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1800 F St., NW Washington, DC 20405

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Subject: GSAR Case 2020–G510, Federal Supply Schedule Economic Price Adjustment

Mr. O'Linn

The Coalition for Government Procurement (“the Coalition”) sincerely appreciates the opportunity to comment on GSAR Case 2020-G510, *Federal Supply Schedule Economic Price Adjustment proposed rule*.

By way of background, the Coalition is a non-profit association of firms selling commercial services, products, and solutions 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 Schedules (FSS), the Government-wide Acquisition Contracts (GWAC), and agency specific multiple award contracts (MAC). Coalition members include small, medium, and large businesses that account for more than \$145 billion in Federal Government contracts. The Coalition is proud to have worked with Government officials for more than 40 years towards the mutual goal of common-sense acquisition.

The Coalition appreciates GSA’s engagement with industry on the need for flexibility on the enforcement certain procedural limits contained in the Schedule EPA clauses in response to the dramatic inflation that occurred over the past several years. Previously the Coalition has submitted comments to GSA on the critical need to address inflation in contracts emphasizing the impact on GSA’s ability to support small businesses. We commend GSA for its efforts with respect to EPAs and support the creation of a single EPA clause.

First, we note that the current process of negotiating escalation rates and adjustments based upon agreed-upon market indicators prior to award (e.g., I-FSS-969(b) (Alternate II)) works well and the new clause should include this language to prevent any misinterpretation or misunderstanding. We are concerned that the proposed rule as drafted could lead to unnecessary delays and inconsistent determinations. Specifically, we recommend that paragraph (f) contain some additional guidance and time limits. For example, a request for an EPA based on a commercial price list does not require market research and can be verified and approved within a matter of days. Similarly, EPA requests based on already agreed upon escalation rates or market index changes do not require market research and should also be approved without delay. We suggest the following language.



(5) EPA requests based on a commercial price list or agreed upon escalation rates or market indicators do not require market research or a new fair and reasonable price determination and shall be verified and approved within five business days. All other EPA requests shall be reviewed and negotiated within 30 calendar days.

For non-routine EPAs, GSA needs to establish guidance and provide training so that contractors are being evaluated based on the same standard (e.g., using the Standard Pricing Evaluation Logic tool or its successor for firms participating in Transactional Data Reporting). Contracting officers also must be trained to avoid utilizing arbitrary percentage limits, old pricing data, or data that does not include terms and conditions. Contracting officers also should reasonably consider pricing documentation suppliers provide to the distributors/FSS contractors. Finally, the rule should require the contracting officer to provide a rationale for its decision to reject an increase.

The Coalition hopes that you find these comments useful and thanks you for your time and consideration.

Sincerely,

Roger Waldron

A handwritten signature in black ink, appearing to read 'Roger Waldron', is placed over a light gray rectangular background.

President