Distribution | \$203,531,392 | Schedules 36, 48 |
| 36. | PriceWaterhouseCoopers Public Sector | \$200,916,836 | Schedules PSS, 70 |

THE GSA SCHEDULES

The Largest Contracting Program in the Government

| | | | |
|-----|--|---------------|---------------------------------------|
| 37. | Astellas Pharma US, Inc. | \$198,142,040 | Schedule 65 I B |
| 38. | Celgene Corporation | \$187,929,185 | Schedule 65 I B |
| 39. | CDW Government, LLC | \$171,712,643 | Schedule 70 |
| 40. | General Dynamics Information Technology | \$170,858,467 | Schedules PSS, 36, 70 |
| 41. | CGI Federal Inc. | \$163,910,084 | Schedules PSS, 70 |
| 42. | Northrop Grumman Systems Corporation | \$160,490,005 | Schedules PSS, 70 |
| 43. | Intuitive Research and Technology | \$156,872,881 | Schedule PSS |
| 44. | CACI Federal | \$155,143,190 | Schedules PSS, 36, 66, 70, 84 |
| 45. | Torch Technologies, Inc. | \$154,855,288 | Schedules PSS, 70 |
| 46. | TEVA Pharmaceuticals USA, Inc. | \$145,322,448 | Schedule 65 I B |
| 47. | ViiV HealthCare Company | \$140,390,067 | Schedule 65 I B |
| 48. | ICF Incorporated, LLC | \$140,281,160 | Schedules PSS, 03FAC, 70, 738X |
| 49. | Environmental Systems Research, Inc. | \$138,081,595 | Schedule 70 |
| 50. | Becton Dickson and Company | \$134,979,665 | Schedules 65 II A, 65 VII, 66, 66 III |
| 51. | CA, Inc. | \$134,579,920 | Schedule 70 |
| 52. | Logistics Management Institute | \$132,860,320 | Schedules PSS, 03FAC, 70 |
| 53. | W. W. Grainger, Inc. | \$131,477,841 | Schedule 51V |
| 54. | DXC Technology | \$130,852,226 | Schedules PSS, 70, 738X |
| 55. | Jordan Reses Supply Company | \$130,493,767 | Schedule 65 II A |
| 56. | Corporate Lodging Consultants, Inc. | \$125,558,417 | Schedule 599 |
| 57. | Salix Pharmaceuticals, Inc. | \$124,089,566 | Schedule 65 I B |
| 58. | Takeda Pharmaceuticals America, Inc. | \$119,107,875 | Schedule 65 I B |
| 59. | Four, LLC | \$118,220,302 | Schedule 70 |
| 60. | Sandoz, Inc. | \$117,751,062 | Schedule 65 I B |
| 61. | Ernst & Young, LLP | \$114,234,425 | Schedules PSS, 70 |
| 62. | Grant Thornton, LLP | \$113,614,780 | Schedules PSS, 70 |
| 63. | Medtronic USA, Inc. | \$111,902,927 | Schedule 65 II A |
| 64. | Continental Service Group, Inc. | \$105,884,627 | Schedule PSS |
| 65. | Account Control Technology Inc. | \$104,062,338 | Schedule PSS |
| 66. | McKinsey & Company, Inc. | \$102,007,154 | Schedules PSS, 70 |
| 67. | Palantir Technologies Inc. | \$101,422,865 | Schedule 70 |
| 68. | Kearney & Company, P.C. | \$100,756,594 | Schedules PSS, 70 |
| 69. | Valeant Pharmaceuticals North America, LLC | \$98,153,621 | Schedule 65 I B |
| 70. | T-Rex Consulting Corporation | \$97,629,632 | Schedule 70 |
| 71. | Xerox Corporation | \$97,363,032 | Schedules 36, 70 |
| 72. | Abbott Laboratories | \$94,576,261 | Schedules 65 II A, 65 VII, 66, 66 III |
| 73. | Executive Information Systems, LLC | \$93,421,317 | Schedule 70 |
| 74. | AT&T Mobility, LLC | \$93,208,732 | Schedules PSS, 70 |

THE GSA SCHEDULES

The Largest Contracting Program in the Government

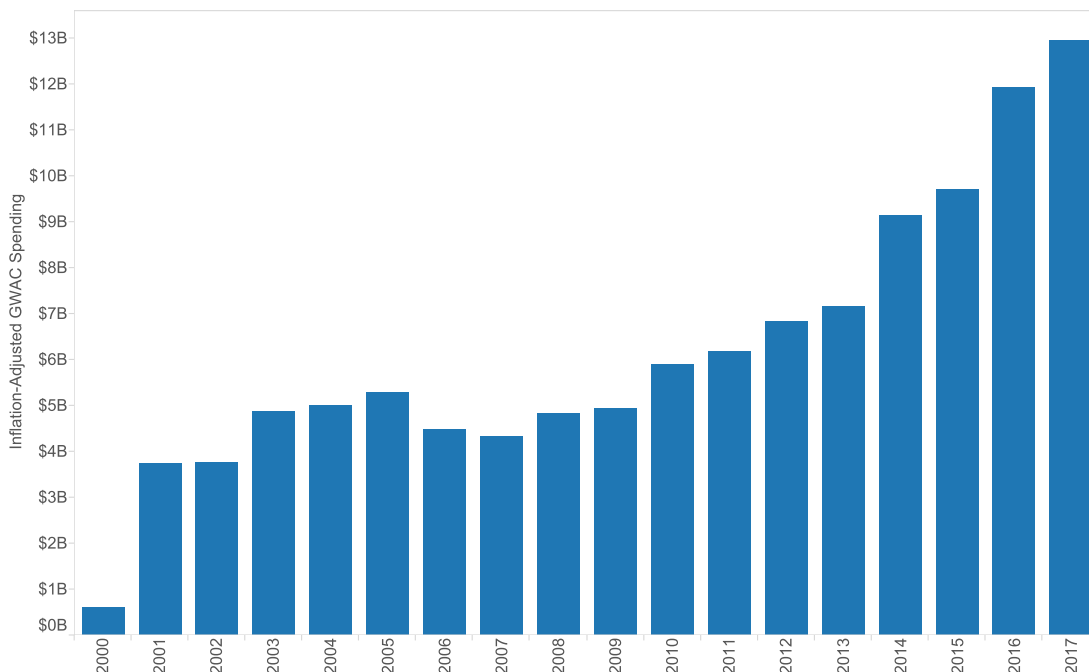
| | | | |
|------|-----------------------------------|--------------|-----------------------------------|
| 75. | Parsons Government Services, Inc. | \$91,611,751 | Schedule PSS |
| 76. | Voice Products, Inc. | \$91,597,705 | Schedule 70 |
| 77. | CSI Aviation, Inc. | \$91,162,315 | Schedule 599 |
| 78. | Gartner, Inc. | \$90,860,274 | Schedules PSS, 70 |
| 79. | Sanofi Pasteur | \$88,979,450 | Schedule 65 I B |
| 80. | Forest Laboratories, Inc. | \$88,826,478 | Schedule 65 I B |
| 81. | Bayer HealthCare Pharmaceuticals | \$88,125,507 | Schedules 65 I B, 65 II A, 65 VII |
| 82. | Regeneron Pharmaceuticals, Inc. | \$87,677,189 | Schedule 65 I B |
| 83. | Airtec, Inc. | \$85,646,924 | Schedule 66 |
| 84. | ESGov, Inc. | \$84,333,511 | Schedule 70 |
| 85. | MSC Industrial Direct Co., Inc. | \$83,613,596 | Schedule 51V |
| 86. | FMS Investment Corp | \$83,004,040 | Schedule PSS |
| 87. | Windham Professionals, Inc. | \$82,508,821 | Schedule PSS |
| 88. | Minburn Technology Group, LLC | \$81,222,711 | Schedule 70 |
| 89. | SHI International Corp. | \$81,002,832 | Schedule 70 |
| 90. | Mylan Pharmaceuticals, Inc. | \$80,747,104 | Schedule 65 I B |
| 91. | Olympus America Inc. | \$80,408,093 | Schedules 65 II A, 66 |
| 92. | Genzyme Corp. | \$80,336,256 | Schedule 65 I B |
| 93. | Noblis, Inc. | \$79,163,592 | Schedules PSS, 03FAC, 70 |
| 94. | Herman Miller, Inc. | \$79,151,361 | Schedules 66, 71 |
| 95. | Cognosante, LLC | \$78,883,471 | Schedules PSS, 70 |
| 96. | Artel, LLC | \$77,622,884 | Schedule 70 |
| 97. | GC Services Limited Partnership | \$76,132,526 | Schedule PSS |
| 98. | CAS, Inc. | \$75,172,046 | Schedule PSS |
| 99. | Technical Communities, Inc. | \$74,917,466 | Schedules 66, 70 |
| 100. | Advantaged Solutions, Inc. | \$74,845,093 | Schedule 70 |

Observations

- This list includes the top contractors on both the VA and GSA Schedules
- There are 48 firms that hold a Schedules 70 contract, 36 firms that hold a contract on one of the VA Schedules, and 33 firms that hold a Professional Services Schedule contract
- Although IT, pharmaceuticals, and professional services are the most common business sectors, there are firms on this list that provide furniture, medical products, and hardware
- There are more than 15,000 Schedule contractors. The top 100 Schedule contractors account for 50 percent of total Schedule sales. For the entire Federal market, the top 100 contractors account for almost 55 percent of total contract spending

Source: GSA Schedule Sales Query Plus, VA Schedule Sales Query

GWAC OBLIGATIONS



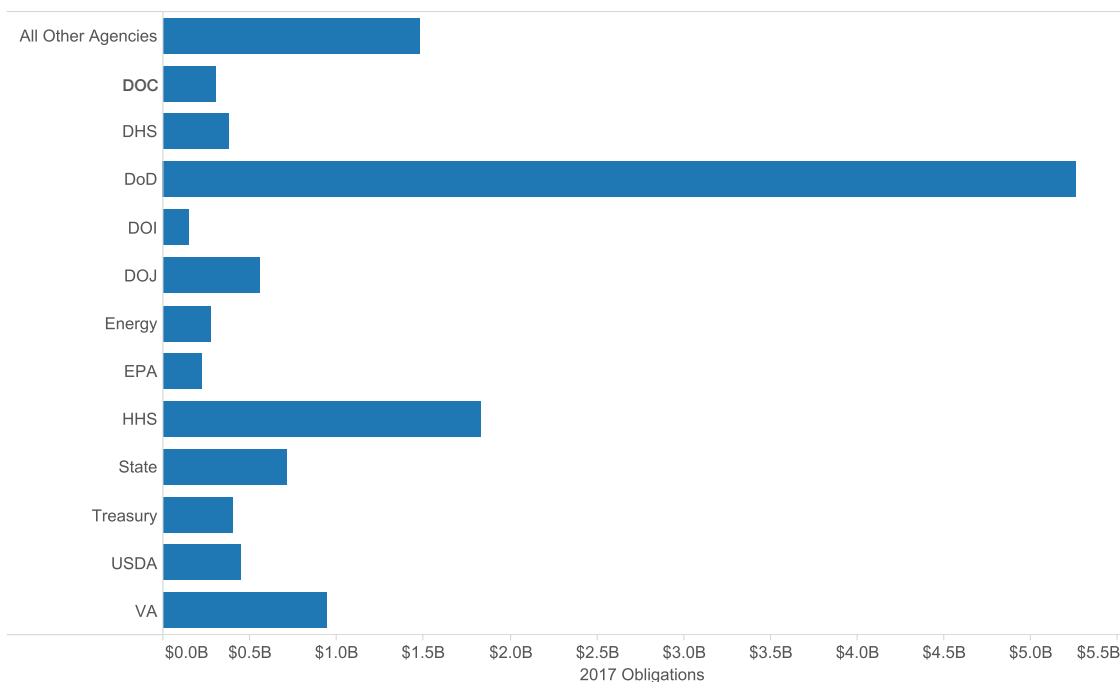
| Year | Inflation-Adjusted GWAC Spending | Growth |
|------|----------------------------------|---------|
| 2000 | \$597,893,403 | >100% |
| 2001 | \$3,733,398,481 | >100% |
| 2002 | \$3,754,263,991 | 0.56% |
| 2003 | \$4,850,226,666 | 29.19% |
| 2004 | \$4,992,437,114 | 2.93% |
| 2005 | \$5,287,639,778 | 5.91% |
| 2006 | \$4,489,013,514 | -15.10% |
| 2007 | \$4,340,257,713 | -3.31% |
| 2008 | \$4,837,375,836 | 11.45% |
| 2009 | \$4,932,208,279 | 1.96% |
| 2010 | \$5,880,542,462 | 19.23% |
| 2011 | \$6,156,716,719 | 4.70% |
| 2012 | \$6,837,349,579 | 11.06% |
| 2013 | \$7,144,174,186 | 4.49% |
| 2014 | \$9,134,127,717 | 27.85% |
| 2015 | \$9,690,777,466 | 6.09% |
| 2016 | \$11,935,343,472 | 23.16% |
| 2017 | \$12,951,731,335 | 8.52% |

Observations

- This graph shows the spending on the GSA, NITAAC, and NASA GWAC vehicles
- GWACs were authorized by the Clinger-Cohen Act in 1996—since that time there has been significant and consistent growth of spending on GWACs
- There was a period where spending fell during 2006-2007, which was likely a reaction to the GAO placing GWACs on their high-risk list in 2005

Source: Federal Procurement Data System, Bureau of Labor Statistics CPI

AGENCY BUYERS ON THE GWACS



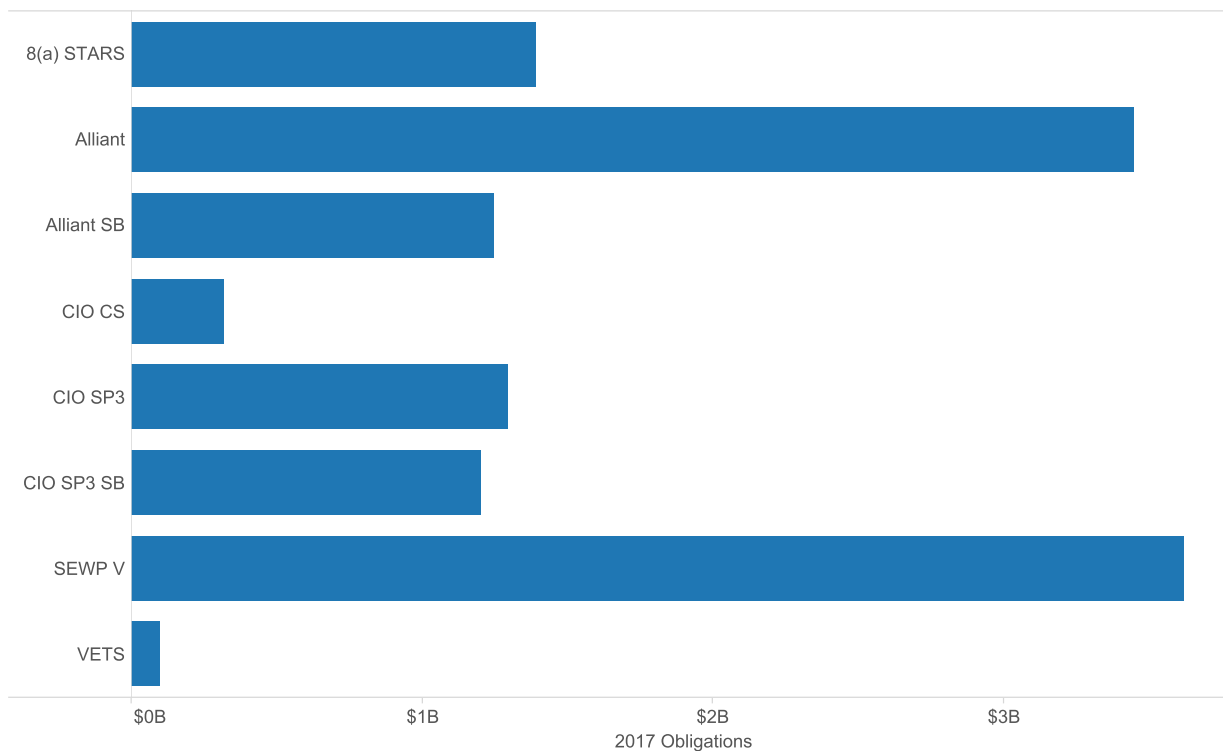
| Agency | 2017 Obligations | Growth |
|--------------------|-------------------------|---------|
| DOD | \$5,260,010,288 | 10.32% |
| Army | \$1,318,830,447 | |
| Air Force | \$1,063,604,428 | |
| Navy | \$882,206,267 | |
| HHS | \$1,827,992,179 | 14.04% |
| VA | \$941,318,841 | 24.27% |
| State | \$709,572,630 | 1.78% |
| DOJ | \$559,236,001 | 12.02% |
| USDA | \$446,042,397 | 9.13% |
| Treasury | \$400,230,827 | -5.60% |
| DHS | \$378,606,929 | -32.14% |
| DOC | \$300,725,278 | 1.87% |
| DOE | \$277,081,954 | 6.39% |
| EPA | \$225,988,005 | 78.34% |
| DOI | \$144,010,594 | 21.07% |
| All Other Agencies | \$1,480,943,296 | 28.41% |
| Total | \$12,951,759,220 | |

Observations

- DoD accounts for 64.79 percent of all contract obligations, 32.7 percent of all Schedule obligations, and 40.61 percent of all GWAC obligations. NASA and the Department of Energy both account for a smaller share of the GWAC obligations than total contract obligations. Conversely HHS and State both have greater contributions to the share of GWACs than the share of total contracting.
- Half of agencies have increased their spending on the GWACs by more than 10 percent since 2016

