

Procurement Countdown

Fall 2000, No. 120

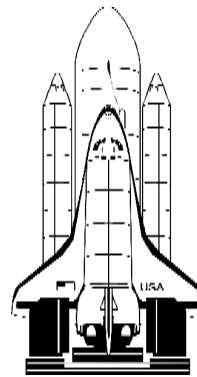
JSC's Space Operations Procurement Office Operates Like Corporate Office

By Vann R. Jones, Caroline M. Root (Contribut.: Charles Riley and Monica G. Miranda), Johnson Space Center

With the award of the Consolidated Space Operations Contract (CSOC) in October of 1998, many new challenges were created for contract administration activities on this Agencywide, \$3.4 billion multi-centered contract. The CSOC provides space operations services supporting both mission and data services for NASA's space flight and science programs. Lockheed Martin Space Operations Company located in Houston, TX, was the successful offeror in this competitive procurement. Lockheed brought with them a highly-skilled and qualified workforce.

NASA acknowledges that the success of this program is based on the quality of the personnel that support this effort. This support includes data acquisition; transmission, processing (such as trajectory data), navigation analysis, attitude determination, data storage, and mission control operations.

The uniqueness of this contract is that it supports services at NASA's Jet Propulsion Laboratory (JPL); Goddard Space Flight Center (GSFC); Marshall Space Flight Center (MSFC); Kennedy Space Center (KSC); Wallops Flight Facility (WFF); and the Johnson Space Center (JSC). From a contract administration perspective and management view, procurement



personnel that are highly effective communicators and can proactively address problems relating to the contract are vital to the success of this contract.

According to Lawrence Kenyon, Manager of the Space

Operations Management Office (SOMO) Procurement Office, "when our office was being formed and staffed, I specifically sought senior contracting professionals with exceptional inter-personal skills to deal with the distributed nature of this contract.

"This contract is all about communication," continued Kenyon, "and with our work being performed at six different NASA sites, we have to operate more like a corporate office than a traditional program office."

The other centers are viewed as customers; daily interactions and weekly teleconferences are held to discuss and collectively solve complex contract administration issues. The interfaces with the various centers have produced challenges such as which center's coordination and approval matrix is appropriate; who is responsible for issuing contract change orders initiated at GSFC

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Highlights...

DAWIA has sweeping changes! They don't affect us - yet. Find out more on page 2.

Do you have a weird procurement? Gary Cox recently did. He describes it on page 2.

Commericalization is a big

word these days? But what's it really all about? See page 4.

With less people and less resources, we all need an advantage. GSA gives us one on page 6.

This month's manager profile, on page 10, features Brad Baker, Procurement Officer at Glenn.

Find out about a Dryden CO, on page 12, who is also working to restore the area.

Langley's new mentor program is highlighted by a mentor and a new employee on page 14.

Master Buy Plans are a little easier now, thanks to a new web-based system. See page 15.

Changes to DAWIA: How Far Will They Spread?

Recently, changes to the DAWIA education requirements were imposed in the FY 2001 Defense Authorization Act. They do not affect NASA or other civilian agencies at this time. However, they are sweeping changes. If they were to filter over to NASA they could have a serious effect on the careers of many procurement personnel. The two relevant changes are below:

First, as of October 1, 2000, all DoD contracting officers and 1102s must have a degree and 24 hours of business courses. This is regardless of your grade, or the grade of a new person. So in the future, even the greenest 1102s must have the degree and the 24 hours of courses. Existing employees are considered “qualified” for their current

positions even if they don’t meet the education requirements. But the second change affects that. With this change, the 10-year grandfathering provision is gone. From now on, there will be no



promotions for people with many years of service, but who do not have the education requirements. It may be possible to waive this, but considering how strict the new policy is, it is

hard to tell if waivers will be granted.

Finally, before these new provisions, procurement personnel could lateral to other positions and still fall under the grandfathering. That no longer applies.

As you can see, DoD has just fallen under much stricter professionalization requirements than we now have. Currently, there are no signs that this will cross over to us. But stranger things have happened. If you have any questions about your future promotion potential, talk to your supervisor. Take your career into your own hands and be ready for your opportunities.

My Weirdest Procurement

By Gary Cox, Goddard Space Flight Center

What’s the weirdest thing you’ve ever bought as a CO? The answer is easy for me, thanks to a recent BPA I put into place with Wendy Wayne Contracting of Odenton, MD. What’s it for? **Goose herding services!** The services are necessary since the geese at GSFC frequently hold up vehicle traffic and litter sidewalks with goose excrement. I guess I never envisioned being the lucky devil buying them. How does it work? Well, we’ll have a Border Collie

named Cheryl Cozzone (I know that’s her name because I had to get her badged) come on site with her owner at odd times of the day and week to “Shoo” away the geese. The expectation is for the geese to get tired of being chased away and find another location to hold up traffic. For those who may think this is inhumane, think again. No animals are hurt; they are simply encouraged to go elsewhere. It’s actually the recommended approach by the Maryland

Department of Natural Resources, as well as the U.S. Department of Agriculture. Of course I’ve received some ribbing from the Procurement Managers over this one. John Baniszewski asked if I included a Key Personnel clause in the contract, while others asked if the Service Contract Act applied.

Do you have a “weirdest procurement” you’d like to share? Send it to the editor, Susie Marucci, at susie.marucci@hq.nasa.gov



People on the Move

GRC: Congratulations to the winners of the Acquisition Improvement/SEB Awards: Tom Spicer for his work in leading the Code R ODIN down-selection process; Robert Lisy for his work in developing and presenting the Cost Realism Training; and Mary Lou Guthrie for her work in support of the IFM. In addition, congratulations to Doreen Medzi and Tom Palisin who received the CFO award for IFM.

All the best to Nancy Kouns who retired October 31, 2000. Nancy had supported the Services and Construction Branch in the Procurement Division since November 14, 1988. She served as NAIS representative for GRC and played a major role by serving as an alternate Point of Contact for the AMS System administration at GRC. She will be missed. We all wish her the best in her retirement. Congratulations to Sonia Schriver on her promotion to contract specialist and to Debra Rak who was promoted to Contract Close-Out Specialist. Welcome to Joan Haug and Sandra Brickner who join the Procurement Office as Purchasing Agents.

GSFC: Our Procurement Officer, Michael Ladomirak, was informed by Mr. Goldin that he was selected for a Meritorious Executive, Presidential Rank Award for Goddard Procurement's contribution to NASA's

mission. We hate to brag...but this is pretty awesome!

Mike McGrath, Procurement Manager, received an award for Supervisor of the Year (nominated by his staff). Glenn Stewart and Tammy Seidel received Gold Star Awards. Also, Jean Parrish, Rhea Frazier, Jennifer O'Connell, and Lisa Bednarik received awards for their excellent contract administration team. Cindy Stoltz received a Quarterly Award for her contribution to IFMP. Steve Lloyd received a Quarterly Award for his contribution to MSES (Mechanical Systems Engineering Services). Acquisition Improvement Awards went to Donna Broderick, Rex Elliot, Cindy Tart, and Gary Cox for the Landfill Gas Procurement. Dean Patterson also received an Acquisition Improvement Award for his work on the Performance-Based Contracting Assessment Team. Steve Kramer received a Quarterly Award for procurement support of the Advanced Mirror Systems Demonstrator for the New Generation Space Telescope (NGST). Tiffany Thorton, Russelyn Rogers, Glen Emig, Mary McKaig, Wilma Mooney, Maria McNamee, and Nancy Lockard were all selected for Peer Awards.

