

WEBVTT

1

00:00:04.640 --> 00:00:21.229

Tom Wilson: Good afternoon. This is Tom Wilson, with the Federal transit administration. We want to thank you all for joining us today for this presentation on Fta's third-party procurement best practices, Webinar being presented by my colleague Mr. James Harper, who is the director of the office of acquisition. Management.

2

00:00:21.240 --> 00:00:27.970

Tom Wilson: I wanted to give you a few notes before we start and turn it over to Mr. Harbor First, as you heard, the session is being recorded,

3

00:00:28.060 --> 00:00:39.299

Tom Wilson: the the query will be available after the event. At the bottom of your screen there is A. Q. And A. Button, so you can use that to ask questions which will tend to answer as many as we can following

4

00:00:39.310 --> 00:00:52.870

Tom Wilson: presentation. If you don't see that button down there, you might want to move your mouse or tap on the screen to get the buttons to come back. They disappear to get out of your way. Second. Wanted to let you know there is a live transcript,

5

00:00:52.930 --> 00:01:01.070

Tom Wilson: a close caption available. You can also turn that off or on there with the diplomat transcript button at the bottom as well,

6

00:01:01.080 --> 00:01:13.810

Tom Wilson: and and then, finally, the presentation, for today the slides will be mailed out by email following presentation, or anyone would like to have those. So i'd like to turn it over. Then to to my colleague, Mr. James Harper,

7

00:01:14.560 --> 00:01:15.950

You, Mr. Wilson.

8

00:01:16.230 --> 00:01:17.509

James Harper: Good day. Everyone.

9

00:01:18.620 --> 00:01:24.040

James Harper: Fta's webinar on third-party procurement. Best practices concerning right

10

00:01:24.380 --> 00:01:25.550

James Harper: crisis

11

00:01:26.050 --> 00:01:28.280

James Harper: This discussion of suggested best products,

12

00:01:28.860 --> 00:01:30.580

James Harper: practices is centered around

13

00:01:30.890 --> 00:01:33.450

James Harper: rising prices attributable

14

00:01:33.700 --> 00:01:36.240

James Harper: to the supply chain disruptions.

15

00:01:36.850 --> 00:01:42.369

James Harper: The presentation is primarily for fta recipients of Federal assistance.

16

00:01:43.360 --> 00:01:48.750

James Harper: We must bring before you the disclaimer. Slide two, please.

17

00:01:51.960 --> 00:01:54.250

You have to read this verbatim.

18

00:01:54.350 --> 00:01:56.610

James Harper: The contents of this presentation

19

00:01:56.880 --> 00:01:57.970

James Harper: do not have the

20

00:01:59.050 --> 00:02:00.089

of law,

21

00:02:00.310 --> 00:02:01.790

James Harper: and are not met

22

00:02:01.810 --> 00:02:04.180

James Harper: to bind the public in any way.

23

00:02:04.490 --> 00:02:06.730

James Harper: This presentation is intended only

24

00:02:07.130 --> 00:02:16.719

James Harper: provide clarity to the public regarding existing requirements under the law or agency policies.

25

00:02:17.610 --> 00:02:20.400

James Harper: Our gender for the day.

26

00:02:22.760 --> 00:02:24.370

James Harper: Introductions.

27

00:02:25.330 --> 00:02:26.540

James Harper: I am

28

00:02:26.750 --> 00:02:28.310

James Harper: Mr. Wilson, said

29

00:02:28.480 --> 00:02:31.159

the director of the office of Acquisition Management Era.

30

00:02:32.930 --> 00:02:34.690

We'll be join in a few minutes

31

00:02:34.880 --> 00:02:42.850

James Harper: by the Fta's Associate Administrator for administration. Mr. Reginald Allen, who will provide some opening remarks.

32

00:02:43.160 --> 00:02:47.350

James Harper: Next, I'll provide an overview of suggested best practice

33

00:02:47.890 --> 00:02:53.670

James Harper: covering three phases of the procurement process pre-solicitation the

34

00:02:54.270 --> 00:02:59.490

James Harper: There's a recitation page, phase and post solicitations,

35

00:02:59.500 --> 00:03:04.269

James Harper: and the process for submitting questions has been shared with you by Mr.

36

00:03:05.050 --> 00:03:11.159

James Harper: Reiterated. Please use the Q. And a feature at the bottom of your screen for posing of

37

00:03:11.710 --> 00:03:15.379

James Harper: questions, suggestions, and Don't forget

38

00:03:15.940 --> 00:03:17.880

James Harper: your contact information

39
00:03:18.040 --> 00:03:21.369
James Harper: so that Fta. Can provide a response after the

40
00:03:22.820 --> 00:03:25.890
James Harper: the presentation, as Mr. Wilson said, is being recorded

41
00:03:25.900 --> 00:03:27.240
James Harper: and will be available,

42
00:03:27.730 --> 00:03:29.000
James Harper: are finished here.