Source: Federal Procurement Data System

BREAKDOWN OF GWACS BY VEHICLE



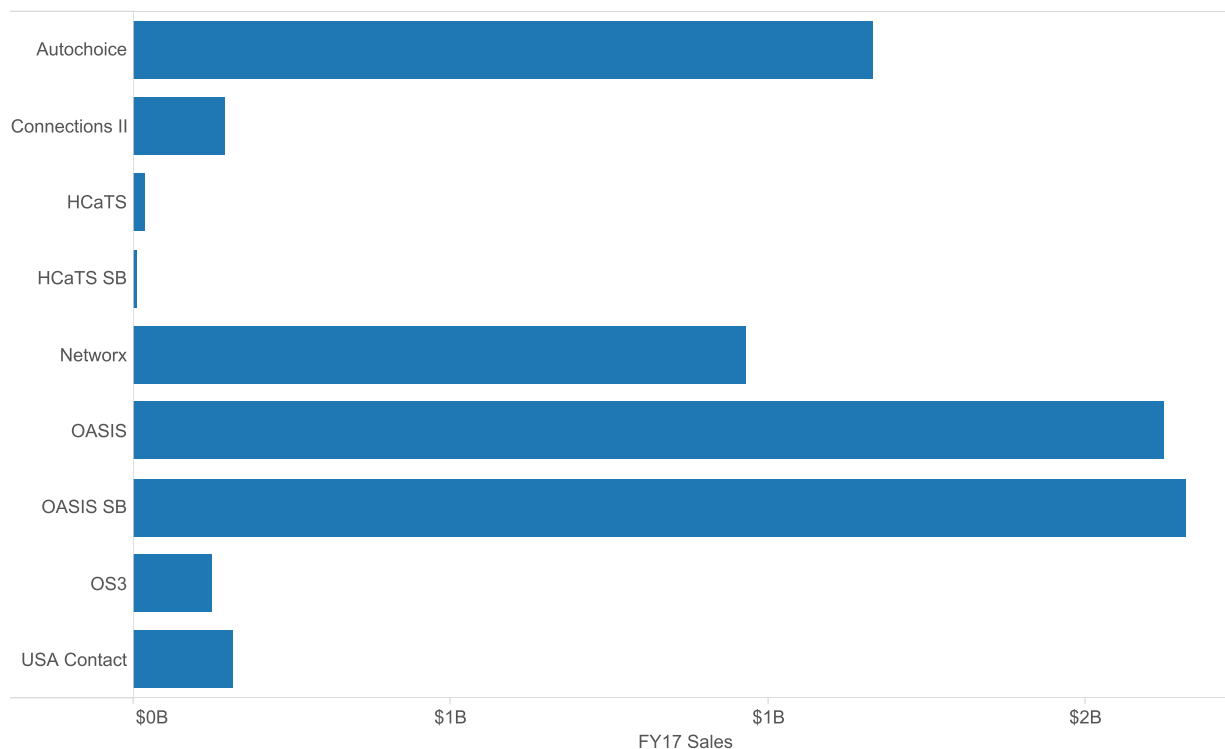
| Vehicle | 2017 Obligations | Growth |
|--------------|-------------------------|---------|
| SEWP V | \$3,620,749,810 | 28.96% |
| Alliant | \$3,446,918,259 | 5.76% |
| 8(a) STARS | \$1,391,916,064 | 2.16% |
| CIO SP3 | \$1,296,795,596 | 33.30% |
| Alliant SB | \$1,244,716,066 | -1.72% |
| CIO SP3 SB | \$1,203,180,952 | 14.17% |
| CIO CS | \$318,542,011 | 26.44% |
| VETS | \$97,279,711 | -19.05% |
| Other | \$331,660,749 | -42.68% |
| Total | \$12,951,759,220 | |

Observations

- Alliant and NASA SEWP account for more than half of all GWAC obligations and both have experienced significant growth over the past several years
- The “Other” category includes GWAC’s which have expired but still have ongoing orders, such as SEWP IV

Source: Federal Procurement Data System

PERFORMANCE OF OTHER GOVERNMENT-WIDE CONTRACTS



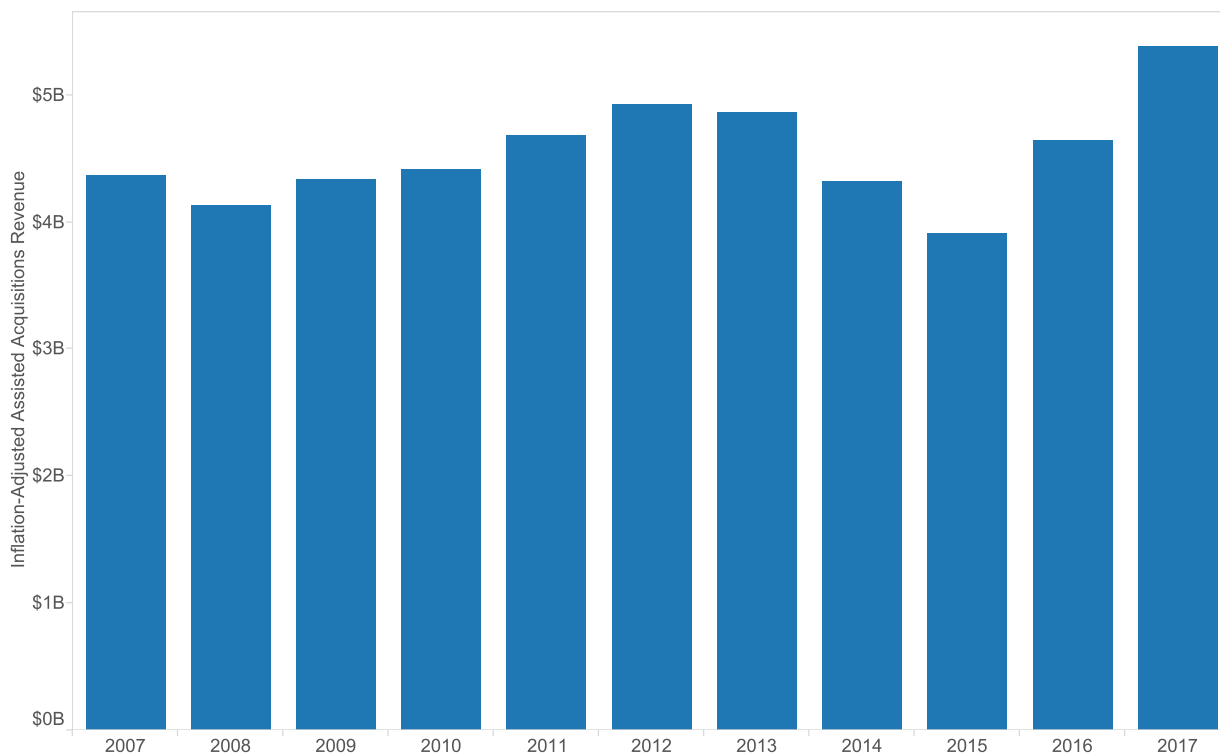
| Vehicle | 2017 Sales |
|---|-----------------|
| One Acquisition Solution for Integrated Services Small Business | \$1,657,955,577 |
| One Acquisition Solution for Integrated Services | \$1,623,294,007 |
| Autochoice | \$1,164,267,435 |
| Networkx | \$966,508,383 |
| USA Contact | \$155,621,959 |
| Connections II | \$144,372,110 |
| Office Supplies, 3rd Generation | \$124,178,176 |
| Human Capital and Training Solutions | \$16,860,318 |
| Human Capital and Training Solutions, Small Business | \$6,565,781 |

Observations

- GSA operates a number of government-wide IDIQs that are not GWACs - these vehicles were not included in the analyses on the previous pages
- The HCaTS vehicle has a ceiling of \$5.75 billion across both pools - spread out over the life of the contract that is the equivalent of \$575 million per year. There was a little less than \$17 million in spending last year.

Source: Federal Procurement Data System

GSA ASSISTED ACQUISITIONS SERVICES



| Year | Inflation-Adjusted Assisted Acquisitions Revenue | Growth |
|------|--|---------|
| 2007 | \$4,356,860,106 | |
| 2008 | \$4,133,696,702 | -5.12% |
| 2009 | \$4,327,925,408 | 4.70% |
| 2010 | \$4,409,945,438 | 1.90% |
| 2011 | \$4,676,351,712 | 6.04% |
| 2012 | \$4,916,856,707 | 5.14% |
| 2013 | \$4,858,739,056 | -1.18% |
| 2014 | \$4,313,179,975 | -11.23% |
| 2015 | \$3,906,738,397 | -9.42% |
| 2016 | \$4,637,628,333 | 18.71% |
| 2017 | \$5,382,000,000 | 16.05% |

Observations

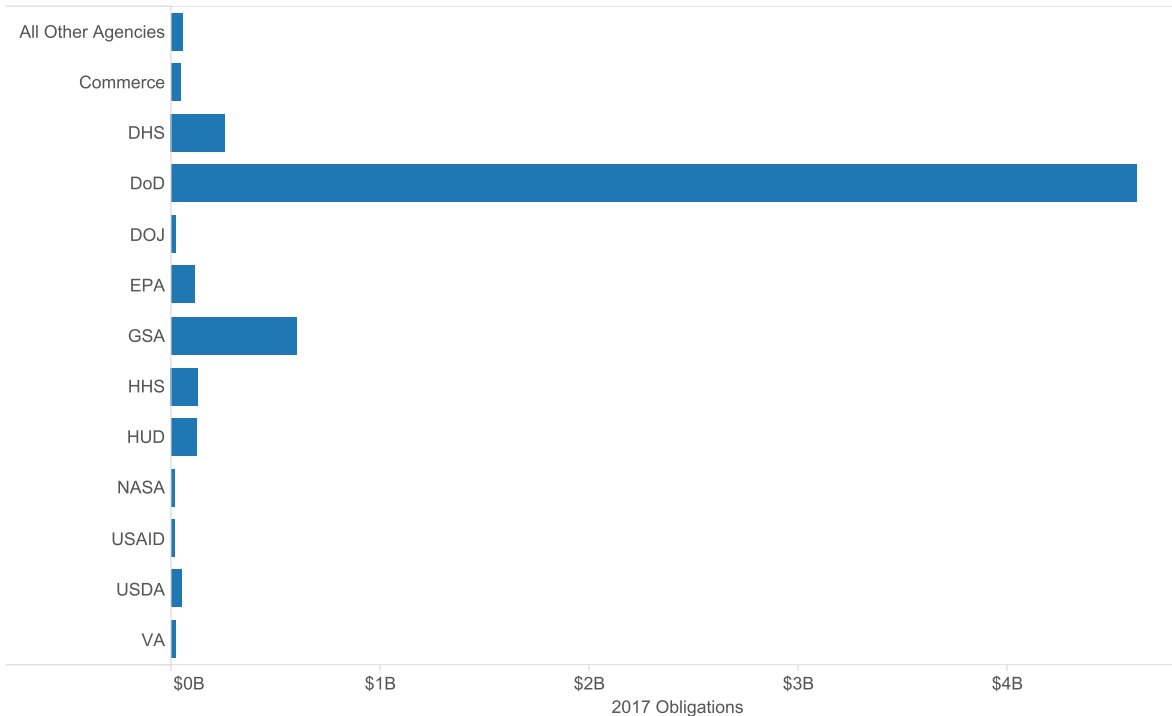
- This chart shows the revenue generated by the GSA Assisted Acquisition Services, as reported in the GSA Annual Financial Statement
- GSA's Assisted Acquisition Services have been averaging 2.56 percent annual growth, and 2017 was their largest year
- Assisted Acquisitions are one of the largest portfolios in the Federal Acquisition Services, which demonstrates agency demand for these services

Source: GSA Annual Financial Statement, Bureau of Labor Statistics CPI

HOW THE GOVERNMENT PURCHASES

GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

AGENCY SPENDING ON ASSISTED ACQUISITION SERVICES



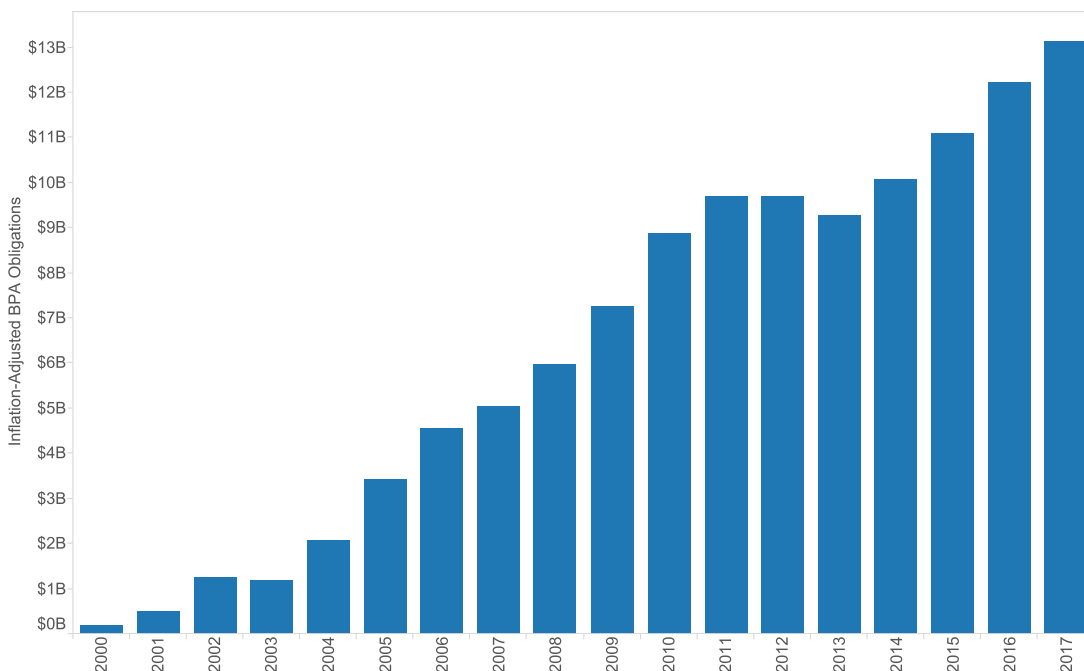
| Agency | 2017 Obligations | Growth |
|--------------------|------------------------|---------|
| DOD | \$4,617,669,456 | 20.78% |
| Army | \$1,892,509,642 | |
| Air Force | \$1,542,025,723 | |
| Navy | \$376,433,327 | |
| GSA | \$598,572,226 | 24.79% |
| DHS | \$257,299,295 | -12.73% |
| HHS | \$130,749,639 | 91.30% |
| HUD | \$125,211,404 | 33.62% |
| EPA | \$112,391,160 | >100% |
| USDA | \$49,206,995 | -49.29% |
| DOC | \$44,189,213 | -1.97% |
| DOJ | \$23,094,825 | -43.08% |
| VA | \$20,789,192 | >100% |
| USAID | \$18,928,408 | 22.10% |
| NASA | \$15,161,712 | 54.68% |
| All Other Agencies | \$58,728,700 | 26.09% |
| Total | \$6,071,992,225 | |

Observations

- More than 75 percent of Assisted Acquisitions spending comes from DoD
- FEDSIM is the largest contracting office for GSA Assisted Acquisition Services accounting for about 45 percent of Assisted Acquisitions spending
- The average order size through FEDSIM is \$3.5 million

Source: Federal Procurement Data System

BPA OBLIGATIONS



| Year | Inflation-Adjusted BPA Obligations | Growth | BPAs as Percent of Schedules |
|------|------------------------------------|--------|------------------------------|
| 2000 | \$192,565,628 | 31.22% | 1.08% |
| 2001 | \$506,391,957 | >100% | 2.52% |
| 2002 | \$1,263,413,723 | >100% | 4.58% |
| 2003 | \$1,192,041,340 | -5.65% | 3.41% |
| 2004 | \$2,078,856,864 | 74.39% | 6.03% |
| 2005 | \$3,425,544,006 | 64.78% | 10.31% |
| 2006 | \$4,572,126,324 | 33.47% | 13.14% |
| 2007 | \$5,052,687,309 | 10.51% | 14.77% |
| 2008 | \$5,952,805,327 | 17.81% | 17.92% |
| 2009 | \$7,261,161,094 | 21.98% | 20.42% |
| 2010 | \$8,896,551,148 | 22.52% | 23.92% |
| 2011 | \$9,699,446,023 | 9.02% | 27.87% |
| 2012 | \$9,695,715,025 | -0.04% | 30.13% |
| 2013 | \$9,281,640,373 | -4.27% | 31.24% |
| 2014 | \$10,057,362,642 | 8.36% | 33.19% |
| 2015 | \$11,073,004,285 | 10.10% | 37.65% |
| 2016 | \$12,214,673,711 | 10.31% | 41.91% |
| 2017 | \$13,129,510,078 | 7.49% | 46.05% |

Observations

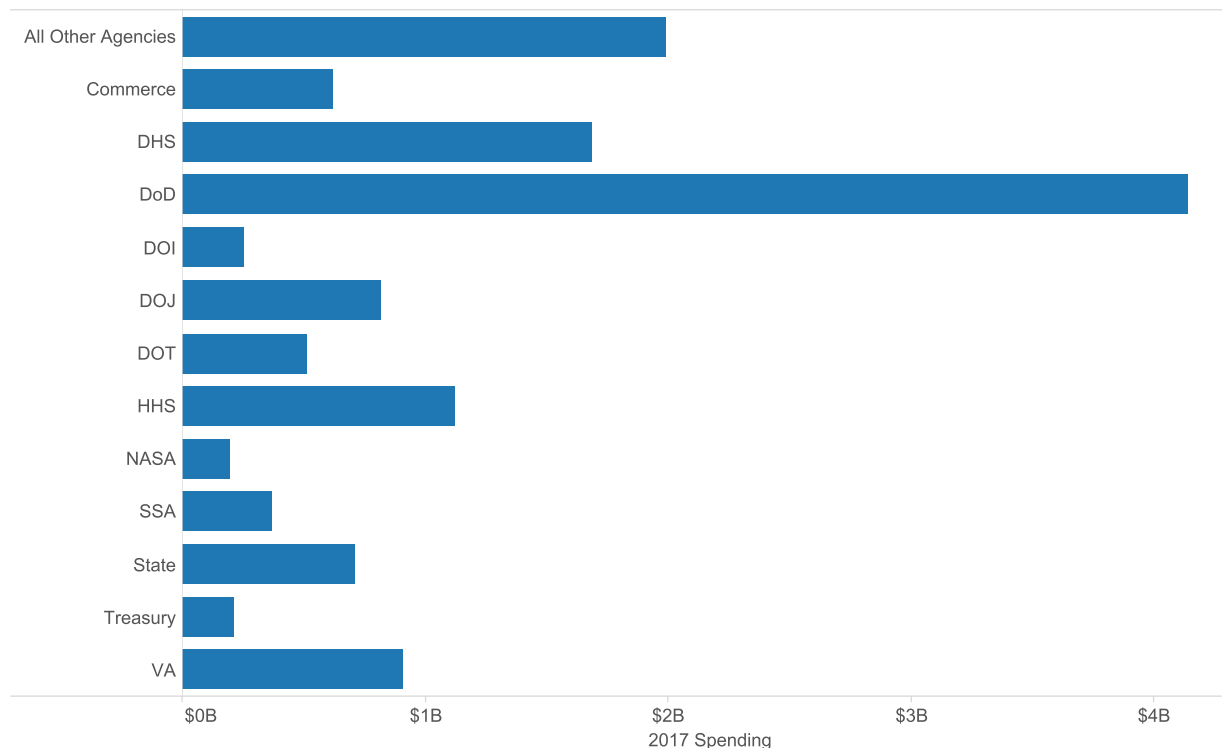
- BPA obligations have been steadily increasing since the early 2000's, indicating their popularity with government buyers
- Spending on BPA's has only fallen three times in the past 17 years, and the decrease in 2013 can likely be attributed to the Sequestration
- BPAs account for more than 46 percent of spending on Schedules