Congratulations to the Rapid Spacecraft Team! They received a prestigious award for "Business Solutions in the Public Interest" by the Council of Excellence in Government and the Office of Procurement Policy. An article about the team was published in Government Executive Magazine.

Ron Brade has joined the ranks of GSFC management as he was recently promoted to Procurement Manager of the MO&DS/TDRSS Procurement Office. Also, Hettie Courtney was promoted to head up the Headquarters Procurement Office at GSFC after the recent reorganization to combine Headquarter's contracts and grants offices. Additional promotions went to Harold Coleman, LaShonda Goodwyn, Joan Belt, Jeanne Stevens, Trena Bercaw, Mindy Goeres, Glenn Emig, Chris Whyte, and Lorrie Eakin.

Becky Barth was selected for the Professional Development Program and is working on an assignment at Headquarters in Code H.

Welcome to our new cooperative education students: Piseth Chim from Drexel University, Devin Barnett from Tuskegee University, Daniel Burke from New Mexico State University, and Tanya Conner from Southeastern University. (An article about the Intern program, to which Devin and Daniel belong, is on page 9.)

Special thanks to Debbie Hollebeke for her efforts on Procurement Stand Down Day in August and to everyone who supported the event, especially Ken Sateriale who did a wonderful job of explaining what Risk-Based Acquisition Management means and how it affects us.

We would like to welcome Trina Haffelfinger's new baby boy, Austin, and Chris Whyte's new baby boy, Alex.

The list of **People on the Move** only includes those names that were submitted to the *Procurement Countdown*. If you know people who should be listed in this column, contact your Center *Procurement Countdown* point of contact, or send the names to the editor, Susie Marucci, on (202) 358-1896, or email at susie.marucci@hq.nasa.gov.

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What's All this Business

By Michelle Isermann, Lead for Commercialization, Johnson Space Center

What *is* all this business about “commercialization” anyway? Why should I care? How does it fit into my every day job? Why should NASA care? Why are we doing this?

Lots of questions. Lots of answers. But, which answer goes with which question? Every person, every entity, every journal, every newspaper, every website seems to have its own take on it.

What is “commercialization”? (Is that with a big “C” or a little “c”?) Let’s see. Pick a definition, any definition. There’s an entire spectrum of definitions of commercialization (and privatization and outsourcing). One report on privatizing the Shuttle even points out that NASA’s definition of privatizing as it relates to the Shuttle is closer to the more common definitions used for commercialization. Here are a few examples for your reading pleasure:

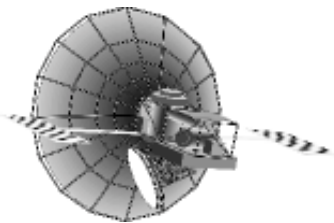
Commercial Activities – the term commercial activities is used in the governmental context to identify those activities that the government performs with its employees or resources but could obtain from private-sector sources. Commercial activities are in contrast to “inherently governmental” activities. (GAO)

Commercialization – the production of goods and services where the government may or may not be one of the many customers and the private sector has title to the assets. (OFPP)

Commercialization – the process of private entities conducting privatized space

activities to expand their customer bases beyond the federal government to address existing or potential commercial markets, investing private resources to meet those commercial market requirements (H.R. 1654, May 3, 1999)

Outsourcing – under outsourcing, a government entity remains fully responsible for the provision of affected services and maintains control over management decisions, while another entity operates the



function or performs the service. This approach includes contracting out, the granting of franchises to private firms, and the use of volunteers to deliver public services. (GAO)

Privatization – the term privatization has generally been defined as any process aimed at shifting functions and responsibilities, in whole or in part, from the government to the private sector. (GAO)

Privatization – the private sector has taken over the operations of what was once a government function, and now provides the same goods or products to the government, which is the primary customer for its products; under the rubric of privatization, the government

would still own the assets (OFPP)

Privatization – the process of transferring (a) control and ownership of federal space-related assets, along with the responsibility for operating, maintaining, and upgrading those assets, or (b) control and responsibility for space-related functions, from the federal government to the private sector. (H.R. 1654, May 3, 1999)

(These various definitions have been collected from different informal sources. The GAO definitions were compiled by GAO in 1997 at the request of Rep. Scott Klug, R-Wis, who was heading a task force on privatization at the time. These and others can be found at: <http://www.gao.gov/special.pubs/gg97121.htm>)

Confusion?

Huh? Did you notice that one definition of “commercialization” actually used “privatized” to define it? And, if the government “may not be one of the many customers” what’s the point? OFPP scores 10 points for using the word “rubric” in a sentence though. OK, so what are we supposed to do with all of that?

Since it’s football season, let me punt for now and go on to say that, in addition to all the opinions and definitions, there are lots of studies, reports, articles, and websites on this specific topic as well as other closely related topics, like government corporations.

Here’s a trivia question—which U. S. President in what year made the following

About Commercialization?

statements regarding government corporations?

“...a corporate form of organization is appropriate for the administration of governmental programs that: 1) are predominantly of a business nature, 2) produce revenue and are potentially self-sustaining, 3) involve a large number of business-type transactions with the public, and 4) require a greater flexibility than the customary type of appropriations budget ordinarily permits.” The answer is at the end of this article.

In “Reinventing the Government Corporation,” a 1996 study by Professor Michael Froomkiin, at the University of Miami, (Professor Froomkiin’s study was published in 1996 and can be found at: <http://www.law.miami.edu/~froomkin/articles/reinvent.htm>) he indicates that federal government corporations (G-corps) have been a part of national life for 200 years. The Government Corporation Control Act (31 USC 9101-9110) describes the requirements for government corporations. Yet, in a 1995 GAO study (GAO report GGD-96-14, Government Corporations: Profiles of Existing Government Corporations, dated 12/13/95. The report can be found at: <http://www.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=gao&docid=f:gg96014.txt>) they contend that there is “no comprehensive descriptive

definition of or criteria for creating G-corps....” However, GAO then went on in 1997 to create its own definition: Government corporations are separate legal entities that are created by Congress, generally with the intent of conducting revenue-producing commercial-type activities, and that are generally free from certain government restrictions related to personnel and procurement. (This is from GAO as listed under the earlier definitions.)

What’s the point? G-corps could be viewed as being a step towards full privatization in the commercialization/privatization discussion (that’s an opinion by the way). The point really is that this discussion has been around for a very long time in the psyche of the American public — at least in the business, political, and academic scenes — and it’s a complex discussion.

Making It Work

Back to the punt. So where does commercialization come in? I submit to you that instead of getting overly distracted by definitions, it seems more important to meet the spirit of what “commercialization” can do as a tool — to help enable NASA to meet its mission — as a means to an end, not as the end goal itself. It’s not, “Whoopieee, NASA just got sold to the highest bidder on eBay—victory is ours!” Commercialization can be used to develop NASA’s aeronautical and space technologies in non-traditional partnerships that will help lessen the

burden on the U. S. taxpayer while enabling the Agency to pull in vital cutting-edge technologies from other industries and while maximizing the transfer of NASA-developed technologies to the commercial market place.

One of the first commercial partnership agreements responsive to the Commercial Space Act of 1998 and the ISS Commercial Development Demonstration Program (1999) is the multimedia partnership between NASA and Dreamtime Holdings, Inc., which became effective in May 2000. The idea of the partnership is to let NASA do what it does best (use the ISS for science, technology, and exploration) and partner with industry to optimize the rest (let Dreamtime tell the NASA story and bring the technology advances of the Information Age to bear). More specifically, the multimedia partnership is intended to:

- 1) Work together to promote NASA’s mission and space activities to a broader audience,
- 2) Apply proven multi-platform information systems and techniques to NASA,
- 3) Integrate commercially-provided enhanced capability into flight and ground systems, and
- 4) Promote commercial use of space through a non-traditional partnership which aligns a diverse compliment of industry sectors in a growing and evolving enterprise.

In exchange for the contributions that NASA is making (which include access to NASA

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A Clear Advantage

by Ron Crider, Headquarters Analysis Division

Most of us by now have at least heard of the many changes that have taken place at the General Services Administration (GSA) over the last few years. For those of us old enough to have dealt with GSA in its past incarnation, the changes are nothing short of amazing. According to our latest data, a number of contract professionals across NASA have also recognized these changes and have registered their approval by placing over 600 orders against GSA's Federal Supply Schedule (FSS) contracts during Fiscal Year 2000. This represents over \$145 million dollars in contract obligations. FY 2000 also marks the fourth year in a row that obligations have increased in this category.

NASA is not alone in recognizing the potential GSA offers to get the job done quickly and efficiently. GSA's premier program "Advantage" was voted the best known federal website in America, handily edging out even the White House's own site. In fairness, a re-count is still under consideration so this could be subject to change. Advantage was also recently honored, along with five other federal agencies, with the first-ever award for "Business Solutions in the Public Interest."

GSA Advantage allows government customers to quickly and easily conduct procurement research and order products and services on-line. The website, which is available at <http://www.gsaadvantage.gov>, allows shoppers to use government credit cards or their Agency accounts to purchase products and services.

The Advantage database currently contains more than one million products from 2,000 vendors, and it's still growing. Federal customers can also browse Advantage by simply using their zip code to sign on.



It's free. Customers are under no obligation to make a purchase. Sort of like window



shopping at the local mall. Unfortunately, GSA has yet to devise a way to provide on-line refreshments while you shop, so gear your expectations of the website accordingly.

New Features

While GSA has made huge strides in improving both the mix of products and services they provide as well as the electronic tools for customers to access them, like life, all is not perfect. New features just announced, however, demonstrate that GSA is aware of

customer concerns and is committed to making things work better.

For example, some recent improvements include 1) merging dozens of overlapping schedules into fewer and better defined categories to speed customer searches and reduce vendor costs; 2) authorization of schedule contractors to reduce schedule prices to an individual customer at any time. This allows vendors and customers to benefit from promotions, inventory excess, product phase-outs and the like; 3) authorization of performance-based ordering under schedule contracts, where the customer describes to the contractor the end results needed and the contractor figures out the best way to meet those needs; and 4) effective June 7, 2000, agencies can now count FSS awards to 8(a) firms towards their small business program procurement goals.

Each dollar obligated under an FSS contract is also credited towards the Center's efforts in complying with NASA's Consolidated Contracting Initiative (CCI) discussed at NFS Part 1807. NASA has determined that FSS contracts fully meet its definition of a shared contract, which is a contract that is established by one agency to furnish goods or services for the beneficial use of another federal agency. The contract must also be Federal Acquisition Regulation (FAR) compliant.

Finding the Tools

To find GSA Advantage while you are visiting the CCI Home Page at <http://procurement.nasa.gov/cgi-bin/CCI/first.cgi>, select the option Inter-Agency Contract Resource List from the main menu and then click on GSA. While we encourage you to use FSS contracts where they make sense to do so, don't forget to use CCI's "Power Search" tool to examine NASA's own inventory of shared contracts. Together, CCI and Advantage provide acquisition professionals with a significant, FAR compliant inventory of contracts available at anytime from which to shop. Remember that working smart always beats working hard, so make a combined CCI/FSS stop your first choice when a procurement request arrives on your desk.

Since we all suffer from information overload, may I suggest that you take a moment to add CCI as a book-mark in your web browser for use later when you remember this article but not where you put it. When time permits, explore CCI and Advantage and determine which offers the best choice for the type of procurements you do. If you are hearing the GSA changes for the first time, may I recommend that you start with a virtual visit to GSA's U-MAS Campus, available on their web page. There you will find general help in using FSS schedules as well as more

Commercialization

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archives; technical expertise; testing, integration, transport to orbit; and support for educational and ISS programming), Dreamtime is providing high definition television capability through shared use equipment, certification of flight equipment, and a vertical space portal (vortal) to stream space content to its website www.dreamtime.com. The vortal will provide increased access to NASA's extensive historical archives through use of a searchable database containing digitized still and motion images. There will be access to NASA's images representing NASA's past, present, and future unlike ever before. Dreamtime is also providing educational programming with distribution to reach at least 65 percent of U.S. households which will help NASA to tell its story in new and exciting ways using cutting-edge technologies and tools. The Multimedia agreement is available to read at

www.multimedia.nasa.gov.

So, what does all this mean? We'll have to continue to broaden our thinking and be willing to look beyond our little boxes, that are so easy to stay within at times (be that offices, programs, centers, or agencies). We will have to think more strategically about the assets, infrastructure, and expertise that we have as an Agency and how those could be brought together. We will have to create an enticing business case for the commercial market place to create partnerships in ways that benefit both parties. It will mean thinking in a more global business-like way – how to collaborate, leverage, and optimize our business deals, whether they be procurements or commercial partnerships. Bottom line: "Commercialization" sounds like it's part of everyone's job description to me.

(Answer to Trivia Question: President Truman in his 1948 budget message, in discussing characteristics common to government corporations. - This is from the GAO report noted after the definitions.)

specific tutorials to choose from.

As acquisition professionals, we can expect to be drawn further into the world of e-business practices. It would benefit all of us to understand, use and provide constructive feedback on e-business tools, such as CCI and Advantage, that are available now. By doing so we can shape the acquisitions we

will be doing in the years ahead.

Having seen the clear advantage that electronic tools provide, I have resolved to excess my private stocks of whiteout and correction tape. Perhaps e-Bay would have some interest.

CSOC

(continued from page 1)

(or any other Center); which Center owns the schedule and how much autonomy does each Center have considering that CSOC management is resident at JSC.