Source: Federal Procurement Data System, Bureau of Labor Statistics CPI

HOW THE GOVERNMENT PURCHASES

GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

TOP AGENCY USERS OF BPA'S



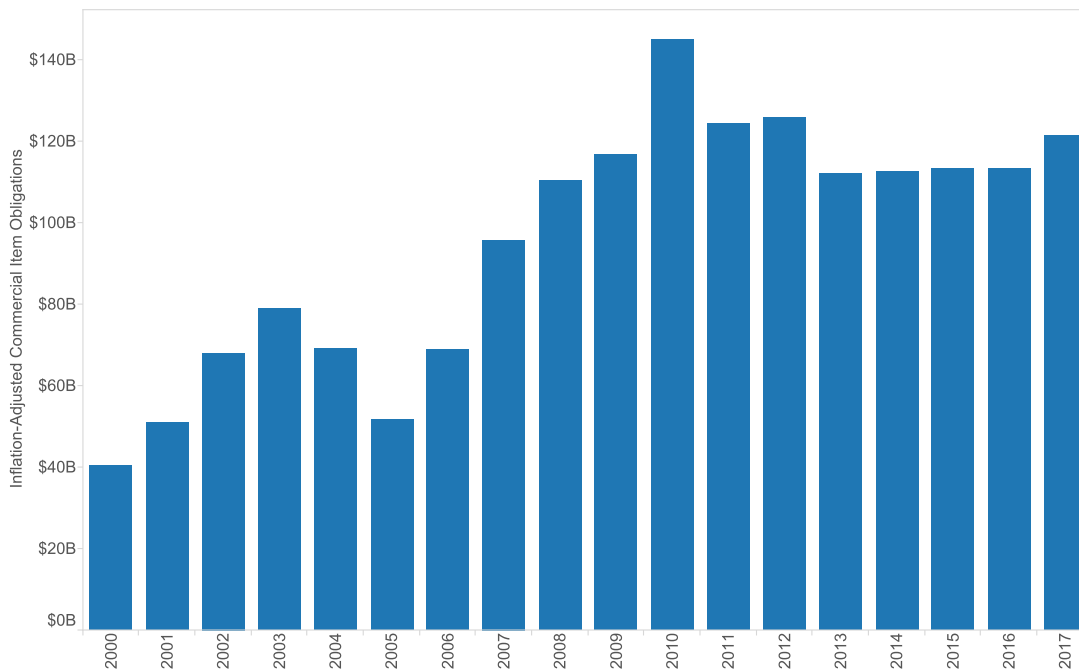
| Agency | 2017 Spending | Growth |
|--------------------|-------------------------|--------|
| DOD | \$4,140,014,068 | 22.42% |
| Army | \$1,558,462,650 | |
| Air Force | \$827,741,487 | |
| Navy | \$704,912,711 | |
| DHS | \$1,689,115,987 | 0.56% |
| HHS | \$1,121,565,701 | 9.11% |
| VA | \$907,553,265 | 4.46% |
| DOJ | \$817,661,263 | 12.23% |
| State | \$712,197,313 | 16.55% |
| DOC | \$618,842,929 | 8.05% |
| DOT | \$514,370,754 | 1.85% |
| SSA | \$367,542,491 | 6.31% |
| DOI | \$251,810,388 | -5.07% |
| Treasury | \$210,207,618 | 24.32% |
| NASA | \$196,475,964 | 18.03% |
| All Other Agencies | \$1,988,835,919 | 36.35% |
| Total | \$13,129,510,078 | |

Observations

- BPA use by agency buyers tracks closely with overall Schedule use by agency buyers
- DHS is significant user of BPA's; accounting for 12.87 percent of BPA spending, but 9.85 percent of MAS Spending

Source: Federal Procurement Data System

COMMERCIAL ITEM CONTRACT SPENDING



| Year | Inflation-Adjusted Commercial Item Obligations | Growth | Percent of Commercial Item Contracts | Percent Products | Percent Services |
|------|--|---------|--------------------------------------|------------------|------------------|
| 2000 | \$40,220,183,057 | 27.33% | 13.79% | 63.05% | 36.95% |
| 2001 | \$51,032,757,233 | 26.88% | 16.58% | 59.32% | 40.68% |
| 2002 | \$68,161,167,314 | 33.56% | 19.00% | 58.06% | 41.94% |
| 2003 | \$79,068,069,026 | 16.00% | 18.33% | 61.13% | 38.87% |
| 2004 | \$69,214,244,496 | -12.46% | 15.78% | 62.44% | 37.56% |
| 2005 | \$51,685,810,055 | -25.32% | 10.56% | 59.50% | 40.50% |
| 2006 | \$68,774,107,622 | 33.06% | 13.18% | 61.02% | 38.98% |
| 2007 | \$95,711,236,464 | 39.17% | 17.30% | 67.63% | 32.37% |
| 2008 | \$110,596,451,808 | 15.55% | 18.00% | 69.74% | 30.26% |
| 2009 | \$116,940,433,486 | 5.74% | 18.99% | 62.06% | 37.94% |
| 2010 | \$145,122,157,669 | 24.10% | 23.12% | 65.44% | 34.56% |
| 2011 | \$124,226,377,418 | -14.40% | 21.22% | 56.77% | 43.23% |
| 2012 | \$125,890,100,966 | 1.34% | 22.74% | 58.01% | 41.99% |
| 2013 | \$111,983,275,530 | -11.05% | 23.06% | 53.86% | 46.14% |
| 2014 | \$112,707,712,850 | 0.65% | 24.50% | 51.72% | 48.28% |
| 2015 | \$113,308,134,928 | 0.53% | 24.99% | 50.02% | 49.98% |
| 2016 | \$113,394,197,317 | 0.08% | 23.47% | 47.56% | 52.44% |
| 2017 | \$121,554,222,469 | 7.20% | 23.98% | 47.80% | 52.20% |

Observations

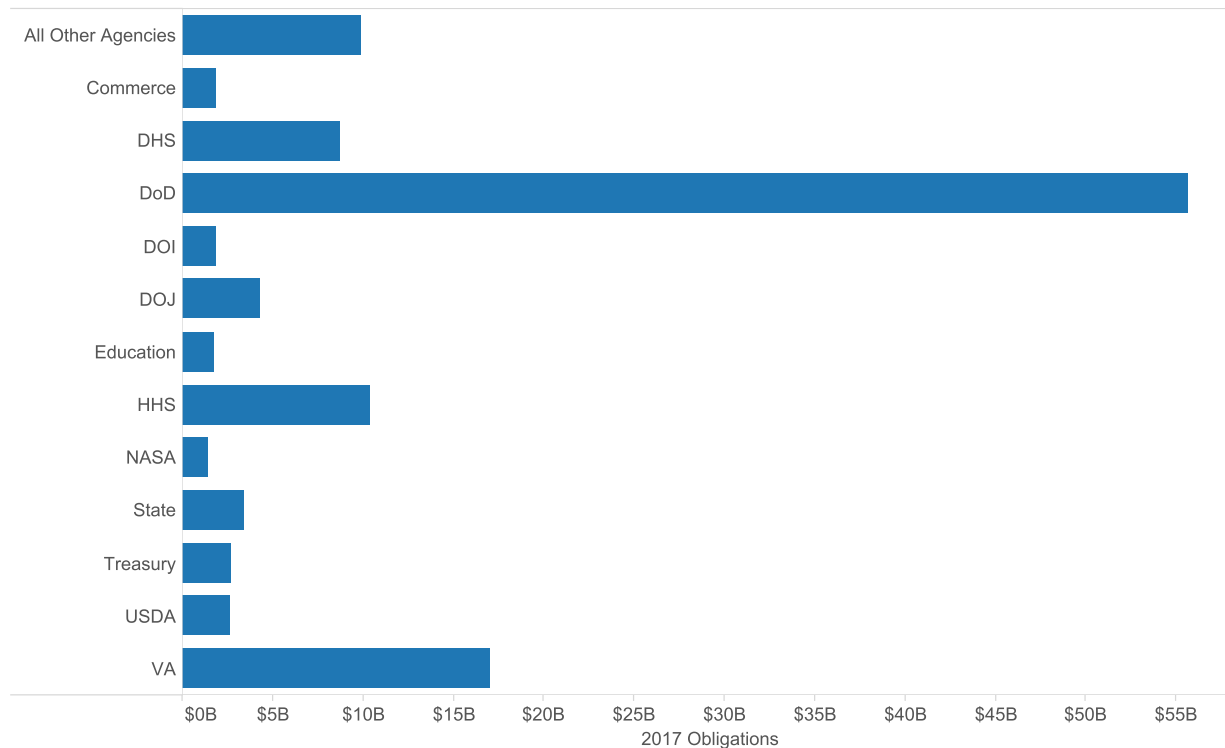
- This graph shows all spending that takes place on contracts that used commercial item acquisition procedures, or contracts used commercial item acquisition procedures for non-commercial items in accordance with FAR 12.102(f) or FAR 12.102(g).
- Commercial item spending has been approximately 22 percent of all contract spending every year since 2010
- Spending on commercial item contracts have grown the past four years
- 2016 was the first year that commercial services had a larger market share than commercial products

Source: Federal Procurement Data System, Bureau of Labor Statistics CPI

HOW THE GOVERNMENT PURCHASES

GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

COMMERCIAL ITEM SPENDING BY AGENCY



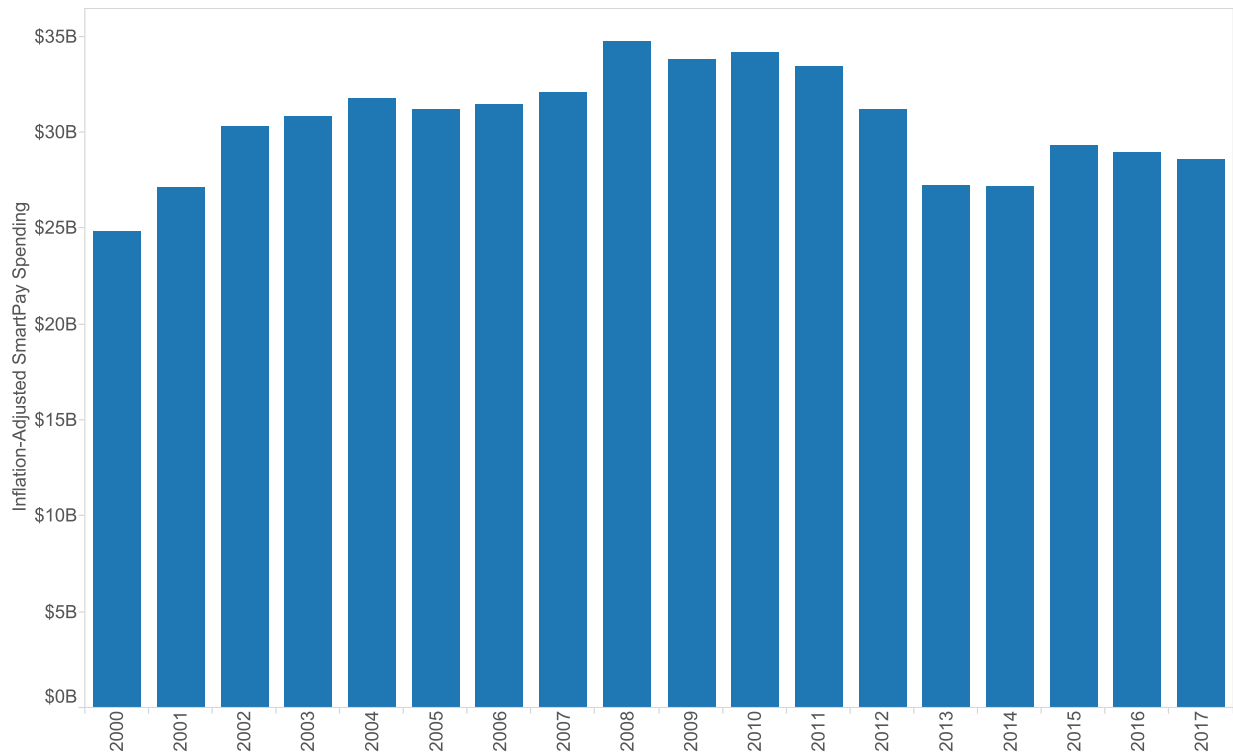
| Agency | 2017 Obligations | Growth |
|--------------------|--------------------------|---------|
| DOD | \$55,650,186,573 | 10.89% |
| Army | \$15,559,815,637 | |
| Air Force | \$8,742,910,818 | |
| Navy | \$7,160,502,489 | |
| VA | \$17,019,166,253 | 5.86% |
| HHS | \$10,378,577,342 | 9.58% |
| DHS | \$8,748,967,832 | 23.29% |
| DOJ | \$4,261,889,306 | 4.68% |
| State | \$3,390,662,406 | 36.05% |
| Treasury | \$2,717,561,639 | -12.09% |
| USDA | \$2,622,833,238 | 2.62% |
| DOI | \$1,855,526,564 | -1.35% |
| DOC | \$1,797,048,308 | 1.33% |
| DoEd | \$1,791,173,156 | 9.00% |
| NASA | \$1,436,588,757 | 11.38% |
| All Other Agencies | \$9,884,041,096 | 1.16% |
| Total | \$121,554,222,469 | |

Observations

- DoD accounts for 45.78 percent of commercial item contract spending but 64.79 percent of total contracting spending, while the VA accounts more than 14 percent of commercial item contract spending but 5.15 percent of total contract spending

Source: Federal Procurement Data System

PURCHASE CARD USAGE



Observations

- This graph shows the spending on purchase cards through the GSA SmartPay program.
- Purchase card usage has declined for the past two years, and for four of the last five years. One possible explanation for the trend is a 2012 law aimed at reducing purchase card fraud has discouraged purchase card use
- The average purchase has remained consistent at about \$300, despite fluctuations in total spending

Source: SmartPay Report, Federal Procurement Data System, Bureau of Labor Statistics CPI

HOW THE GOVERNMENT PURCHASES

GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

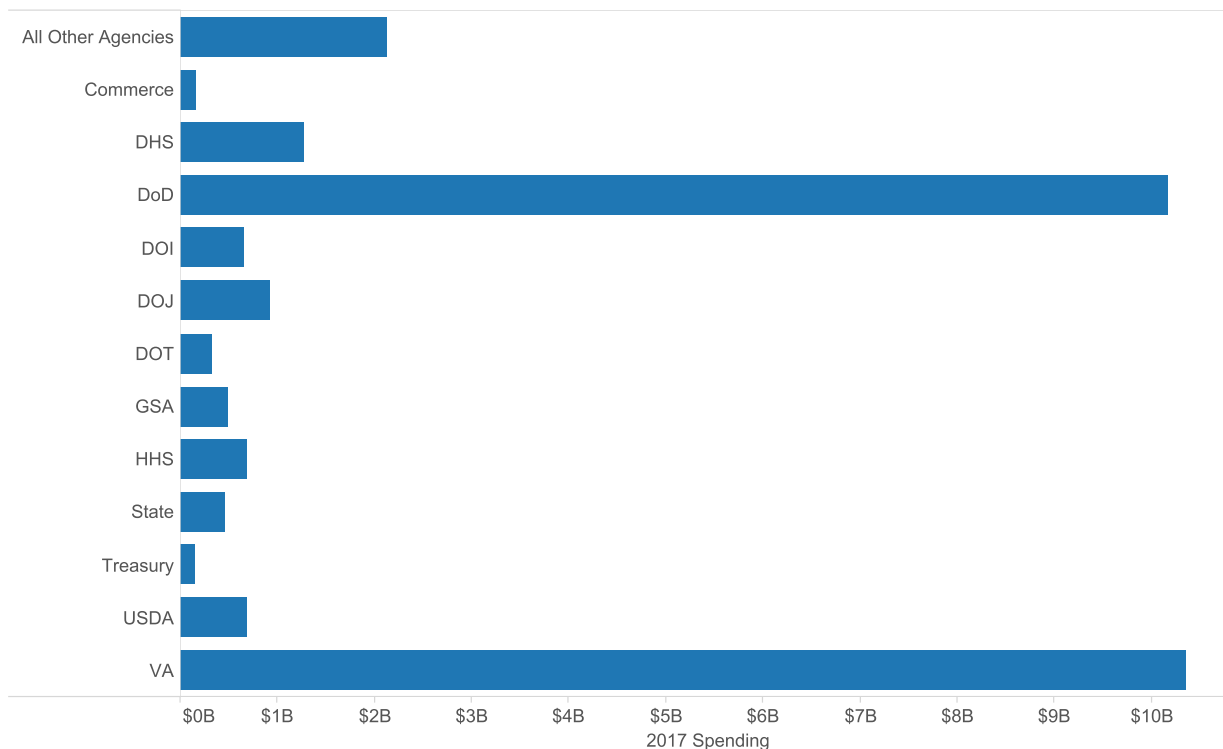
PURCHASE CARD USAGE (CONTINUED)