To address these issues the SOMO contracting officer for administration decided to delegate specific contract administration responsibilities to each Center and the centers then selected a senior contracting officer to accept the delegation. GSFC selected Jeanne Stevens, KSC selected David Reeves, MSFC selected Judy Drinnon, and JPL selected Bob DeMoch. These procurement professionals, known as Administrative Contracting Officers (ACO's), support the specific portions of the contract pertinent to their respective centers. This provides each Center with maximum flexibility by enabling the decentralized procurement team to more rapidly respond to programmatic changes. In addition, the ACOs are more knowledgeable about the contract issues at their centers and therefore are more qualified to address these issues. According to Jim Nise, CSOC Contracting Officer's Technical Representative, "the corporate office concept has been very effective and the procurement team has done an outstanding job for us. Having ACO's familiar with the customers needs, to work the necessary details, ensures the quality of the services provided as well." Two years after it began, the SOMO procurement team considers itself to be one group. Each NASA Center has unique operating styles; at times it was a difficult challenge to reach agreement and work

together as a team regarding different issues. However, as agreement was reached, each Center benefited from the merger because "best practices" were used to develop a single streamlined process.

One of the tools helping this merger just offset the time zone differences and geographical boundaries is the distributed database called the SOMO Program Integrated Contract Environment, known as SPICE. SPICE allows each Center to view a current copy of the conformed contract, track change orders, and review management metrics. By utilizing the corporate office concept, satellite offices have been established in five different states (JPL in CA, GSFC in MD, WFF in VA, MSFC in AL, and KSC in FL). SOMO is responsible for developing and integrating the tools to assist each of these offices to operate in an efficient manner. To reduce travel cost, numerous video conferences and teleconferences are used. When travel is required, multiple meetings are coordinated and integrated to effectively and efficiently use the time while the group is together. In many cases however, travel dollars are still a great investment because teleconferences and videoconferences will never be as beneficial as face-to-face communications when it comes to team building and collectively solving complex contractual and business problems.

The mind set of management has also changed. Costs associated with travel are now viewed

as an investment and not solely as an expense.

At the corporate SOMO procurement office at JSC, specific points of contacts for various procurement functions have been assigned. For example, one contracting officer is responsible for sponsoring all change order activities. All questions concerning contract changes by each of the satellite offices are directed to this individual. Further, all documents for review for contract change activities are this individual's responsibility. Another contracting officer is responsible for sponsoring all administrative activity and the level of effort tasks under the contract. CSOC is a performance-based contract. Marianne Ruiz is the contracting officer responsible for the entire award fee and corrective action processes. Because this is a dynamic and evolving contract, another contracting officer, Wayne Buckley, is responsible for contract improvement initiatives, operating much like a research and development department for a corporation. This specialization enables each satellite office to effectively communicate its issues and also receive concurrence for its activities from the corporate office.

Due to limited staffing, the SOMO procurement office has been forced to streamline business processes and work as a team with the satellite offices in accomplishing the goals regarding contract administration. As part of this "corporate

More CSOC

partnership,” specific contract responsibilities have been delegated to the Defense Contract Management Agency (DCMA) and the Defense Contract Auditing Agency. The accounting records are kept in Cherry Hill, NJ, along with Lockheed Martin’s Disclosure Statement. Therefore some of the fieldwork has to be re-delegated to the local DCAA and DCMA in Cherry Hill, NJ.

According to Gail Boyes, Assistant Manager of the SOMO Procurement Office, “our office has diligently worked to establish and maintain a good working relationship with the satellite offices because of their insight into the contract activities Agencywide. Ideas and solutions flow back and forth between the offices creating a dynamic working environment.” We have seen government corporations, better known as “G-corps,” thrive by taking the best of both the government and corporate worlds. The constantly changing face of business has forced changes in government contracting and the SOMO Procurement Office is attempting to not only take advantage of these changes but also create new changes that make good business sense. As the CSOC progresses, the SOMO Procurement Office will continue to expand and develop the team concept maintaining crisp lines of communications and high personal interaction thereby enhancing the successful implementation of the “corporate office” concept.

The NCIP Program - An Update

By Valerie Stucky, Headquarters Analysis Division

The second class of the NASA Contracting Intern Program (NCIP) co-ops, the class of 2000, has been working at various NASA centers for five months. The class developed great camaraderie during its orientation at the Kennedy Space Center and while the students spent four weeks together at Basic Contracting (CON 101) in August. Class members are:

NAME	SCHOOL	CENTER
Devin Barnett	Tuskegee	GSFC
Daniel Burke	New Mexico State	GSFC
Christopher Canary	Michigan State	ARC
Brian Carlson	Wisconsin	ARC
Jaime Carter	Central Florida	KSC
Kimberly Harris	Tennessee State	MSFC
Joe Hearn	Drexel	LaRC
Ted Holman	Wisconsin	DFRC
Sean Howe	Michigan State	DFRC
LaToy Jones	Tennessee State	MSFC
Crystal Larcher	New Mexico State	JSC
Carrie McCarthy	Ohio State	ARC
Monica Miranda	Arizona State	JSC
David Robinson	Drexel	LaRC
Gabriel Romero	New Mexico State	KSC
Tom Simon	Wisconsin	MSFC
Kevin Tesler	Cincinnati	GRC

The emphasis on diversity has been very successful. Forty-one percent of the class are minorities and the same percentage are female. Seven class members have already received their first promotions. Six of them will graduate during the spring/summer of 2001. Each of these students is already beginning to plan the rotation to another NASA Center, which is an important part of the NCIP experience. All class members will attend Contract Pricing (CON 104) in July 2001. Center management and other employees are enthusiastic about the co-ops’ contributions.

Recruitment for the Class of 2001 began in November. This year, in addition to co-op recruitments, we are especially excited about hiring recent college graduates under the new Federal Career Intern Program established by executive order this summer. These graduates would be hired as permanent, full-time NASA employees. They would complete the same training and work opportunities as the co-op students. A rotation to a different NASA Center is also mandatory for them. If you have any questions, contact your Center NCIP liaison, or call me at 202-358-0503.

A CLOSER LOOK:

GRC's Procurement Officer

By Virginia Bittinger, Glenn Research Center

Bradley J. (Brad) Baker is GRC's fourth Procurement Officer. He thoroughly enjoys working the variety of procurement issues in support of the Center's diverse aeronautics, space, and institutional mission requirements. A native Ohioan, born in Lima; he calls Cincinnati his home town. He graduated with scholastic honors from both Wittenberg University in Springfield, OH, with a BA in economics, and from the University of Missouri at Kansas City, with a Masters Degree in Public Administration.

Career Highlights

Brad began his federal government career upon his acceptance into the Management Intern Program (now called the Presidential Management Intern Program) with the Government Services Administration in Washington, DC. After completion of his internship, he accepted a position with the National Tools Center in Kansas as a procurement buyer. This was the catalyst to his contract specialist career. He advanced to Supervisory Procurement Agent with the GSA at the age of 25, supervising eight employees.

Brad's NASA career began in 1978, when he accepted a position as Chief, Purchasing Section. He was subsequently promoted to Chief, Services Section in 1980. The next year, he was accepted into the Career Development Program (now called the Professional Development Program) where he served at Headquarters in assignments with Code H, primarily in the Operations Division; and in Code J,

where he provided advice in the Labor Contract Relations area.