| Year | Inflation-Adjusted SmartPay Spending | Growth | Number of Transactions | Inflation-Adjusted Average Order Size | Cardholders | Credit Card as Percent of Total Spend |
|------|--------------------------------------|---------|------------------------|---------------------------------------|-------------|---------------------------------------|
| 2000 | \$24,834,924,772 | 14.53% | 64,604,942 | \$384 | 3,377,082 | 8.52% |
| 2001 | \$27,141,231,283 | 9.29% | 81,685,499 | \$332 | 3,163,040 | 8.82% |
| 2002 | \$30,321,784,601 | 11.72% | 92,250,695 | \$329 | 3,129,905 | 8.45% |
| 2003 | \$30,835,355,779 | 1.69% | 86,838,071 | \$355 | 2,543,564 | 7.15% |
| 2004 | \$31,820,012,764 | 3.19% | 88,454,454 | \$360 | 2,635,363 | 7.25% |
| 2005 | \$31,215,278,715 | -1.90% | 92,637,100 | \$337 | 2,638,462 | 6.38% |
| 2006 | \$31,466,337,346 | 0.80% | 89,939,682 | \$350 | 2,989,146 | 6.03% |
| 2007 | \$32,081,122,532 | 1.95% | 91,512,646 | \$351 | 3,138,879 | 5.80% |
| 2008 | \$34,717,860,637 | 8.22% | 100,254,405 | \$346 | 3,244,543 | 5.65% |
| 2009 | \$33,819,808,375 | -2.59% | 91,491,052 | \$370 | 3,452,752 | 5.49% |
| 2010 | \$34,159,649,329 | 1.00% | 100,086,226 | \$341 | 3,045,084 | 5.44% |
| 2011 | \$33,442,669,274 | -2.10% | 100,402,034 | \$333 | 3,534,427 | 5.71% |
| 2012 | \$31,225,774,821 | -6.63% | 95,924,935 | \$326 | 3,394,339 | 5.64% |
| 2013 | \$27,279,514,291 | -12.64% | 84,033,536 | \$325 | 3,351,801 | 5.62% |
| 2014 | \$27,211,768,707 | -0.25% | 84,657,955 | \$321 | 3,291,551 | 5.91% |
| 2015 | \$29,311,756,707 | 7.72% | 89,315,607 | \$328 | 3,304,634 | 6.46% |
| 2016 | \$29,014,460,754 | -1.01% | 91,677,376 | \$316 | 3,333,543 | 6.00% |
| 2017 | \$28,586,054,098 | -1.48% | 92,968,422 | \$307 | 3,479,260 | 5.64% |

HOW THE GOVERNMENT PURCHASES

GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

PURCHASE CARD USAGE BY AGENCY



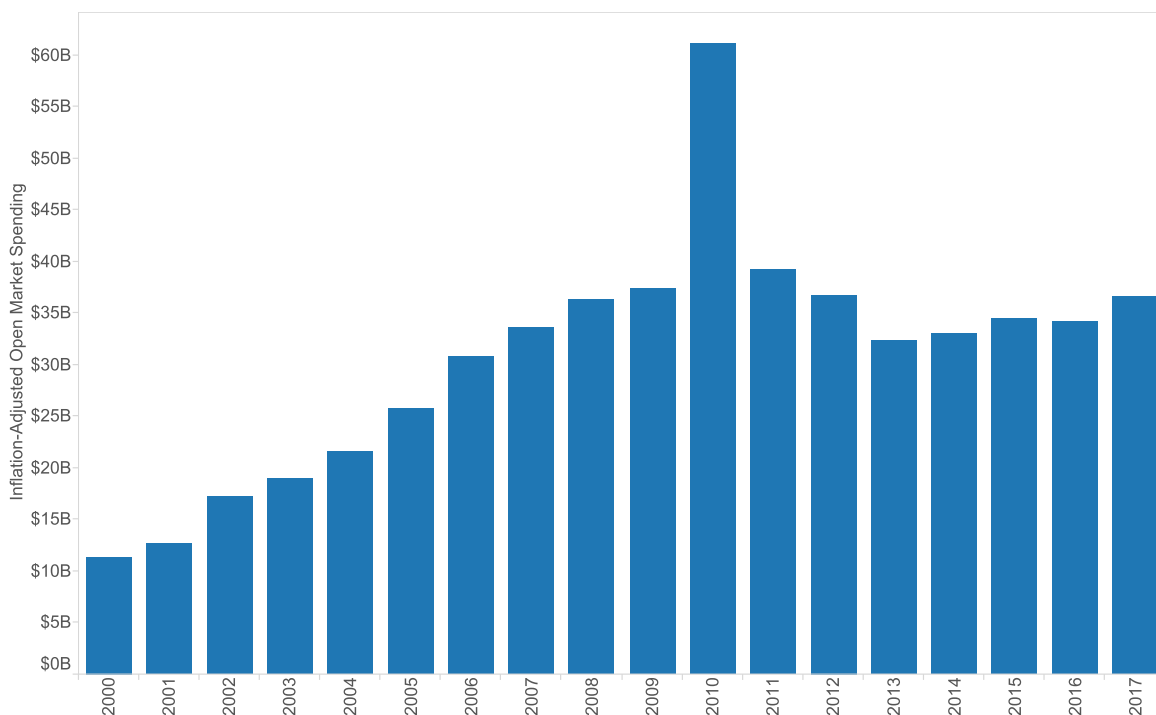
| Agency | 2017 Spending | Growth | Credit Card as Percent of Total Spend | Avg. Order Size |
|--------------------|-------------------------|--------|---------------------------------------|-----------------|
| VA | \$10,355,112,651 | 0.32% | 39.70% | \$1,196 |
| DOD | \$10,171,510,256 | 0.61% | 3.10% | \$303 |
| DHS | \$1,266,940,733 | 1.99% | 7.57% | \$228 |
| DOJ | \$913,436,364 | -6.39% | 11.88% | \$249 |
| USDA | \$685,089,869 | 2.56% | 10.72% | \$189 |
| HHS | \$684,631,698 | 4.58% | 2.79% | \$277 |
| DOI | \$657,068,278 | 0.53% | 21.69% | \$219 |
| GSA | \$485,705,560 | 9.47% | 10.26% | \$60 |
| State | \$449,842,220 | -6.68% | 4.08% | \$558 |
| DOT | \$332,290,095 | 1.38% | 5.47% | \$242 |
| DOC | \$167,550,429 | -6.99% | 4.01% | \$320 |
| Treasury | \$153,391,302 | 0.71% | 2.90% | \$228 |
| All Other Agencies | \$2,125,680,946 | -1.61% | 4.60% | \$97 |
| Total | \$28,586,054,698 | | | |

Observations

- The VA utilizes purchase cards at a much higher rate than other agencies. About 58 percent of their spending on purchase cards is through the VA's prime vendor programs
- There has been modest growth in purchase card usage across agencies with HHS and GSA seeing the largest increases

Source: SmartPay Report, Federal Procurement Data System

OPEN MARKET PURCHASES



| Year | Inflation-Adjusted Open Market Spending | Growth | Market Share of Commercial Item Spending |
|------|---|---------|--|
| 2000 | \$11,310,941,639 | -0.86% | 28.12% |
| 2001 | \$12,677,172,458 | 12.08% | 24.84% |
| 2002 | \$17,138,360,789 | 35.19% | 25.14% |
| 2003 | \$18,939,153,181 | 10.51% | 23.95% |
| 2004 | \$21,518,398,411 | 13.62% | 31.09% |
| 2005 | \$25,668,123,166 | 19.28% | 49.66% |
| 2006 | \$30,772,737,100 | 19.89% | 44.74% |
| 2007 | \$33,599,565,431 | 9.19% | 35.11% |
| 2008 | \$36,295,348,195 | 8.02% | 32.82% |
| 2009 | \$37,427,893,948 | 3.12% | 32.01% |
| 2010 | \$61,079,366,093 | 63.19% | 42.09% |
| 2011 | \$39,181,956,457 | -35.85% | 31.54% |
| 2012 | \$36,672,450,134 | -6.40% | 29.13% |
| 2013 | \$32,310,677,527 | -11.89% | 28.85% |
| 2014 | \$33,075,021,694 | 2.37% | 29.35% |
| 2015 | \$34,475,162,517 | 4.23% | 30.43% |
| 2016 | \$34,092,548,862 | -1.11% | 30.07% |
| 2017 | \$36,616,740,570 | 7.40% | 30.12% |

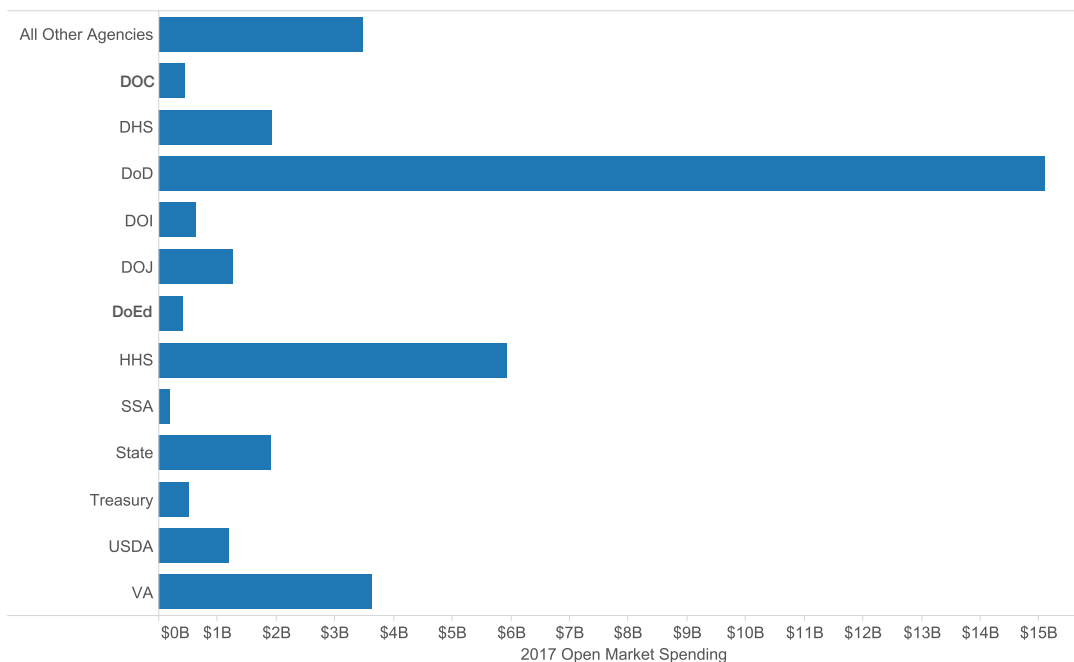
Observations

- These data measure the total level of commercial item spending that does not go through existing vehicles (i.e. Schedules, GWACs, Multi-Agency contracts like OASIS, and agency-specific IDIQs) as a percentage of total commercial item spending
- Category Management has been aiming to increase “Spend under Management” by shifting work onto existing vehicles - however the market share of open market purchases has increased in two of the three years since Category Management began

Source: Federal Procurement Data System, Bureau of Labor Statistics CPI

HOW THE GOVERNMENT PURCHASES GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

OPEN MARKET SPENDING BY AGENCY



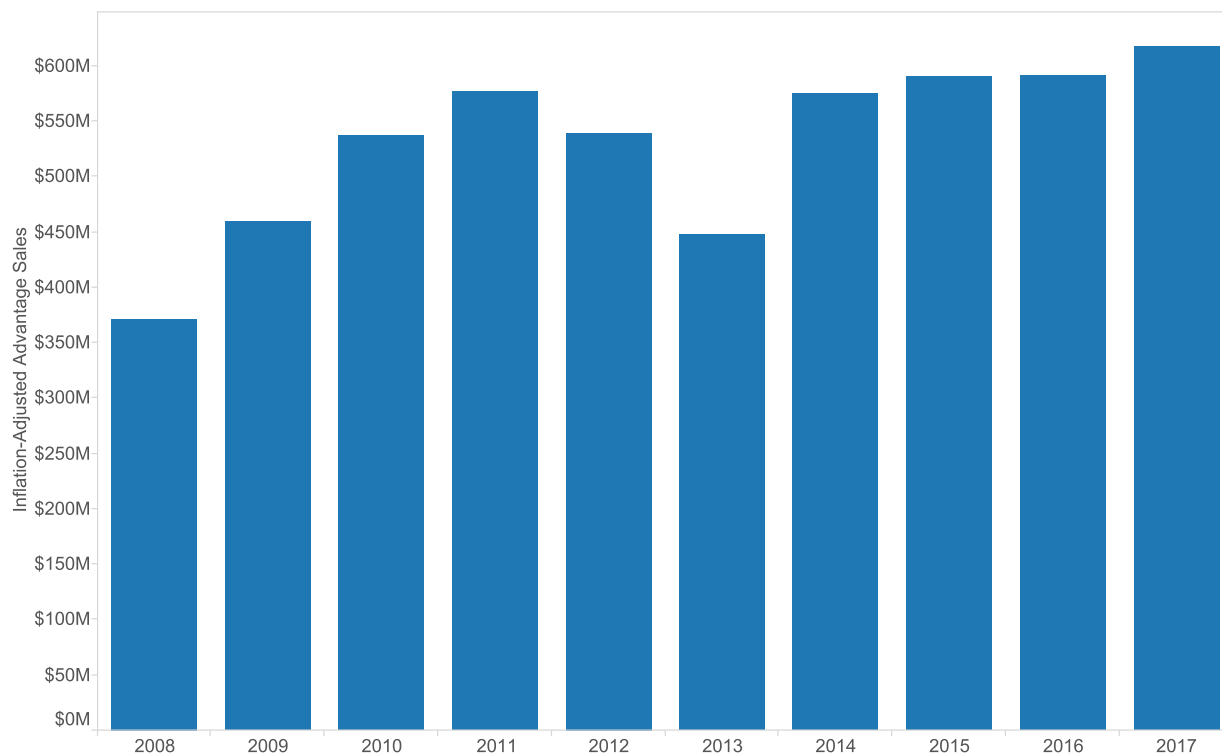
| Agency | 2017 Open Market Spending | Market Share of Commercial Item Spending | Open Market Growth |
|--------------------|---------------------------|--|--------------------|
| DOD | \$15,099,633,654 | 27.13% | 3.73% |
| Army | \$4,685,663,678 | | |
| Navy | \$2,932,133,131 | | |
| Air Force | \$2,910,827,282 | | |
| HHS | \$5,928,550,859 | 57.12% | 10.95% |
| VA | \$3,630,932,772 | 21.33% | 14.16% |
| DHS | \$1,935,990,889 | 22.13% | 33.24% |
| State | \$1,903,985,669 | 56.15% | 78.69% |
| DOJ | \$1,271,869,622 | 29.84% | 5.16% |
| USDA | \$1,196,668,465 | 45.63% | 21.84% |
| DOI | \$627,964,456 | 33.84% | -13.90% |
| Treasury | \$511,326,759 | 18.82% | 14.80% |
| DOC | \$440,040,126 | 24.49% | -15.50% |
| DoEd | \$407,471,691 | 22.75% | 1.73% |
| SSA | \$182,362,747 | 13.24% | 13.90% |
| All Other Agencies | \$3,479,942,863 | 35.00% | 1.01% |
| Total | \$36,616,740,570 | | |

Observations

- These market share metrics use the same methodology as the described on the previous page
- Social Security, Treasury, and the VA are the agencies that are most likely to utilize existing contracts, while HHS, State, and USDA are the most likely to utilize open market purchases
- The growth of open market purchases in the VA could be the result of the transition during the Medical/Surgical Prime Vendor program

Source: Federal Procurement Data System

GSA ADVANTAGE! SALES



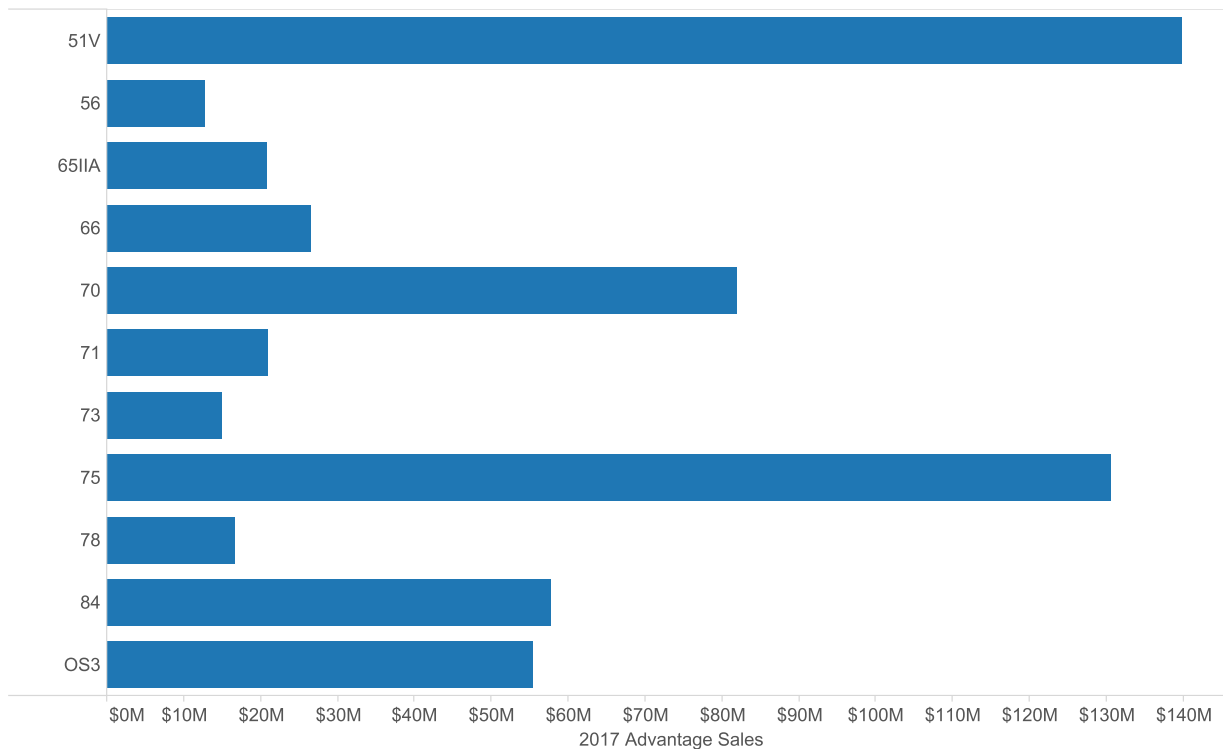
| Year | Inflation-Adjusted Advantage Sales | Growth | Number of Orders | Average Order Size | Percent of Schedule Sales |
|------|------------------------------------|---------|------------------|--------------------|---------------------------|
| 2008 | \$371,522,583 | | 639,727 | \$512 | 0.88% |
| 2009 | \$459,090,280 | 23.57% | 788,312 | \$511 | 1.06% |
| 2010 | \$536,271,976 | 16.81% | 936,897 | \$511 | 1.22% |
| 2011 | \$576,913,636 | 7.58% | 1,031,651 | \$515 | 1.37% |
| 2012 | \$538,691,244 | -6.63% | 971,687 | \$521 | 1.35% |
| 2013 | \$447,122,299 | -17.00% | 869,921 | \$490 | 1.22% |
| 2014 | \$573,819,162 | 28.34% | 1,091,065 | \$510 | 1.70% |
| 2015 | \$589,246,795 | 2.69% | 1,145,727 | \$499 | 1.70% |
| 2016 | \$590,990,296 | 0.30% | 1,087,271 | \$534 | 1.84% |
| 2017 | \$617,354,816 | 4.46% | 1,130,447 | \$546 | 1.99% |