In 1984, he was promoted to Launch Vehicles Branch Chief. Acting Procurement Officer quickly followed in 1985, with the Procurement Officer promotion taking effect in 1986. Brad was awarded the Exceptional Service Medal for Outstanding Leadership and Management in 1992.

Accomplishments

Brad is proud of his career at NASA GRC and the Procurement Division's accomplishments during this time for which he had a personal and significant role. Those accomplishments include transitioning to procuring launch services from launch vehicle procurements, developing ground rules and obtaining the necessary authority to trade government owned Atlas and Centaur equipment for Atlas-Centaur launch services; leading the Work Package 4 Space Station electrical power systems negotiation team and awarding the subsequent contract; supporting the successful award of the ACTS satellite ground stations procurements; designing innovative contract structures under the Microgravity Research & Development Operations Contracts; and implementing consolidated, PBC support service contracts while increasing SDB and women-owned business participation. Lastly, and most important to him, has been the Procurement Division's success in providing increased satisfaction to its many customers. Brad

feels this is a credit to all the highly competent and motivated staff in the organization.

Brad is also proud of the many accomplishments achieved by the procurement professionals in the Procurement Division, which support the Agency efforts. Some are, just to name a few, developing and providing centers with logic-based document generation systems; serving as the SBIR policy lead for the Agency, as well as performing the SBIR procurement function for GRC and half of JPL's requirements; leading the Code R ODIN section process; providing several centers grant award and management services; and leading the Agency in attaining the Small Disadvantaged Business goals by awarding well over 40 percent of all contract dollars to SDB's and women-owned businesses.

Challenges

Brad believes there are two equally important and related long-term challenges facing him and the division. The first is the challenge of getting more done with less funds and fewer people. This must be done in a manner that continues the excellent customer service the Center has become accustomed to. He and the organization continually strive to successfully increase and broaden procurement responsibilities in these austere times. The second challenge is two-fold:

More about Brad

having prepared personnel ready to step in as the senior staff nears retirement; and recruiting, training, and retaining highly qualified and diverse individuals to backfill the positions of those moving up. Although slightly over its dramatically-reduced complement level, GRC has been successful in the last couple of years in hiring a few new contract specialists and purchasing agents, and in rejuvenating its co-op program.

Outside The Office

Brad is as busy outside the office as he is in procurement. He is the father of nine children and, along with his wife, home educates the seven who are still at home. (Brad says his wife does most of the work and in his opinion has the harder job of the two.) Since 1994, Brad has coached a Christian high school varsity soccer team and led them to five state championships. Additionally, he serves as an

elder and Sunday school teacher in his church.

Brad contributes his success as the GRC Procurement Officer to being able to see a broad picture, anticipating differing outcomes, having an outstanding staff, and God's goodness. He also notes that the many experiences he has had and the contacts he has developed within the Center and Agency over the many years continue to help him in performing his responsibilities.

People on the Move

(continued from page 3)

JSC: Roberta Beckman was recently selected as a Team Lead in the Procurement Policy and Business Systems Office at JSC.

KSC: There are many personnel changes this time. Dudley Cannon, the new Deputy Director in the Procurement Office, comes from the Chief Counsel's Office at KSC; Wilma Dvorak, now in the Acquisition Management office (SEB Support), comes from the Department of Energy in Chicago; Jeanette Platt, now in the Operations Support office (Acq. & Admin), comes from the Naval Air Warfare Center Training Systems Division in Orlando; Marco Pochy, now in the Operations Support office (Acq. & Admin), comes from the

U. S. Air Force Eglin AFB in Valparaiso, FL; and Mike Wheeler, now in the Mission Support office (Acq. & Admin), comes from the Navy Coastal System Station (R&D) in Panama City, FL.

We also say a fond farewell to Celene Morgan who has joined the External Affairs Directorate in Government Relations. Celene was primarily responsible for the smooth operation of our Small and Small Disadvantaged Business outreach and in-reach program and was the Small Business Specialist at KSC's (David Wansley's) expert on all related matters. She also managed the KSC Business Opportunities Expo at Port Canaveral each year which has become a premier trade show event.

SSC: Stennis' Procurement Office is proud to introduce three new employees! All three are transfers from DoD. Nick Etheridge is our new Deputy Procurement Officer. (See the article about Nick in the last issue of the *Procurement Countdown*.) An addition to our Contract Specialist staff, Jason Edge, comes to SSC with fifteen years' experience in acquisition with the Air Force. Jason moved directly from Eielson AFB, Fairbanks, Alaska, to the (relatively) warm Mississippi Gulf Coast. Finally, and alphabetically last, we have gained another Contract Specialist, Tony Goretski. Tony has thirteen years of federal acquisition experience, including a tour in Bosnia. He comes to us from the U. S. Army, Corps of Engineers, Mobile, AL.

GETTING THE JOB DONE!

DFRC Contracting Officer Gets Involved

NASA DFRC Restoration Advisory Board (RAB) representative Rhoda Parker says she willingly answered the call to serve on the Edwards Air Force Base RAB, seeing value for the effort. In her view, accountability is the biggest value the RAB has to offer.

“The RAB provides a platform for community involvement in the cleanup of the base,” she said. “Without it, the Air Force might turn their attention to aspects of cleanup that are removed from community concerns.”

Stepped Forward

Mrs. Parker, a contract specialist with NASA DFRC since March 1999, is one of 14 community members currently serving on the RAB. At work, she’s involved in acquisitions, searching for and identifying companies to fill government orders for everything from carburetors to aircraft systems. She wasn’t asked or required by her employer to serve on the advisory board. But when an opening was advertised last year, she stepped forward to volunteer. “I’m interested, as a citizen, in what’s going on with the environment and doing public service is more interesting than a lot of things,” she answers when asked why she volunteered. Probe deeper and she’ll admit she has questions about the lessons being learned.

Questions of a Lifetime

For her, these are the questions of a lifetime. “All my life, I’ve loved the outdoors,” she said. “My parents, who had a great love of the outdoors, taught

me a reverence for nature and maintaining the environment. We need to tread softly on life. I wonder...if we keep manipulating nature instead of attaining harmony with it...if we ignore the web of life and our place in it...what can we learn?”

This question has not gone completely unanswered. Mrs. Parker’s career has been closely linked to the military for more than 20 years and she bears witness to the change that has occurred in environmental practice. “We’re much more



aware of the environment today and we’re doing things better and smarter than before,” she said. “An indication of this is the RAB, which gives communities that surround the base a voice in environmental decisions. There’s remediation going on. It’s not easy. It’s not cheap. We should be able to learn from it, and I think we are.”

Informed Citizens

Having served on the RAB since November 1999, Mrs. Parker sees the group as relatively well informed citizens, who, like herself, are familiar enough with how things work to be able to offer useful advice.

“When the Air Force presents something to the RAB, they are talking to people who know what’s going on,” she said. “It isn’t as though they propose something, and we agree with them. On the other hand, it’s never adversarial. My sense is that everything is being done to keep the public involved by providing information that is well thought out and presented.”

What results, according to Mrs. Parker, is the mutual respect that arises when all parties share a goal. “The base and the RAB are really of one mind. The RAB is a body of people who are also interested in doing the right thing in terms of correcting the things of the past and not doing it anymore,” she said.

Mrs. Parker attributes the success of the RAB to its maturity. “It seems like this body has gone through the hard part of maturing,” she said. “It’s a mature program and a mature board. The RAB meetings are well-run — everything is so well-presented — and the base seems genuinely open to hear what the community has to say.”

Before Edwards

Prior to coming to Edwards AFB, Rhoda Parker and husband, David, a senior computer scientist with Computer Sciences Corporation (CSC), worked in San Diego, CA. Mrs. Parker had been working as a contracts administrator at the Navy support center there. In 1992, the

with Environmental Issues

couple's job location changed and they moved their family to Edwards. When they arrived, both still worked for CSC.

David is still employed by CSC, but Rhoda quit the company in December 1997. "The children were grown and their educational needs were provided for," she said, explaining the change. "I wanted to pursue other interests."

It turned out to be more of a long vacation than a real retirement for Mrs. Parker; and in 1998, she accepted employment at NASA. Today, the couple's three grown children have scattered across the country to Washington, DC; Berkeley, CA; and the state of Washington. And now, there are four grandchildren, with a fifth one due very soon.

Born in San Diego, Mrs. Parker grew up in Fresno, CA, and has camped, biked, and hiked in many of the state's open natural spaces and scenic byways. "When I was a youngster, our family spent one entire summer camping at Hume Lake near Grants Grove," she recalled. "I grew up camping and gaining an appreciation for the wilderness. Most of my nourishment comes from the outdoors."

New Interest

Trimming down on work — she presently works four days a week — has provided some needed time for the many activities Mrs. Parker enjoys. Her current list of favorites includes reading, writing poetry, and enjoying the great outdoors. Together, David and

she have also taken an interest in creating memory videos. Rhoda describes these as "tributes" created for special occasions such as weddings, anniversaries, birthdays, and funerals. David, the computer guru in the family, is setting up equipment so they can go into production once Rhoda has time to pursue this new interest.

Service on the RAB provides Mrs. Parker with a new perspective on communication, a skill she has honed over time. In the past, she has shared her expertise as a facilitator for Frontline Leadership Management courses offered by CSC. She has also facilitated parenting classes in a training course sponsored by her church. "These were court-referred cases as well as concerned parents, so it was an interesting mix," she said. "Communication skills are what you are giving parents, real methods to get in touch with their thoughts and emotions and in a place where they can recognize what's wrong.

"If parents could handle one incident more effectively, then that was my reward," she added.

Room to Grow

As an RAB representative, she feels there's room to grow. So far, being an effective representative has entailed getting the information out after an RAB meeting and disseminating copies of the local environmental periodical, "*Report to Stakeholders*." "My job is to get the word out and to identify what the concerns are," she said.

"I still feel a need to learn more and we're definitely not where we need to be to get people to take advantage of having a voice in the cleanup on the base.

"For accountability to work, people must be willing to get involved and ask questions. We need to take advantage of this because this is where our voice is welcome. To those I represent on the RAB, please call me, so I can take your concerns forward."

Get Involved!

Do you have an interesting procurement-related story you'd like to share? Do you know personnel information that would go well in **People on the Move**? Have you wanted to try your hand at writing, but never had the opportunity? Now you can. If you are interested in writing an article for the *Procurement Countdown*, contact your Center Point of Contact. They are:

ARC:	Carolyn LaFollette
DFRC:	Brian Bowman
GRC:	Virginia Bittinger
GSFC:	Kellie Murray
HQ:	Luly Carson
JSC:	Connie Poole
KSC:	Dan Lewis
LaRC:	Tom Weih
MSFC:	Jerry Williams
NMO:	Carl Weber
SSC:	Ann Sharpe

Mentor Program At Langley

By Nancy Sessoms and Terry Cobb, Langley Research Center

Our new Procurement Officer, Kim Stone, established a mentor program in January of this year. There had been similar efforts in the past but on a less structured basis. The Procurement Officer established objectives and monthly informal reports (email) about progress.

Two individual mentor programs were established for a period of at least 6 months. At the end of the six-month period a lessons-learned meeting was held to review program progress.

This brief article provides you a perspective of the program from one of the teams, both the Mentor, Nancy Sessoms, and the new employee, Terry Cobb.

Mentor:

The mentor program proved to have many benefits for me personally. It gave me an opportunity to go back to playing a role that I had for many years when I was a supervisor and group leader.

I enjoyed the dialogue, and often I learned in the process. Much of the learning centered on the employee's actual workload. Terry Cobb was assigned to the Supply and Simplified Acquisition Contracting Branch. Since I am in the R & D Programs Contracting Branch, I was not up to speed on many of the nuances pertinent to simplified acquisition. The major drawback was not being knowledgeable of the steps and forms to use. Therefore, we focused on planning as much as possible. Also, I had to refresh myself on the relevant FAR and NFS regulations.

Specific sessions were held to discuss market research,

advance payment for commercial items (contract financing); contract options; subcontracting plan and reporting requirements; small, SDB, and HUBZone set-asides; and an overview of financial management reporting on cost-reimbursement contracts.

Several sessions were spent with me taking the lead on discussions, by telephone or in person, with customers. This provided Terry an opportunity to observe and participate, as she felt comfortable.

New Employee:

I was in finance before accepting a position within Procurement. In finance my duties included processing invoices for payment. This provided me some insight into the procurement process. Obviously, I had much to learn given the breadth of the regulations applicable to government contract law.

During the 6-month period, I learned how to use the FAR and NFS regulations and other pertinent policies. My assignments were varied from small requirements to procurements under the FAR 13.5 test program.

A few challenging situations surfaced such as contentious vendors and difficult end users. This is where I received the most benefit from the mentoring. Not only did I not know how to work the procurement, but I did not have the experience to deal with the interested parties. Several times we met as a team with the end users or engaged in telecons to understand what their needs were and resolve potential problems. All in all, I felt the

program was very beneficial and a lifeline.

Ideas for Success

There are several recommendations we have that may contribute to the success of a program such as this.

- ❖ Either establish a regular time each day to meet or ensure that the mentor and new employee are in close proximity. Obviously some days may be cancelled or rescheduled due to other demands but having this standard commitment to a set time helps stay on track.

- ❖ Recommend involvement of the cognizant supervisor or Contracting Officer. It would be helpful to understand the supervisor's perspective on procurement issues. There were many instances when the mentor had to guess what the supervisor would do in a situation. Often there is not a right or wrong, it's a question judgement.

- ❖ Consider the focus of the mentorship. It may be beneficial to assign a mentor from within the new employee's branch. The mentor would be more familiar with the branch work and thus enable a quicker transfer of knowledge. However, if the goal is to provide a broader scope of learning, having someone mentor from outside the branch facilitates a cross-fertilization of information.

- ❖ Develop an employee-specific plan that enables meeting the objectives over the mentorship period. This plan should be flexible to adjust to workload constraints.