Observations

- While GSA Advantage! sales have been increasing over the past four years, sales remain less than 2 percent of total Schedule sales
- As the Government moves towards implementing Section 846 of the 2018 National Defense Authorization Act, it will be interesting to see how the trends for existing e-Commerce solutions like Advantage! change

Source: GSA Advantage Sales Report, GSA Schedule Sales Query Plus, Bureau of Labor Statistics CPI

GSA ADVANTAGE! SALES BY SCHEDULE



| Schedule | 2017 Advantage Sales | Orders | Average Order Size | Growth | Percent of Schedule Sales |
|---------------|----------------------|---------|--------------------|--------|---------------------------|
| 51V | \$139,899,150 | 312,278 | \$448 | 3.70% | 23.21% |
| 75 | \$130,614,595 | 374,514 | \$349 | 57.74% | 41.52% |
| 70 | \$82,024,858 | 87,086 | \$942 | 10.63% | 0.55% |
| 84 | \$57,753,700 | 58,393 | \$989 | 6.75% | 4.90% |
| OS3 | \$55,371,747 | 137,086 | \$404 | 69.83% | 44.59% |
| 66 | \$26,537,625 | 17,868 | \$1,485 | 6.93% | 4.15% |
| 71 | \$21,026,950 | 12,970 | \$1,621 | 23.62% | 2.46% |
| 65IIA | \$20,906,241 | 29,812 | \$701 | 6.65% | 1.28% |
| 78 | \$16,728,988 | 16,175 | \$1,034 | 6.10% | 11.62% |
| 73 | \$14,941,802 | 15,775 | \$947 | -1.24% | 9.51% |
| 56 | \$12,672,617 | 12,330 | \$1,028 | 0.29% | 5.26% |
| Totals | \$617,354,816 | | | | |

Observations

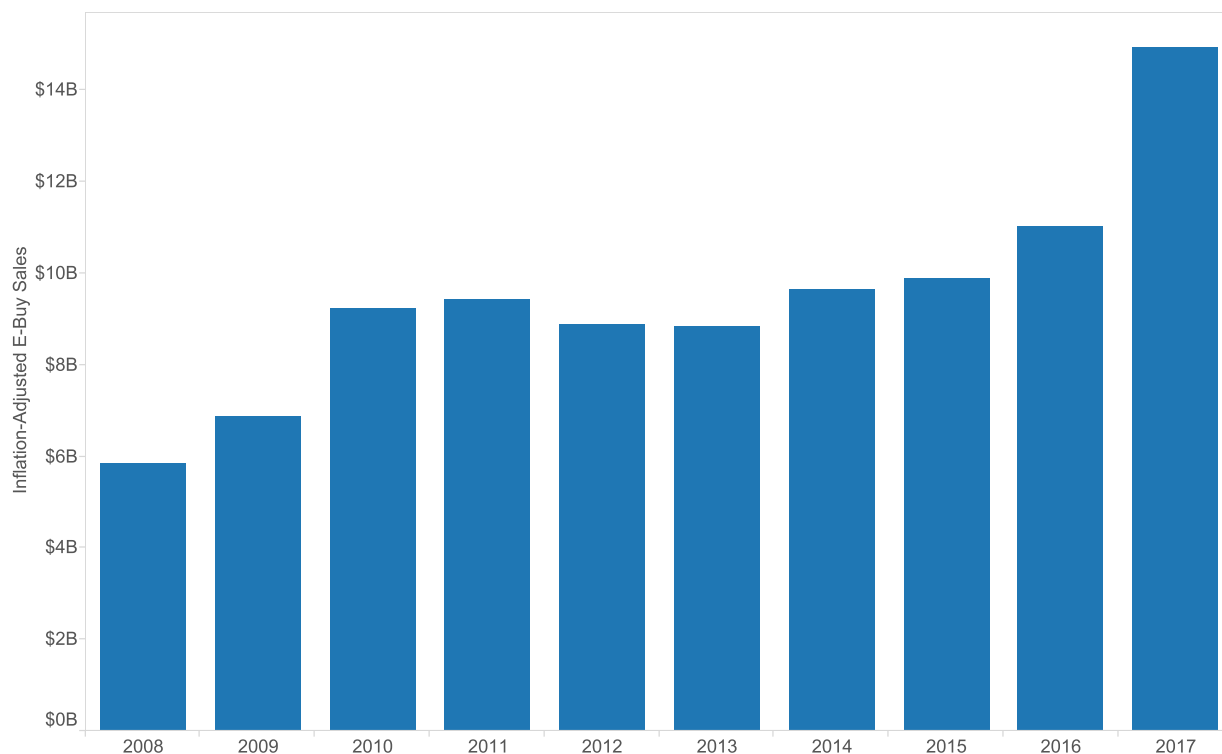
- While GSA Advantage may only account for 2 percent of total Schedule sales, it accounts for more than 40 percent of office supply spending (Schedule 75 and OS3) and more than 20 percent of hardware spending (Schedule 51V)
- Despite the declining levels of total office supply spending, office supplies spending has increased by more than 50 percent on GSA Advantage

Source: GSA Advantage Sales Report, GSA Schedule Sales Query Plus

HOW THE GOVERNMENT PURCHASES

GWACs, Assisted Services, BPAs, Commercial Item Contracts, Purchase Cards, Open Market Purchases, and e-Commerce

ESTIMATED SALES ON E-BUY



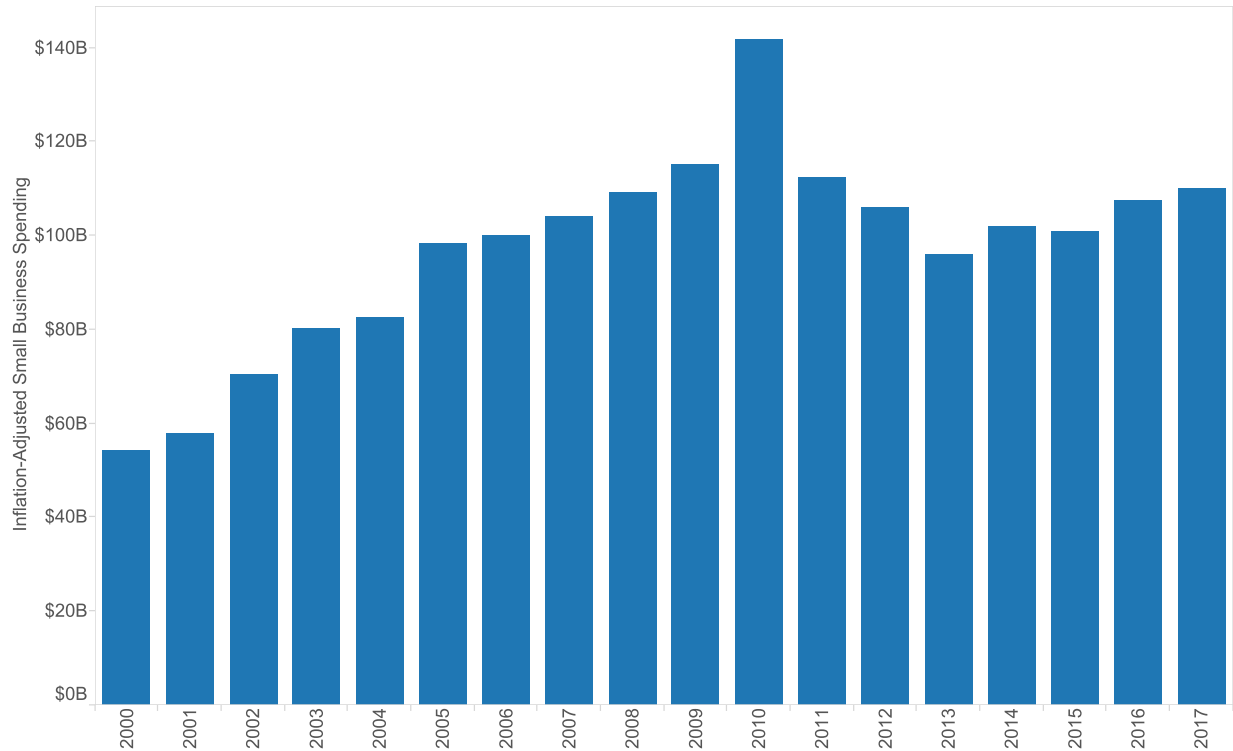
| Year | Inflation-Adjusted Sales | Growth | Number of RFQs | Average RFQ Size | Average Quotes per RFQ | RFQs with 3 or more Quotes |
|------|--------------------------|--------|----------------|------------------|------------------------|----------------------------|
| 2008 | \$5,847,074,641 | | 57,656 | \$101,413 | 2.46 | 30.37% |
| 2009 | \$6,874,660,739 | 17.57% | 64,677 | \$106,292 | 2.84 | 34.29% |
| 2010 | \$9,217,762,083 | 34.08% | 73,319 | \$125,721 | 2.72 | 33.83% |
| 2011 | \$9,426,781,133 | 2.27% | 74,200 | \$127,046 | 2.74 | 33.84% |
| 2012 | \$8,878,983,612 | -5.81% | 79,789 | \$111,281 | 2.62 | 32.80% |
| 2013 | \$8,854,084,123 | -0.28% | 62,794 | \$141,002 | 2.73 | 33.78% |
| 2014 | \$9,655,261,604 | 9.05% | 72,014 | \$134,075 | 2.55 | 33.04% |
| 2015 | \$9,904,178,745 | 2.58% | 72,263 | \$137,057 | 2.45 | 31.98% |
| 2016 | \$11,024,717,953 | 11.31% | 70,686 | \$155,967 | 2.48 | 32.67% |
| 2017 | \$14,946,029,405 | 35.57% | 64,813 | \$230,602 | 2.58 | 33.49% |

Observations

- The chart shows GSA's estimates for the total dollar value of RFQ's awarded using GSA E-Buy. The system does not track the actual spending after the award has been made
- There is a significantly larger amount of sales going through e-Buy than GSA Advantage
- E-Buy has had consistent growth over the past decade
- MAS ordering procedures were changed in 2011 to encourage buyers to seek more competition when using the Schedules. Since 2011 the average number of quotes per RFQ has remained steady

Source: GSA E-Buy Report, Bureau of Labor Statistics CPI

SMALL BUSINESS SPENDING



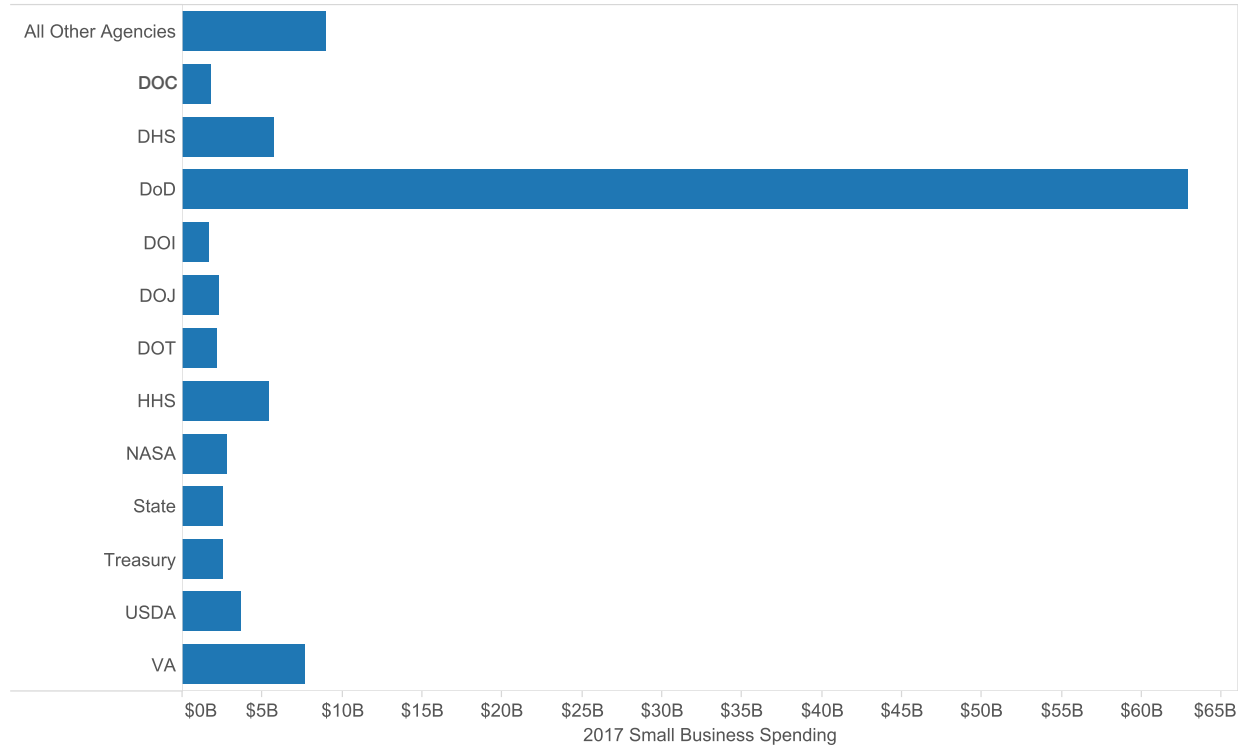
| Year | Inflation-Adjusted Small Business Spending | Small Business Utilization | Growth |
|------|--|----------------------------|---------|
| 2000 | \$54,151,918,767 | 19.90% | 5.78% |
| 2001 | \$57,803,557,919 | 19.89% | 6.74% |
| 2002 | \$70,322,056,503 | 20.91% | 21.66% |
| 2003 | \$80,215,668,153 | 19.88% | 14.07% |
| 2004 | \$82,544,468,795 | 20.75% | 2.90% |
| 2005 | \$98,080,379,523 | 22.43% | 18.82% |
| 2006 | \$100,154,072,292 | 21.65% | 2.11% |
| 2007 | \$103,986,462,294 | 20.85% | 3.83% |
| 2008 | \$109,039,020,464 | 19.56% | 4.86% |
| 2009 | \$115,262,073,951 | 20.96% | 5.71% |
| 2010 | \$141,657,339,995 | 22.10% | 22.90% |
| 2011 | \$112,185,264,362 | 21.48% | -20.81% |
| 2012 | \$105,890,203,711 | 22.09% | -5.61% |
| 2013 | \$95,862,910,422 | 23.34% | -9.47% |
| 2014 | \$101,877,115,501 | 25.10% | 6.27% |
| 2015 | \$100,862,508,891 | 25.84% | -1.00% |
| 2016 | \$107,424,271,678 | 24.38% | 6.51% |
| 2017 | \$109,935,281,535 | 23.88% | 2.34% |

Observations

- Small business utilization is calculated using the exclusions in small business goaling reports. A breakdown of the exclusions applied to the report can be found in the appendix of the goaling report at this link https://www.fpds.gov/downloads/top_requests/FPDSNG_SB_Goaling_FY_2016.pdf
- Small business spending has been greater than 22 percent of total spending every year since 2012

Source: Federal Procurement Data System, Bureau of Labor Statistics CPI, Small Business Administration Goaling Reports

SMALL BUSINESS BY AGENCY



Observations

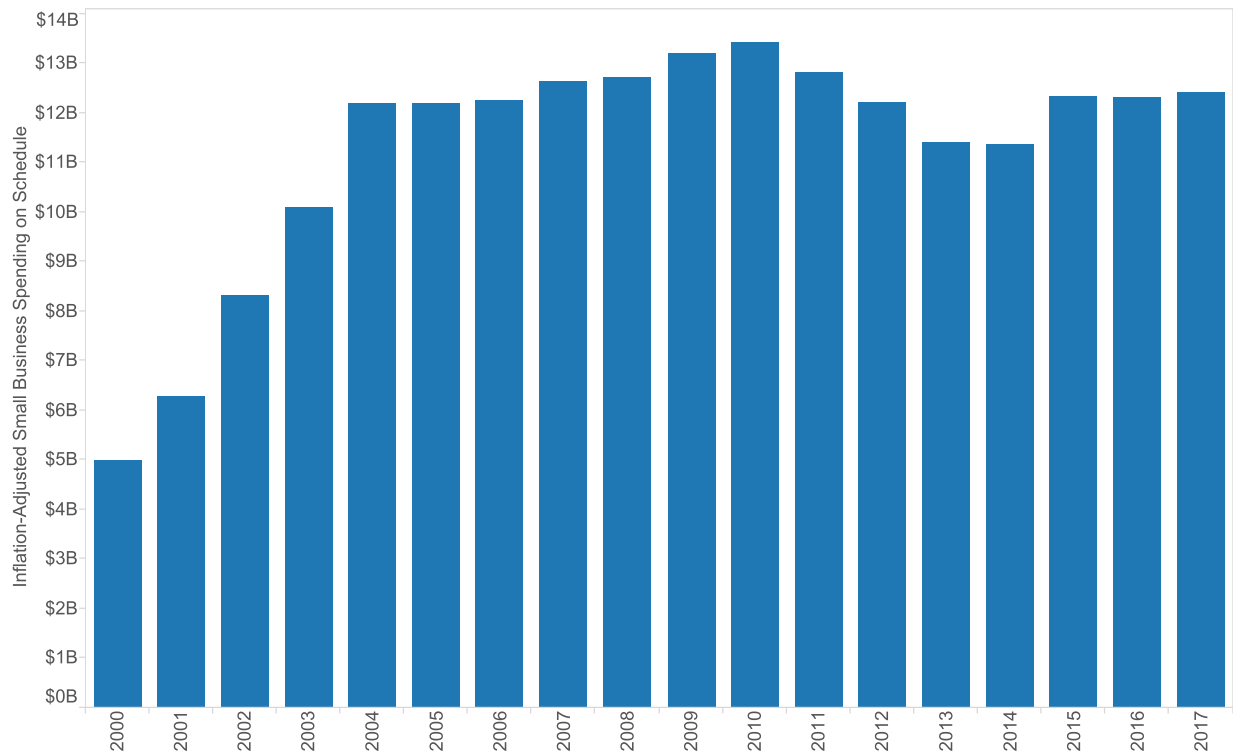
- The Small Business utilization rate in this report includes the goaling exclusions used when determining government small business goals
- Five of the agencies on this list did not achieve their small business goals, but the government-wide goal of 23 percent was reached for the fifth year in a row
- Schedules and GWACs account for 18.08 percent of small business spending but only 8.43 percent of total contract spending

Source: Federal Procurement Data System, Small Business Administration Goaling Reports

SOCIO-ECONOMIC GOALS

| Agency | 2017 Small Business Spending | Small Business Utilization | 2017 Small Business Goal | Percent from GWACs and MAS |
|--------------------|------------------------------|----------------------------|--------------------------|----------------------------|
| DOD | \$62,910,628,675 | 22.53% | 22.00% | 9.99% |
| Army | \$16,748,087,632 | | | |
| Navy | \$13,797,196,568 | | | |
| Air Force | \$12,331,318,799 | | | |
| VA | \$7,632,240,267 | 29.37% | 28.50% | 28.57% |
| DHS | \$5,713,115,840 | 34.32% | 35.50% | 24.47% |
| HHS | \$5,461,480,111 | 22.35% | 22.75% | 36.69% |
| USDA | \$3,654,121,009 | 57.72% | 49.00% | 18.37% |
| NASA | \$2,726,327,421 | 16.52% | 16.00% | 8.30% |
| Treasury | \$2,521,387,715 | 35.34% | 35.00% | 28.75% |
| State | \$2,513,224,521 | 22.90% | 25.08% | 29.48% |
| DOJ | \$2,258,408,755 | 30.09% | 31.00% | 33.61% |
| DOT | \$2,160,771,821 | 48.57% | 50.00% | 25.25% |
| DOC | \$1,760,122,473 | 42.22% | 40.00% | 51.57% |
| DOI | \$1,700,502,150 | 56.83% | 53.50% | 22.94% |
| All Other Agencies | \$8,922,950,776 | 17.82% | | 34.13% |
| Total | \$109,935,281,535 | 23.88% | 23.00% | 18.08% |

SMALL BUSINESS UTILIZATION ON GSA SCHEDULES



Observations

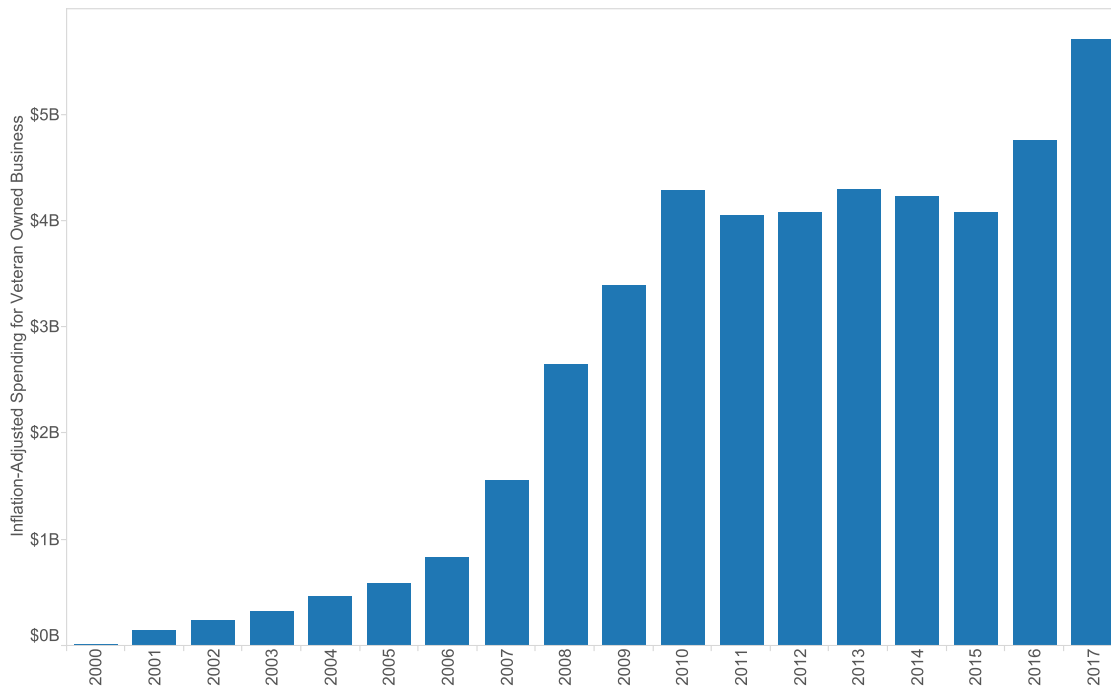
- This chart shows the small business spending that occurs within the Schedules program
- Small Business Spending on Schedules has been flat since the early 2000's, but it still makes up a significant portion of total small business spending
- Growth has followed closely with changes in total Schedules spending
- Having a small business utilization rate of almost 40 percent demonstrates the robustness of the Schedules

Source: Federal Procurement Data System, GSA Schedule Sales Query Plus, Bureau of Labor Statistics CPI

SOCIO-ECONOMIC GOALS

| Year | Inflation-Adjusted Small Business Spending on Schedule | MAS Contribution to Total SB Spending | Growth | Small Business Percent on MAS |
|------|--|---------------------------------------|--------|-------------------------------|
| 2000 | \$4,998,583,764 | 9.23% | 43.45% | 28.96% |
| 2001 | \$6,263,081,855 | 10.84% | 25.30% | 27.65% |
| 2002 | \$8,306,892,507 | 11.81% | 32.63% | 27.68% |
| 2003 | \$10,097,415,447 | 12.59% | 21.55% | 27.75% |
| 2004 | \$12,186,735,588 | 14.76% | 20.69% | 29.04% |
| 2005 | \$12,191,896,764 | 12.43% | 0.04% | 28.74% |
| 2006 | \$12,241,703,179 | 12.22% | 0.41% | 28.59% |
| 2007 | \$12,647,282,242 | 12.16% | 3.31% | 29.50% |
| 2008 | \$12,718,174,990 | 11.66% | 0.56% | 30.08% |
| 2009 | \$13,216,660,339 | 11.47% | 3.92% | 30.48% |
| 2010 | \$13,424,449,539 | 9.48% | 1.57% | 30.53% |
| 2011 | \$12,817,540,037 | 11.43% | -4.52% | 30.50% |
| 2012 | \$12,216,355,908 | 11.54% | -4.69% | 30.59% |
| 2013 | \$11,413,071,262 | 11.91% | -6.58% | 31.14% |
| 2014 | \$11,349,932,161 | 11.14% | -0.55% | 33.59% |
| 2015 | \$12,344,456,285 | 12.24% | 8.76% | 35.58% |
| 2016 | \$12,326,509,267 | 11.47% | -0.15% | 38.39% |
| 2017 | \$12,427,054,364 | 11.30% | 0.82% | 39.99% |

VETERAN OWNED BUSINESSES AND THE VA



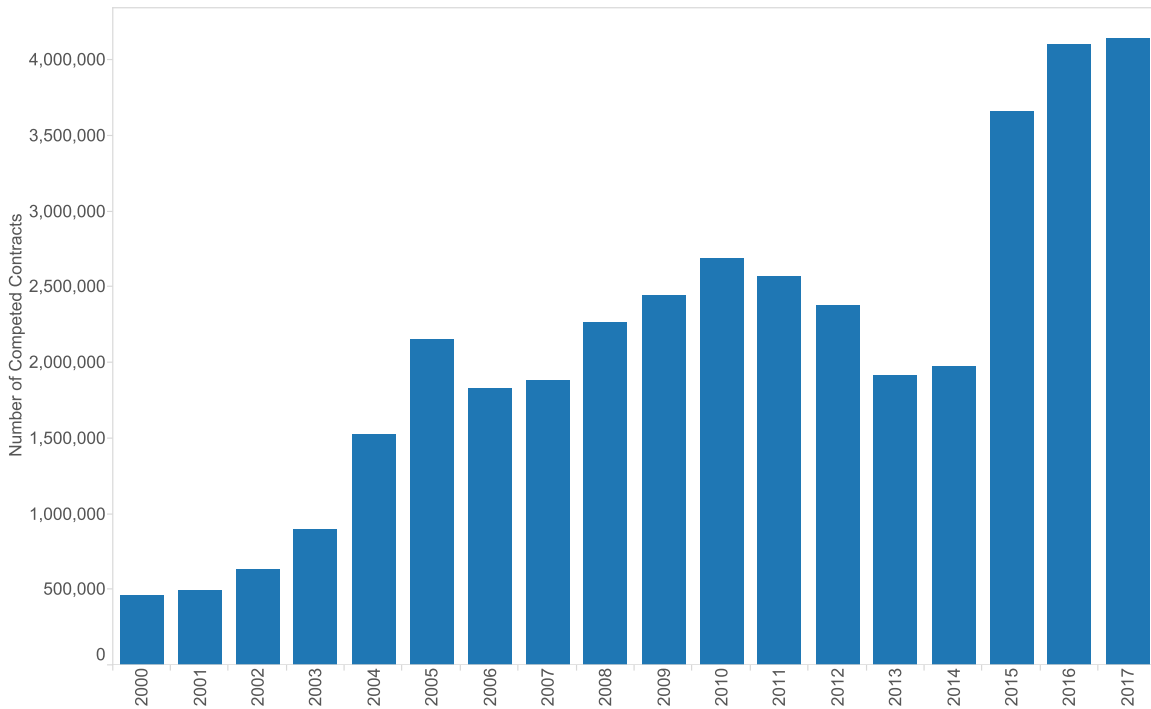
| Year | Inflation-Adjusted Spending for Veteran Owned Business | Utilization Rate | Growth |
|------|--|------------------|--------|
| 2000 | \$13,882,038 | 0.25% | >100% |
| 2001 | \$143,952,544 | 2.40% | >100% |
| 2002 | \$240,292,348 | 3.74% | 66.92% |
| 2003 | \$321,456,138 | 3.53% | 33.78% |
| 2004 | \$460,456,296 | 4.66% | 43.24% |
| 2005 | \$584,417,326 | 5.10% | 26.92% |
| 2006 | \$832,030,546 | 6.47% | 42.37% |
| 2007 | \$1,555,610,520 | 10.40% | 86.97% |
| 2008 | \$2,645,629,204 | 15.63% | 70.07% |
| 2009 | \$3,387,947,556 | 20.08% | 28.06% |
| 2010 | \$4,281,204,131 | 23.54% | 26.37% |
| 2011 | \$4,047,158,757 | 21.30% | -5.47% |
| 2012 | \$4,083,918,588 | 22.24% | 0.91% |
| 2013 | \$4,289,313,818 | 22.25% | 5.03% |
| 2014 | \$4,228,433,229 | 21.52% | -1.42% |
| 2015 | \$4,079,914,734 | 19.66% | -3.51% |
| 2016 | \$4,756,626,103 | 20.70% | 16.59% |
| 2017 | \$5,706,812,318 | 21.96% | 19.98% |

Observations

- This chart shows the spending for Veteran-Owned Small Businesses awarded by the VA. These data includes the SBA's goaling exclusions, which can be found in the appendix of the goaling report at this link https://www.fpds.gov/downloads/top_requests/FPDSNG_SB_Goaling_FY_2016.pdf
- The VA began spending obligating significantly more money to Veteran businesses after 2006 - most likely because of the Veterans Benefits, Health Care, and Information Technology Act of 2006
- VA obligations to Veterans owned business have been increasing since the Kingdomware decision in the summer of 2016

Source: Federal Procurement Data System, Bureau of Labor Statistics CPI

COMPETITION RATES OF CONTRACTS



| Year | Number of Completed Contracts | Percent Completed | Growth |
|------|-------------------------------|-------------------|---------|
| 2000 | 459,621 | 77.30% | 10.72% |
| 2001 | 493,050 | 76.79% | 7.27% |
| 2002 | 627,471 | 75.54% | 27.26% |
| 2003 | 896,093 | 75.69% | 42.81% |
| 2004 | 1,522,487 | 76.05% | 69.90% |
| 2005 | 2,151,989 | 73.62% | 41.35% |
| 2006 | 1,825,589 | 48.07% | -15.17% |
| 2007 | 1,881,924 | 45.77% | 3.09% |
| 2008 | 2,262,774 | 50.23% | 20.24% |
| 2009 | 2,438,676 | 69.75% | 7.77% |
| 2010 | 2,682,319 | 75.76% | 9.99% |
| 2011 | 2,568,225 | 75.46% | -4.25% |
| 2012 | 2,369,751 | 75.87% | -7.73% |
| 2013 | 1,916,359 | 76.34% | -19.13% |
| 2014 | 1,971,152 | 78.07% | 2.86% |
| 2015 | 3,658,360 | 83.81% | 85.60% |
| 2016 | 4,101,842 | 85.27% | 12.12% |
| 2017 | 4,135,795 | 85.27% | 0.83% |

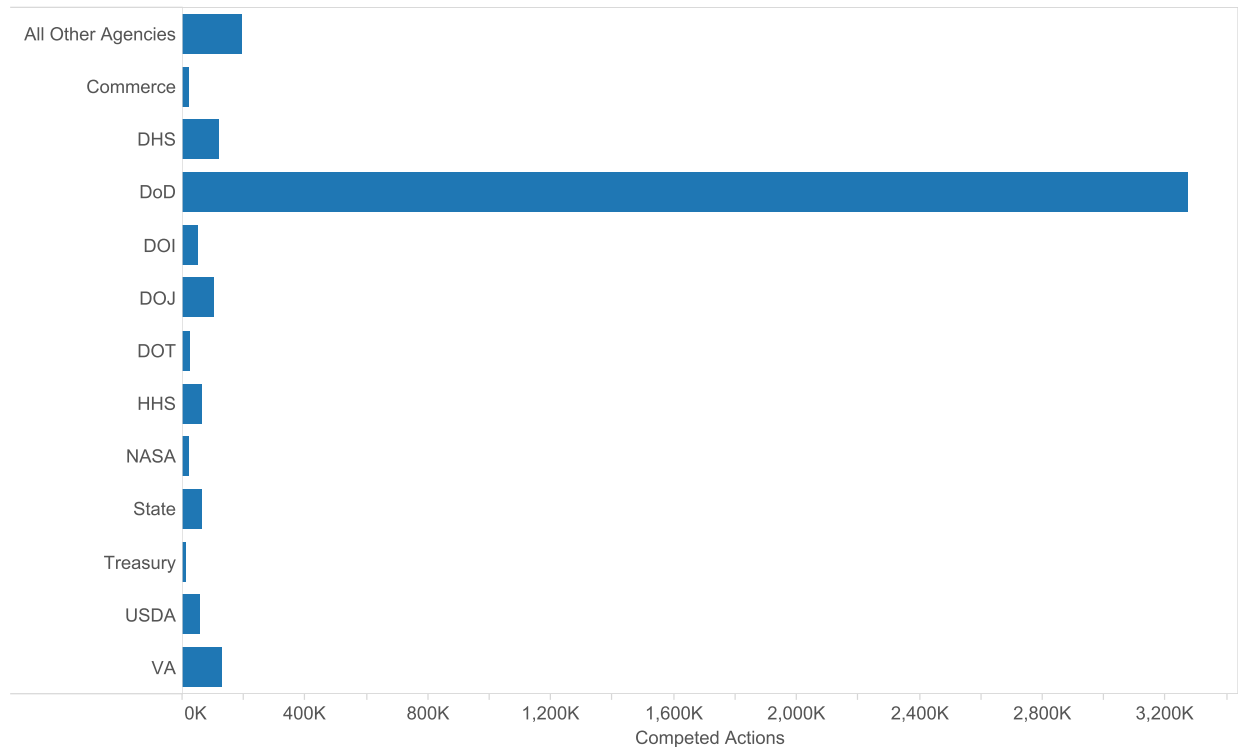
Observations

- This chart shows the number of contracts that were competed. This includes the following classifications: “Competed under SAP,” “Competitive Delivery Order,” “Full and Open Competition,” and “Full and Open Competition after Exclusion of Sources”
- The number of contracts being competed has been increasing steadily since 2010, reaching a high point in 2017