Web-Based Master Buy Plan Database

By Bill Childs, Headquarters Operations Division

Code HS has recently established a new electronic database for collecting Master Buy Plan (MBP) data required by NFS 1807.71. This eliminates the need to submit paper documents to establish and amend MBP items. The database is accessed through the Internet, and allows two-way communication so that Headquarters can electronically notify the centers of elements selected for Headquarters' review. This eliminates another set of paper documents, as Code HS doesn't have to send out letters to the centers with the disposition of the MBP items.

The system allows the centers to enter new items in a "pending" file. When a new item is entered, the Procurement Officer and designees are notified by email. They can then review the item and transfer it to the "release" file. Code HS can access data in the "release" file, determine the disposition, and mark the item accordingly. The system sends an email to the CO and the Procurement Officer (and designees) to alert them to view the disposition.

Currently, changes in an item must be emailed to HQ. With an upgrade now in development, changes will go into an HQ pending file, and then will overwrite the original data after Code HS approves them.

Since some data might be source-selection sensitive, the system uses Secure Socket Layer protection and is accessible only with passwords. It is

up to each Center to determine who should have access. Centers can only access their own data, not that of any other Center. We are adding the capability to allow read-only access to individuals, so that non-users such as Center engineers and scientists can view the Center items.

In the future, we hope to expand the system to allow post-award tracking. This would include pulling some items from FACS or IFMP, to avoid duplicate entry of data. We also want to be able to use the MBP system to feed other systems as appropriate.

This database was originally developed in-house by yours truly, in the Visual Basic for Applications (VBA) programming language. Our intent was that each Center would have a copy of the database, and changes would be emailed.

However, as the project was nearing completion, I found that a vital part of the programming didn't work. After several conferences with the HQ Computer Service Center and unsuccessful attempts to develop a workaround, we contacted Microsoft and learned that there was a bug in the VBA software that caused my problem, and Microsoft had no intention of fixing it any time soon. A couple of months of work down the drain. We were thus forced to seek professional help, and soon had engaged the HQ computer support firm, SAIC, to develop the system. Naturally, we enhanced the requirements, and opted for a web-based

system to avoid the need for separate Center databases and email exchanges.

SAIC originally estimated they could do the job in "a couple of months." Their formal proposal called for a bit over three months, with delivery in late May 2000. We thought this would fit well with the July 15 submittal date for MBP items; we would have plenty of time to get the system out and get the centers up to speed with it before the MBP due date.

As May approached, we began to hear murmurs from SAIC that it might take a little longer. In mid-May we finally got a beta version to test. In early June, SAIC fixed most of the problems we found, but we had to compromise on some items in the interest of getting at least a basic system done quickly. Then HQ decided this would be a good time to upgrade the servers, so no new systems could be loaded. SAIC decided it was finally time to get around to writing the user manual. I was ready to scream. Somehow, by the end of June everything came together, and we sent out the user manuals and notified the centers the system was up and running.

Now the "fun" began in earnest. Centers began calling me; their passwords didn't work and needed to be reset. The system would kick them out for no apparent reason. They forgot their user names. The fields on the form didn't hold as many characters as they were supposed to. Things that had worked in the beta version didn't work in the production version.

(continued on page 17)

A Second Year Perspective

By Tom Baugh, Headquarters Program Operations Division

At the conclusion of my first year (FY 1999) as the Procurement Management Survey Program Manager, I wrote an article for the *Procurement Countdown* that summarized what I described as the good and not-so-good practices observed at the four centers surveyed during that year. Well, another year (FY 2000) has gone by already and surveys have been conducted at and reports issued for three more centers, Stennis, Johnson, and Dryden. As in the previous year, I was — for the most part — quite pleased with what the survey teams found during the reviews at these three centers.

The findings that resulted from interviewing a sample of customers at each of the surveyed centers were again positive overall. A preponderance of interview comments indicated generally that procurement personnel are providing strong support to customers and are considered as important team members at their respective centers. The individuals interviewed also generally commended procurement personnel for being responsive to customer needs and for being knowledgeable about the statutes, regulations, and policy directives that govern procurement. Performance Based Contracting (PBC) was mentioned often during the customer interviews. Some individuals expressed the opinion that PBC might not be the best contracting approach for every requirement. Other customers expressed a desire for additional guidance on how to function effectively as technical contract managers in a PBC environment.

Another similarity between the FY 1999 and FY 2000 surveys is found in the mostly positive remarks made in the procurement staff interviews regarding Procurement Officers and supervisors at each Center surveyed. When asked to describe what was good about the Center's procurement organization, individuals frequently mentioned the Procurement Officer, their supervisors, or both. The staff interviews also indicated generally that



many procurement personnel feel that holding buyers' meetings or procurement forums on a regular basis is a beneficial method of providing training, disseminating information, and facilitating the sharing of varied experiences.

There were also some areas of concern that surfaced during the interviews. One such area expressed primarily by individuals relatively new to procurement was a perceived need for more mentoring or on-the-job training. (In some cases this sentiment was echoed by individuals with little or no previous experience in the type of work currently assigned to them.) Other significant areas of concern included the continuing expression of need for an automated document generation system and recognition for the

accomplishments of procurement personnel.

Based on comments both from legal advisors and procurement personnel, it appears that there is a good functional relationship between the Office of Chief Counsel and the Procurement Office at the various centers. Specifically, there was little or no indication in any of the surveys of any significant barriers to communication and cooperation between the organizations. However, at two of the centers, Legal Office representatives did express some concerns about the procurement function being stretched thin due to downsizing and workload demands that have not lessened or may even have increased as the procurement workforce decreased. In one instance, concern was expressed over an observed increase in obvious errors found in files submitted to the Legal Office for review.

Strengths

The compliance reviews of contract files during the past year reflected a job well done in many of the areas that were accorded special attention in the surveys. Notable strengths included the following:

- NPG 7120.5 Certification Compliance
- Timely Completion of NF1680 Contractor Performance Evaluations
- Administration of Award Fees and Timeliness of Determinations
- Utilizing Simplified Acquisition Procedures for Commercial Items Over \$100,000

- Expansion Of BankCard Use and Administration of BankCard Program
- Formal Procurement Training and Workforce Certification
- D&Fs Justifying Inter-agency Awards Under the Economy Act
- Monitoring of Closeout and ULO Status
- Efforts to Reduce Closeout Backlog
- Quality of Construction Contract Files and Documentation

Concerns

The following areas were identified as significant sources of concern and opportunities for improvement in one or more of the FY 2000 Surveys:

- Quality of JOFOCs
- Adequacy of Documentation Supporting Pre-Negotiation and Post-Negotiation Memorandums
- Poor File Organization
- Documentation That Floor Checks Have Been Conducted
- Addressing Contractor Systems Status in Negotiation Memorandums
- Quality of Technical Evaluations
- Appropriate Use of Grants
- Documenting Price Reasonableness of Interagency Awards Under Economy Act
- Adequacy of Rationale for Providing Government Furnished Property
- Achieving Increased Competition in Awarding Research Funding

More detail concerning these observations may be found in the SSC, JSC, and

DFRC Survey Reports that are available online in the NASA Procurement Library.