Source: Federal Procurement Data System

COMPETITION IN CONTRACTING

COMPETITION BY AGENCY



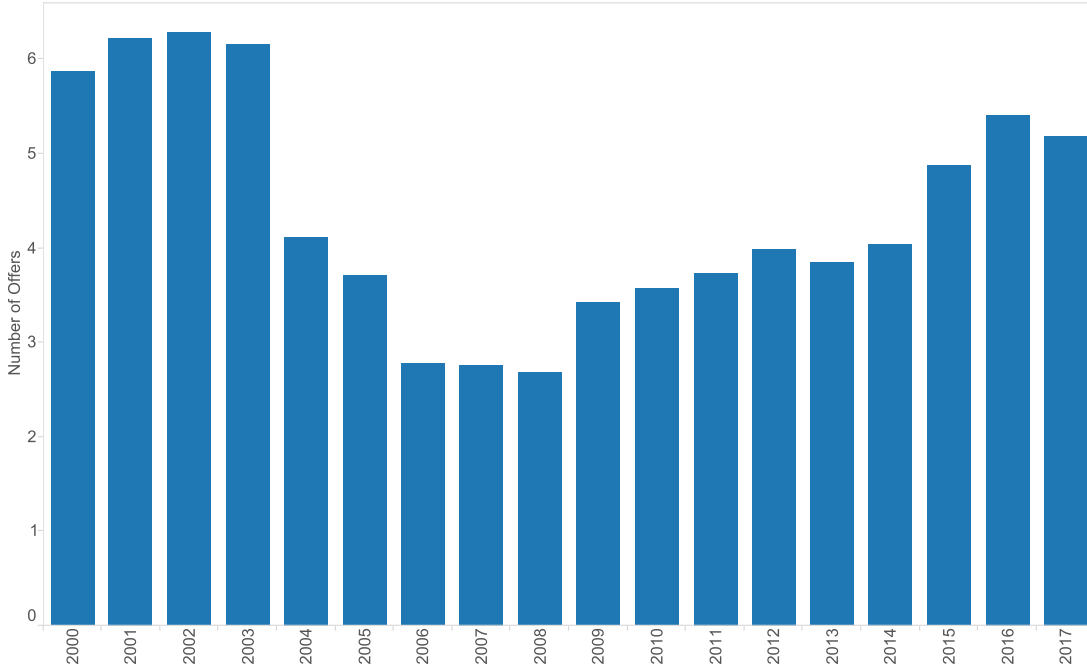
| Agency | Competed Actions | Percent Completed |
|--------------------|------------------|-------------------|
| DOD | 3,273,598 | 89.04% |
| VA | 126,441 | 57.99% |
| DHS | 117,779 | 74.93% |
| DOJ | 104,539 | 79.45% |
| HHS | 65,041 | 73.01% |
| State | 63,912 | 72.69% |
| USDA | 56,742 | 74.12% |
| DOI | 52,374 | 80.48% |
| DOT | 23,956 | 71.58% |
| NASA | 21,550 | 74.76% |
| DOC | 19,970 | 74.76% |
| Treasury | 13,788 | 63.29% |
| All Other Agencies | 196,105 | 82.57% |
| Total | 4,135,795 | 85.27% |

Observations

- This chart uses the same methodology as described in the previous page
- The VA and Treasury have the lowest rates of competed actions, while DoD and Interior have the highest rates of competed actions
- DoD accounts for the significant majority of competed actions with more than 79 percent

Source: Federal Procurement Data System

AVERAGE NUMBER OF OFFERS PER CONTRACT



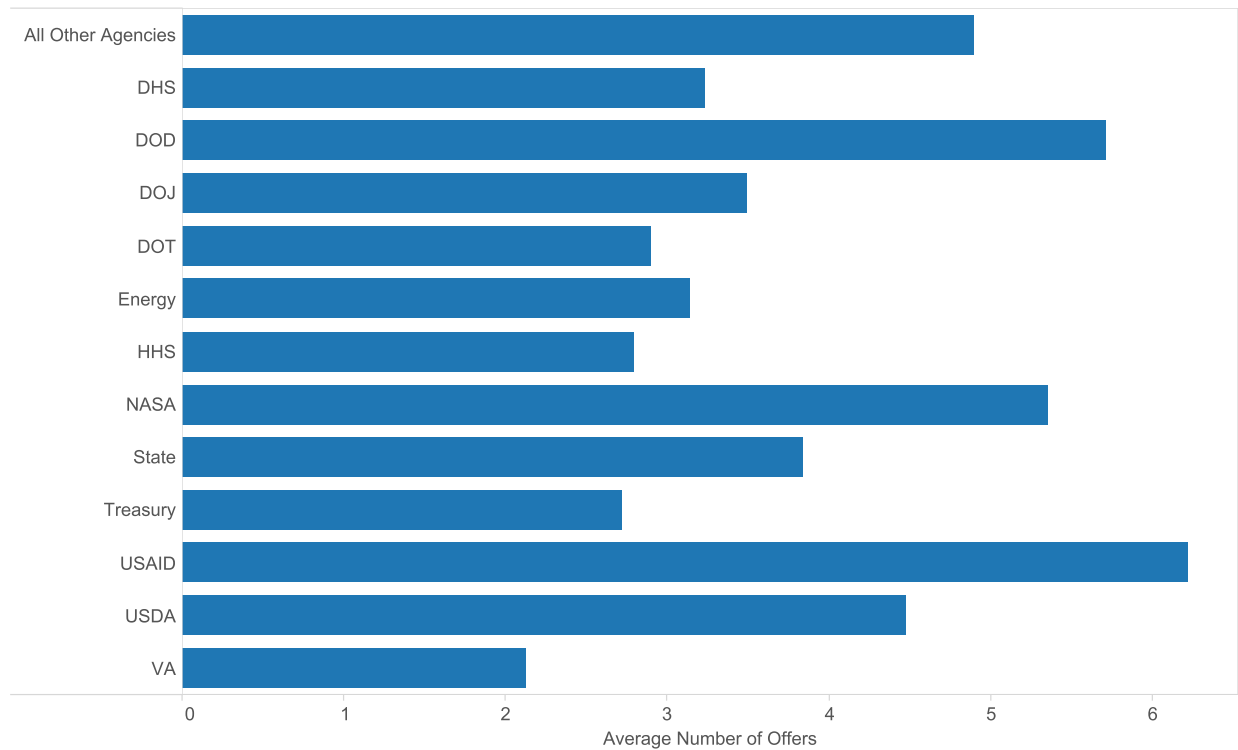
| Year | Number of Offers | Growth |
|------|------------------|---------|
| 2000 | 5.87 | 9.72% |
| 2001 | 6.22 | 5.96% |
| 2002 | 6.28 | 0.96% |
| 2003 | 6.15 | -2.07% |
| 2004 | 4.11 | -33.17% |
| 2005 | 3.71 | -9.73% |
| 2006 | 2.77 | -25.34% |
| 2007 | 2.76 | -0.36% |
| 2008 | 2.68 | -2.90% |
| 2009 | 3.42 | 27.61% |
| 2010 | 3.57 | 4.39% |
| 2011 | 3.73 | 4.48% |
| 2012 | 3.98 | 6.70% |
| 2013 | 3.85 | -3.27% |
| 2014 | 4.04 | 4.94% |
| 2015 | 4.87 | 20.54% |
| 2016 | 5.40 | 10.88% |
| 2017 | 5.18 | -4.07% |

Observations

- This chart includes both the average number of bids on contracts and task/delivery orders
- The average number of offers has fluctuated year to year but has increased in seven of the last nine years
- One possible explanation for this trend is that as contract spending has decreased over the last few years competition for new work has increased

Source: Federal Procurement Data System

NUMBER OF OFFERS PER CONTRACT BY AGENCY



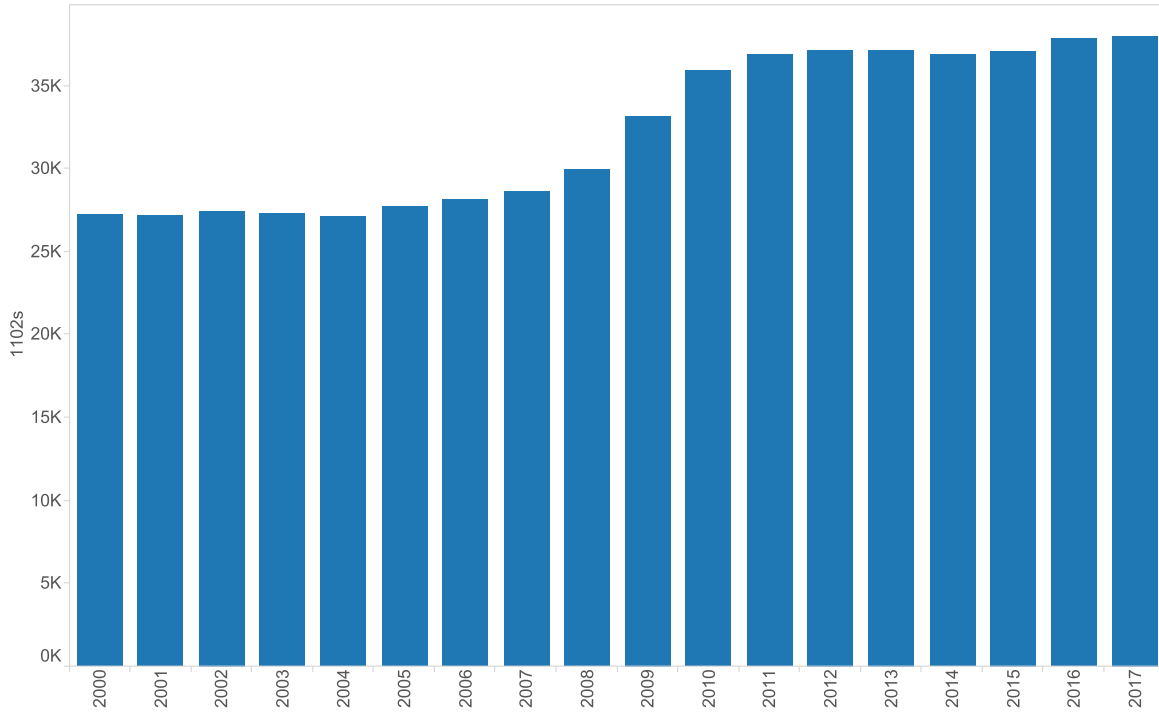
| Agency | Number of Offers |
|--------------------|------------------|
| USAID | 6.22 |
| DOD | 5.71 |
| NASA | 5.35 |
| USDA | 4.47 |
| State | 3.84 |
| DOJ | 3.49 |
| DHS | 3.23 |
| DOE | 3.14 |
| DOT | 2.90 |
| HHS | 2.79 |
| Treasury | 2.72 |
| VA | 2.13 |
| All Other Agencies | 4.90 |
| Total | 5.18 |

Observations

- The VA has the lowest average number of offers per contract; USAID has the highest
- The number of offers varies between agencies and it is not correlated to overall contract spending

Source: Federal Procurement Data System

NUMBER OF 1102'S



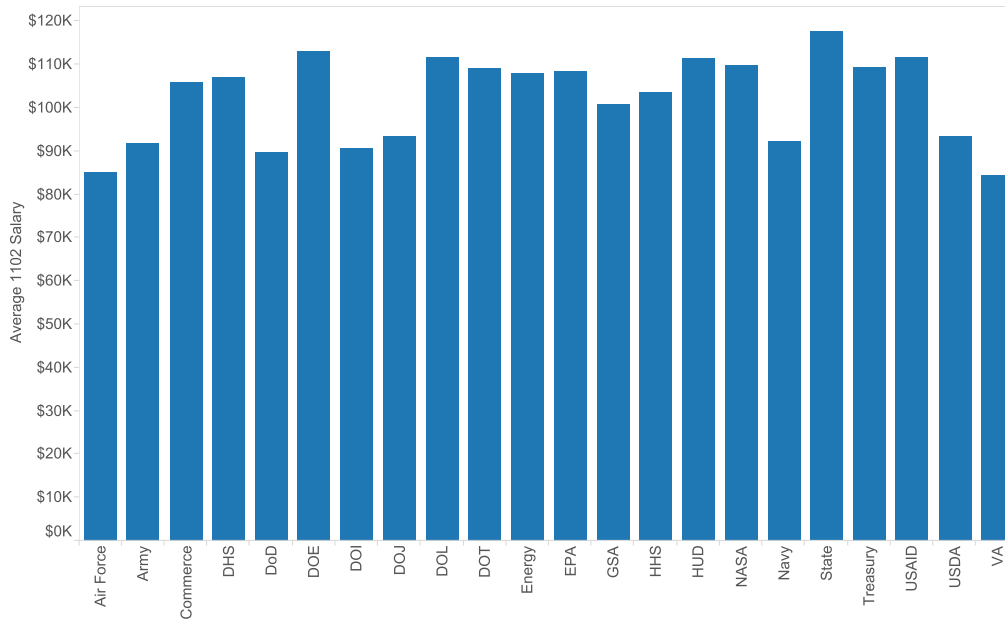
| Year | 1102s | Inflation-Adjusted Spending/1102 | Contracts/1102 | Growth |
|------|--------|----------------------------------|----------------|--------|
| 2000 | 27,230 | \$10,710,371.15 | 21.84 | -0.01% |
| 2001 | 27,141 | \$11,337,578.82 | 23.66 | -0.33% |
| 2002 | 27,409 | \$13,087,993.38 | 30.30 | 0.99% |
| 2003 | 27,285 | \$15,809,354.37 | 43.39 | -0.45% |
| 2004 | 27,068 | \$16,208,156.24 | 73.96 | -0.80% |
| 2005 | 27,709 | \$17,657,948.13 | 105.49 | 2.37% |
| 2006 | 28,096 | \$18,572,081.14 | 135.16 | 1.40% |
| 2007 | 28,607 | \$19,334,591.93 | 143.72 | 1.82% |
| 2008 | 29,928 | \$20,526,327.86 | 150.53 | 4.62% |
| 2009 | 33,155 | \$18,573,275.05 | 105.46 | 10.78% |
| 2010 | 35,855 | \$17,504,306.23 | 98.75 | 8.14% |
| 2011 | 36,841 | \$15,890,645.40 | 92.38 | 2.75% |
| 2012 | 37,128 | \$14,912,899.78 | 84.13 | 0.78% |
| 2013 | 37,109 | \$13,086,184.06 | 67.65 | -0.05% |
| 2014 | 36,879 | \$12,475,500.95 | 68.46 | -0.62% |
| 2015 | 37,071 | \$12,230,371.52 | 117.75 | 0.52% |
| 2016 | 37,839 | \$12,770,605.70 | 127.13 | 2.07% |
| 2017 | 37,957 | \$13,353,250.76 | 127.79 | 0.31% |

Observations

- Although there has been little growth in the number of 1102's since 2011, the average workload in terms of both contracts and dollar value has increased since the early 2000's - reaching a peak in 2008

Source: OPM FedScope, Federal Procurement Data System, Bureau of Labor Statistics CPI

1102 SALARY BY AGENCY



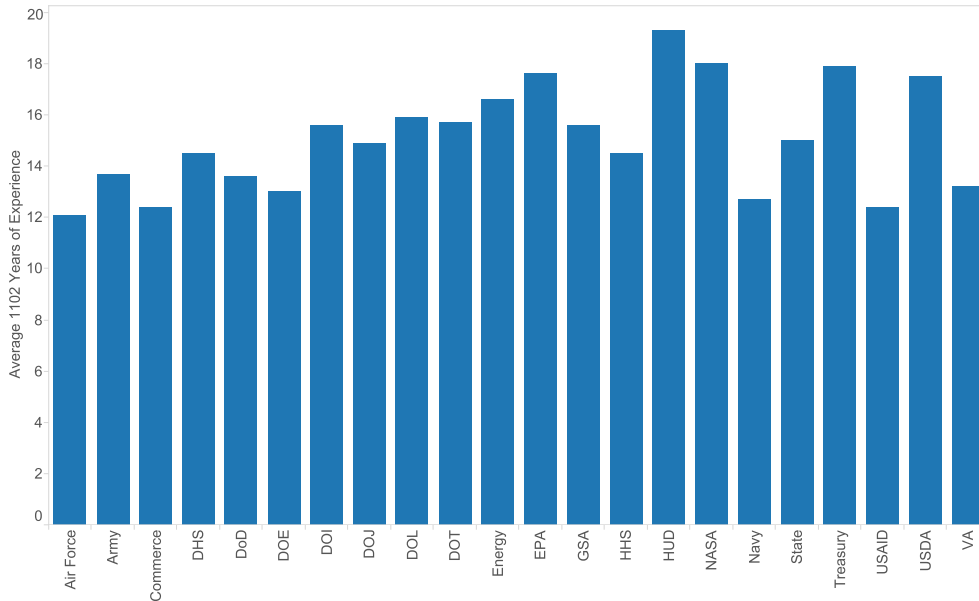
| Agency | Average 1102 Salary |
|--------------------------------------|---------------------|
| USAID | \$111,767 |
| USDA | \$93,484 |
| Air Force | \$85,041 |
| Army | \$91,880 |
| DOC | \$105,845 |
| DOD (excludes the military services) | \$89,655 |
| DoEd | \$113,077 |
| DOE | \$107,931 |
| EPA | \$108,422 |
| GSA | \$100,617 |
| HHS | \$103,363 |
| DHS | \$106,983 |
| HUD | \$111,319 |
| DOI | \$90,540 |
| DOJ | \$93,448 |
| DOL | \$111,755 |
| NASA | \$109,698 |
| Navy | \$92,156 |
| State | \$117,458 |
| DOT | \$108,968 |
| Treasury | \$109,339 |
| VA | \$84,341 |

Observations

- The VA and the Air Force have the lowest average salaries for 1102's; State and Education have the highest salaries