A Great Supporting Cast

The successful conclusion of another year's worth of procurement management surveys would not have been possible without the assistance of numerous individuals throughout the Agency. I am very grateful for the contributions of the following:

SSC Survey: Kim Dalglish (HQ/PDP from GRC), Doe Huff (NMO-JPL), Donna Rafferty (KSC), and Karen Weaver (GSFC).

JSC Survey: Becky Barth (HQ/PDP from GSFC), Barbara Cephas (HQ), Kim Dalglish (HQ/PDP from GRC), Tony Diamond (HQ), Robert Lisy (GRC), Richard Swanson (DFRC), Reggie Walker (HQ), Tom Weih (LaRC), and Daryl Wong (ARC).

DFRC Survey: Kim Dalglish (HQ/PDP from GRC), Rod Etchberger (JSC), Michael Hutnik (ARC), and Vernell Jackson (HQ)

The points of contact at the respective centers deserve a great deal of credit for their roles in the survey process. They were Ann Sharpe at SSC, Roberta Beckman at JSC, and Brian Bowman at DFRC. They coordinated pre-survey preparations, provided information for the survey teams prior to and during the surveys, and served as gracious hosts during the week (SSC and DFRC) or two weeks (JSC) that the Center was visited by the survey team.

A special word of thanks is due to Judith Stovall and Laura Wright at JSC who repeatedly went the extra mile in providing the survey team with administrative and clerical support during the survey at that Center. Also, I am very grateful to Donna Sprinkle and Beverly Smith of the Headquarters Program Operations Division for their continued support providing data for the surveys.

The Next Round

The first FY 2001 survey at LaRC was conducted 10/11/00 through 10/20/00. Remaining FY 2001 surveys are:

GSFC 1/22/01 – 2/2/01
MSFC 4/23/01 – 5/4/01
GRC 7/23/01 – 8/3/01

Master Buy Plan

(continued from page 15)

Needs we never thought of became apparent. SAIC would fix things, and two days later they were broken again. My thanks to all the Center people who put up with the problems and managed to get their data entered.

Once all the Center data was in, it was Code HS's turn to review it and discover more things that weren't quite working as originally intended. And these people are only a few strides from my cubicle! I thought about taking extended leave. Instead, I began writing up a work request for all the enhancements and remaining bugs. SAIC is developing the upgrade, and it should be out in March 2001. In plenty of time for next year's MBP submissions.

Will Reverse Auctions Go

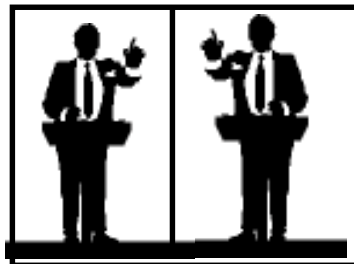
By Ron Crider, Headquarters Analysis Division

The past few months have seen significant and relatively rapid movement toward the use of on-line, reverse auctions in the federal government. In May, the U. S. Navy entered into the first federal contract awarded using reverse auction techniques. The Navy claims to have saved about \$1 million dollars (29 percent) on the procurement of aircraft ejection seat components compared to historical prices. Because of these early success stories, many claims are being made — some accurate, some not so accurate — about what reverse auction techniques can do for an agency.

As implied, a reverse auction works in the opposite way a traditional auction does. A traditional auction normally has a seller offering to sell something to buyers who compete with each other for the right to make the purchase. During this competition, prices are driven upward until a point is reached beyond which no one is willing to bid higher. Online auction sites such as eBay or Amazon.com are examples of where this common auction process has been successfully joined with the Internet to expand the market, and prices, for everything from beanie babies to bracelets in the consumer market.

Reverse auctions aim to exploit this success by applying similar techniques to the B2B and B2G markets, but with a twist. In a reverse auction, multiple sellers compete for the right to sell a buyer their wares.

Bidding continues until a pre-established bidding period is reached. At this point, it is assumed that competition among sellers has driven prices to a point where no seller is willing to bid any lower to make a sale. Price is used here because, generally, awards from reverse auctions are made on the basis of lowest price. Most firms in the business of supporting reverse auctions, however, (they refer to



themselves as “enablers”) have developed software that will also permit the use of best value considerations.

The Army, Air Force, and Navy are all currently running pilot programs to test and evaluate reverse auctions. This was prompted by language in the 2000 Defense Department (DoD) authorization bill. The Senate version urged DoD to conduct reverse auctions and report back by March 2001 on their results. So far, DoD has been reporting some pretty impressive savings in the range of 29 - 40 percent. The Postal Service is also experimenting with reverse auctions and also claims significant savings on fuel, uniforms, paint, tires, lubricants, and other commodity type purchases.

The Office of Management

and Budget (OMB) has expressed a willingness to let agencies experiment with auction techniques and to refrain, for now, from initiating any specific FAR guidance. While there are still some attorneys that continue to argue that reverse auctions are illegal because procurement integrity laws restrict the government from revealing the bid information of one bidder to another bidder, most have concluded it is an acceptable process. Key to this is that auction stated procedures are followed and inherently governmental functions such as award are retained by the government.

GSA has also entered the auction field as both a user of auction techniques and as a service provider. GSA recently launched a pilot program called Buyers.gov. The pilot, available from their website, will run for one year with options to extend if interest warrants. GSA’s pilot is designed to go beyond just reverse auctions. The website, managed by GSA’s Federal Technology Service (FTS) group, plans to make available three tools for agencies to try:

- 1. Private Buyer Auctions** (GSA’s term for reverse auctions) — For a four percent fee, GSA will assist agencies in setting up and conducting reverse auctions. This includes help in selecting the best requirements to auction, special instructions to offerors, training for sellers and more. GSA will also provide the means to award on best value as well as on price, depending on Agency need;

Forward at NASA?

2. **eFast** — a technique that aggregates the government's purchasing power for commonly purchased items. This tool targets purchase card-holders making small dollar buys. The price of individual items posted will be reduced as more agencies join the auction and agree to purchase specific items. Like eBay, items will be available for specified periods and no matter when you place your order, you will be guaranteed the lowest price achieved for that auction session. Currently only Federal Supply Schedule contractors are authorized to participate as sellers; and

3. **Quick Quote** — a tool (under development) where buyers can find and compare

offerings from various information technology vendors in real time that will permit them to search for and compare products based on features. Quick Quote will also rank and order quotes according to buyer provided specifications.

Given the type of goods and services that NASA buys, where most of our procurement dollars go, and the existence of already efficient contracts offered under the Consolidated Contracting Initiative (CCI), reverse auctions and quantity buys may not play a major role at our Agency.

Nonetheless, NASA should take steps now to gain first hand experience with reverse auctions, volume buying and, when available, Quick Quote. In

doing so we should go forward in a measured, thoughtful manner, taking full advantage of the growing body of experience that other agencies have already gained.

At the Fall 2000 Procurement Officers Conference, Mr. Luedtke invited Center Procurement Officers to participate in a pilot that would test and document the efficiency and effectiveness of these new tools. As of this article, we have had no volunteers. If you would like to try any or all of these exciting new tools at your Center, I invite you to visit your Procurement Officer today. NASA should not be left out of any process that offers the possibility to improve our support to technical customers, saves money, and contributes to NASA's mission.

Procurement Countdown

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