Source: OPM FedScope

1102 EXPERIENCE BY AGENCY



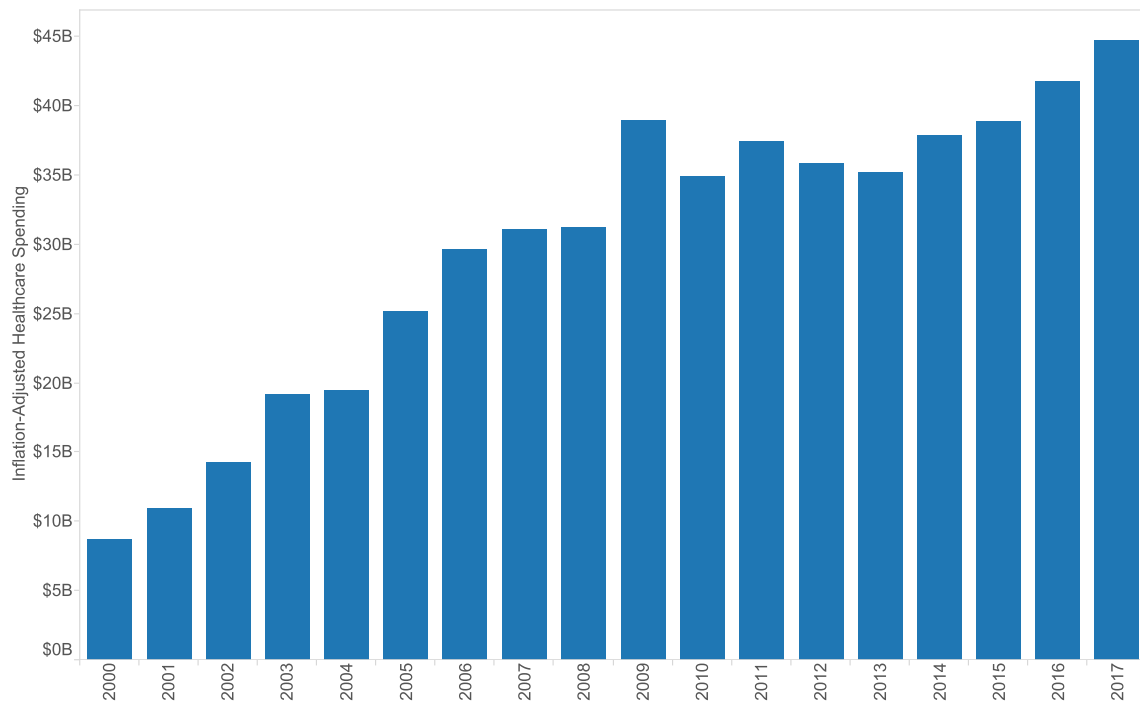
| Agency | Average 1102 Years of Experience |
|---|----------------------------------|
| USAID | 12.4 |
| USDA | 17.5 |
| Air Force | 12.1 |
| Army | 13.7 |
| DOC | 12.4 |
| Defense, Department of (excludes the military services) | 13.6 |
| DoEd | 13.0 |
| DOE | 16.6 |
| EPA | 17.6 |
| GSA | 15.6 |
| HHS | 14.5 |
| DHS | 14.5 |
| HUD | 19.3 |
| DOI | 15.6 |
| DOJ | 14.9 |
| Labor, Department of | 15.9 |
| NASA | 18.0 |
| Navy, Department of | 12.7 |
| State | 15.0 |
| DOT | 15.7 |
| Treasury | 17.9 |
| VA | 13.2 |

Observations

- On average 1102's at HUD and NASA have the most experience, while Air Force and USAID have the least experience

Source: OPM FedScope

HEALTHCARE SPENDING



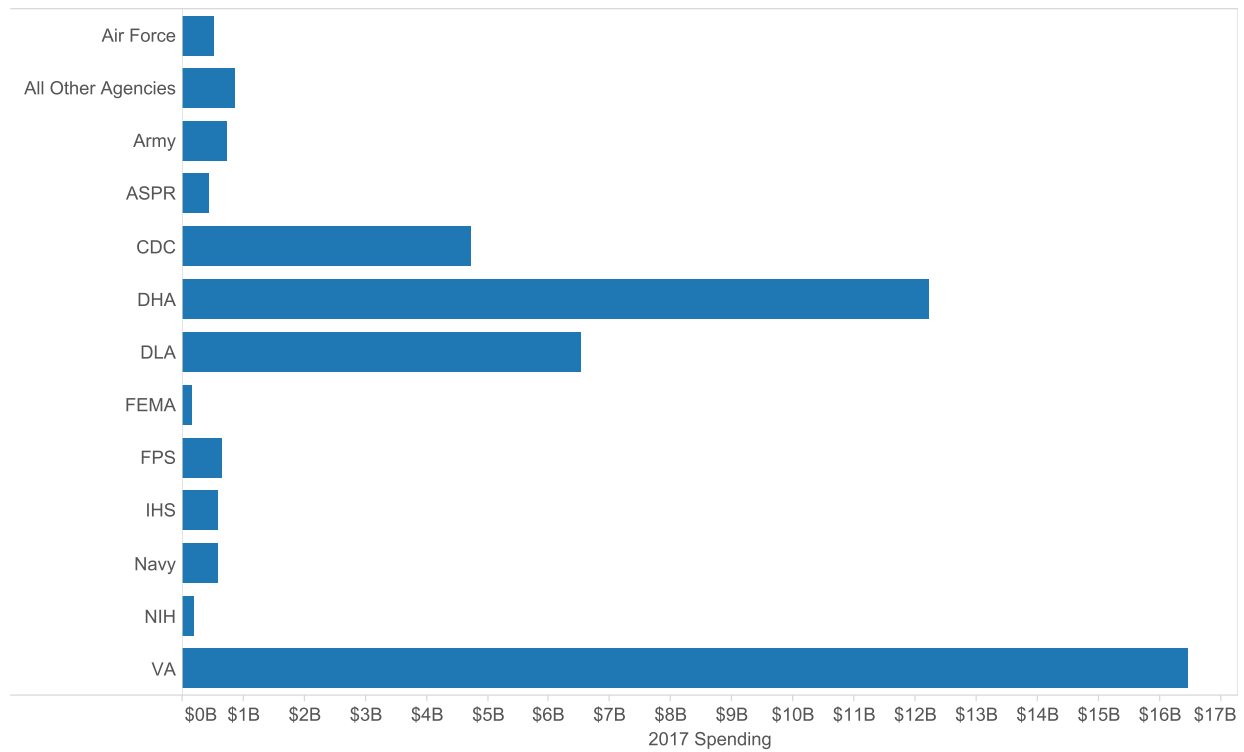
| Year | Inflation-Adjusted Health-care Spending | Growth | Market Share |
|------|---|---------|--------------|
| 2000 | \$8,708,514,231 | -11.42% | 2.99% |
| 2001 | \$10,905,418,249 | 25.23% | 3.54% |
| 2002 | \$14,269,748,849 | 30.85% | 3.98% |
| 2003 | \$19,164,307,928 | 34.30% | 4.44% |
| 2004 | \$19,483,040,313 | 1.66% | 4.44% |
| 2005 | \$25,128,168,140 | 28.97% | 5.14% |
| 2006 | \$29,678,646,589 | 18.11% | 5.69% |
| 2007 | \$31,010,812,594 | 4.49% | 5.61% |
| 2008 | \$31,217,674,056 | 0.67% | 5.08% |
| 2009 | \$38,917,296,718 | 24.66% | 6.32% |
| 2010 | \$34,889,427,937 | -10.35% | 5.56% |
| 2011 | \$37,485,409,223 | 7.44% | 6.40% |
| 2012 | \$35,833,947,021 | -4.41% | 6.47% |
| 2013 | \$35,176,804,484 | -1.83% | 7.24% |
| 2014 | \$37,892,660,107 | 7.72% | 8.24% |
| 2015 | \$38,831,938,068 | 2.48% | 8.56% |
| 2016 | \$41,756,439,981 | 7.53% | 8.64% |
| 2017 | \$44,669,554,850 | 6.98% | 8.81% |

Source: Federal Procurement Data System

Observations

- This graph shows Federal spending in the Medical Category—a grouping created by OMB as part of the Category Management initiative and defined using Product Service Codes. This category is mainly comprised of pharmaceuticals, medical supplies, and healthcare services (like nursing, medical/dental/surgical services, and medical transportation). This does not include Health IT Services. A full breakdown of the product service codes for the Medical Category, as well as the other categories, can be found here: https://www.acquisition.gov/?q=Category_Management
- Healthcare is an increasingly important segment of the Federal market
- The VA estimates that there are currently 2.6 million “Post-9/11” veterans (i.e. veterans who were involved in military actions after 2001). The VA also estimates that this population will grow to 3.5 million by 2019, which indicates that this category could continue to grow

HEALTHCARE SPENDING BY AGENCY



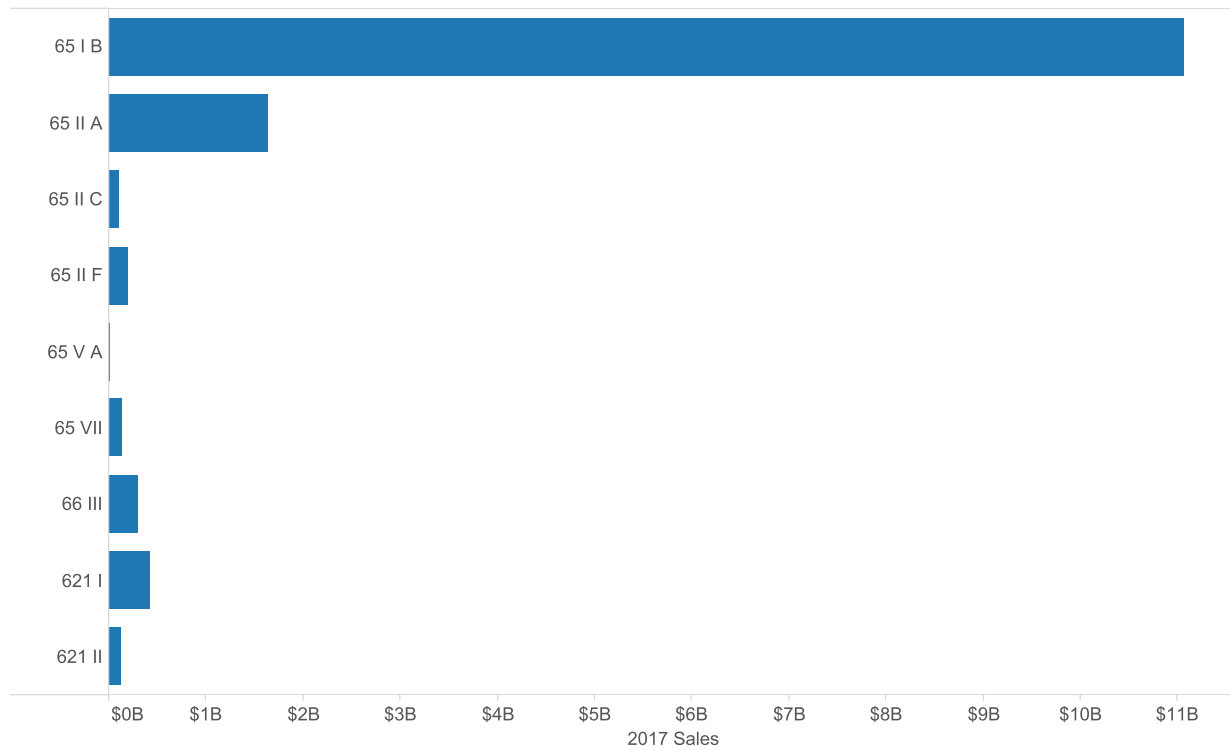
| Agency | 2017 Spending | Growth |
|---|-------------------------|---------|
| VA | \$16,466,328,531 | 21.91% |
| DHA | \$12,229,318,628 | 3.76% |
| DLA | \$6,531,004,447 | 4.78% |
| CDC | \$4,729,046,451 | 0.91% |
| Army | \$729,042,504 | -9.21% |
| Federal Prison System / Bureau Of Prisons | \$643,975,082 | -1.45% |
| Indian Health Service | \$585,568,662 | 8.65% |
| Navy | \$578,497,944 | 5.02% |
| Air Force | \$529,285,573 | 4.55% |
| Office of Assistant Secretary for Preparedness and Response | \$442,841,017 | 10.14% |
| NIH | \$179,999,268 | -2.78% |
| FEMA | \$165,555,003 | >100% |
| All Other Agencies | \$859,091,738 | -26.30% |
| Total | \$44,669,554,850 | |

Observations

- Department of Veterans Affairs and the Defense Health Agency account for more 60 percent of all healthcare obligations
- For the VA, 63.13 percent of its contract obligations are spent on healthcare; for DHA, 87.16 percent of its contract obligations are spent on healthcare
- More than 97 percent of healthcare obligations come from VA, DoD, HHS, or DOJ
- FEMA significantly increased its healthcare spending, most likely in response to recent natural disasters

Source: Federal Procurement Data System

VA FEDERAL SUPPLY SCHEDULE



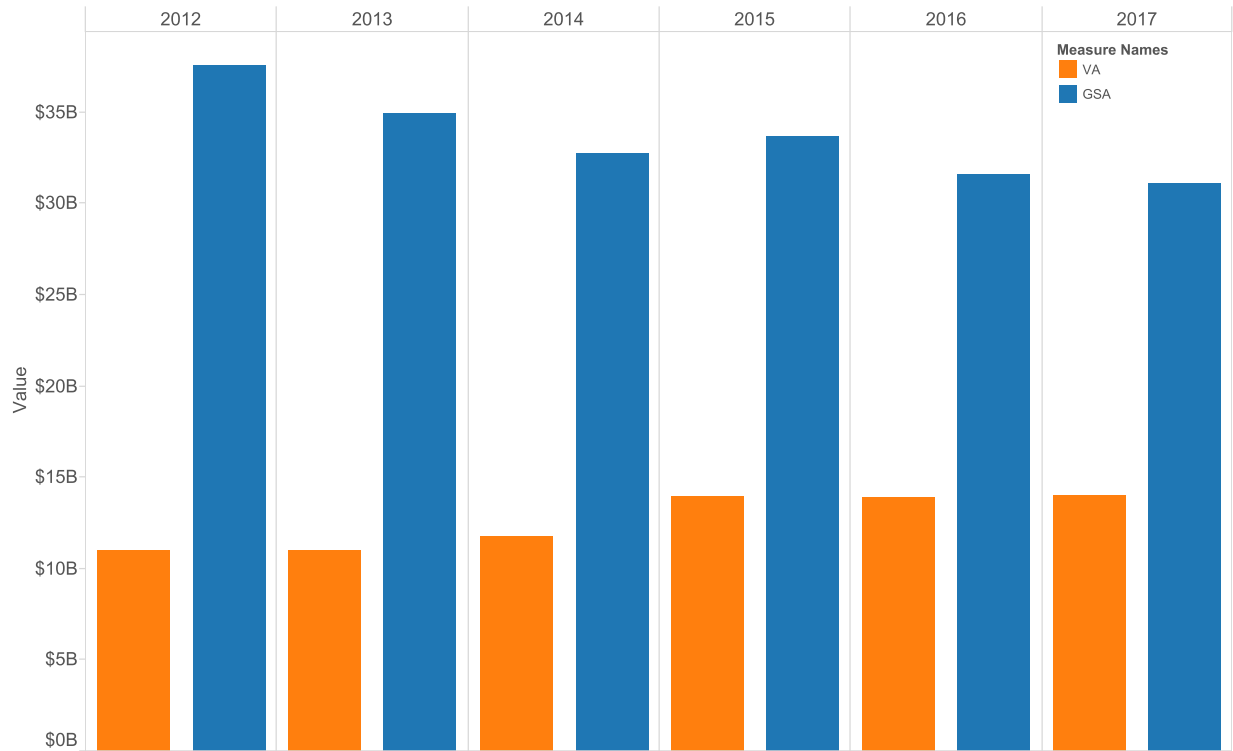
| Schedule | | 2017 Sales | Growth |
|----------|---|------------------|---------|
| 621 I | Professional & Allied Healthcare Staffing Services | \$433,278,147 | -2.66% |
| 621 II | Medical Laboratory Testing & Analysis Services | \$132,164,721 | 5.16% |
| 65 I B | Drugs, Pharmaceuticals, & Hematology Related Products | \$11,069,901,545 | 1.88% |
| 65 II A | Medical Equipment & Supplies | \$1,633,125,651 | -2.37% |
| 65 II C | Dental Equipment & Supplies | \$101,428,100 | -20.85% |
| 65 II F | Patient Mobility Devices | \$204,004,471 | 10.74% |
| 65 V A | X-Ray Equipment & Supplies | \$5,077,151 | 15.34% |
| 65 VII | Invitro Diagnostics, Reagents, Test Kits, & Test Sets | \$141,870,287 | 2.99% |
| 66 III | Cost-Per-Test, Clinical Laboratory Analyzer | \$304,123,640 | 2.03% |
| Totals | | \$14,024,973,712 | 1.18% |

Observations

- Pharmaceuticals remains the largest VA Schedule
- Medical Equipment and Supplies saw a 2 percent decrease; this can likely be attributed to the Medical/Surgical Prime Vendor program's challenges
- Spending on the VA Schedules increased for the fourth year in a row

Source: VA Schedule Sales Query

GSA AND VA SCHEDULES MARKET SHARE



| Year | VA | GSA | MAS |
|------|------------------|------------------|------------------|
| 2012 | \$11,010,670,834 | \$37,536,095,083 | \$48,546,765,917 |
| 2013 | \$10,977,537,189 | \$34,954,646,044 | \$45,932,183,233 |
| 2014 | \$11,761,699,334 | \$32,739,218,320 | \$44,500,917,654 |
| 2015 | \$13,956,740,809 | \$33,656,884,976 | \$47,613,625,785 |
| 2016 | \$13,861,766,248 | \$31,546,126,861 | \$45,407,893,109 |
| 2017 | \$14,024,973,712 | \$31,072,540,872 | \$45,097,514,584 |
| CAGR | 4.72% | -3.85% | -1.48% |

| Year | VA Market Share | GSA Market Share |
|------|-----------------|------------------|
| 2012 | 22.68% | 77.32% |
| 2013 | 23.90% | 76.10% |
| 2014 | 26.43% | 73.57% |
| 2015 | 29.31% | 70.69% |
| 2016 | 30.53% | 69.47% |
| 2017 | 31.10% | 68.90% |

Observations

- The VA Schedules continue to be an increasing percentage of total Schedules sales
- Combined, the VA and GSA Schedules account for 8.9 percent of total government contract spending

Source: GSA Schedule Sales Query Plus, VA Schedule Sales Query



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