43
00:03:29.040 --> 00:03:32.589
James Harper: Closed captions are also available

44
00:03:33.080 --> 00:03:34.320
James Harper: at this point. It's not like

45
00:03:34.640 --> 00:03:35.700
James Harper: Introduce

46
00:03:36.150 --> 00:03:40.489
James Harper: Fda's Associate Administrator for administration. Mr. Reggie. The

47
00:03:40.500 --> 00:03:41.170
James Harper: Ooh,

48
00:03:42.040 --> 00:03:47.759
Allen, Reginald (FTA): hey? Thank you very much. Mr. Harper, so I think, is, everyone

49
00:03:47.920 --> 00:03:52.890
Allen, Reginald (FTA): understands In recent years procurement has become increasingly challenging

50
00:03:53.040 --> 00:04:08.509
Allen, Reginald (FTA): the Covid. Nineteen pandemic has worsened supply chain issues, and although there has been much improvement in recent months, these challenges have made it harder and perhaps more expensive for the transit industry to secure everything from many bands To seat

51
00:04:08.630 --> 00:04:24.899

Allen, Reginald (FTA): this Webinar seeks to provide an understanding of the procurement process and an overview of third party contracting from our perspective with suggested procurement, best practices and potential ways to tackle some of the challenging procurement issues around

52

00:04:25.050 --> 00:04:36.610

Allen, Reginald (FTA): Mr. J. Mark James Harper will talk about potential ways to minimize confusion around escalating item and service costs while providing some suggested best practices

53

00:04:36.620 --> 00:04:47.360

Allen, Reginald (FTA): for the pre-solicitation solicitation and post-solicitation basis of the procurement process, including best ways to structure those solicitations

54

00:04:48.190 --> 00:04:53.849

Allen, Reginald (FTA): we all know. The procurement process is a critical part of the success of every business operation

55

00:04:54.000 --> 00:05:00.100

Allen, Reginald (FTA): and understanding the basic tenants of the process is paramount for its practitioners.

56

00:05:00.320 --> 00:05:15.339

Allen, Reginald (FTA): A grounded foundation in the process allows for growth and understanding, executing, processing, negotiating, awarding and administering contracts. So this Webinar is presented to acquaint fta recipients which some suggested

57

00:05:15.350 --> 00:05:31.940

Allen, Reginald (FTA): ah best procurement practices that may assist in dealing with rising costs of products and services. So Mr. James Harper will walk you through each phase of the procurement process, paying special attention to escalation, clause, development,

58

00:05:31.950 --> 00:05:44.850

Allen, Reginald (FTA): and cost and price techniques to assist when negotiating your with your contractors. So so with that i'll go ahead and turn it over to Mr. Harbor to walk you through the presentation. Thank you.

59

00:05:45.030 --> 00:05:45.990

James Harper: Thank you, Mr. Allen.

60

00:05:46.000 --> 00:05:47.049

James Harper: Thank you.

61

00:05:47.110 --> 00:05:48.500

James Harper: So why did we get here?

62

00:05:49.150 --> 00:05:50.590

James Harper: We have some

63

00:05:50.770 --> 00:05:52.750

James Harper: escalation causes.

64

00:05:52.950 --> 00:05:59.769

James Harper: By now. We all have experience with various causes for price escalation, The

65

00:05:59.860 --> 00:06:13.149

James Harper: The the results are being felt worldwide. Covert. Nineteen and other factors have caused supply chains, disruptions, including Michael's chip shortages

66

00:06:13.380 --> 00:06:14.620

James Harper: that we have

67

00:06:15.240 --> 00:06:19.680

James Harper: had impacts on the transit industry,

68

00:06:19.790 --> 00:06:20.890

James Harper: negative impact.

69

00:06:21.720 --> 00:06:23.590

James Harper: Recent reports, however,

70

00:06:23.820 --> 00:06:30.570

James Harper: providing some good news regarding reduced backlogs or some products and

71

00:06:30.950 --> 00:06:32.310

James Harper: plateauing,

72

00:06:34.420 --> 00:06:41.429

James Harper: We've come up with what we'd like to suggest some altruists for your consideration. On the next slide.

73

00:06:42.850 --> 00:06:53.389

James Harper: Recent trends and price increases and supply. Chain and challenges, however, are listed, are some of alternatives that are offered for your consideration,

74

00:06:53.420 --> 00:06:54.550

James Harper: if possible,

75

00:06:55.370 --> 00:07:01.670

James Harper: assess whether it is feasible to extend the useful life of certain vehicles to

76

00:07:01.920 --> 00:07:04.790

James Harper: from rebuilds, or overhauls.

77

00:07:05.280 --> 00:07:09.190

James Harper: You may even consider increasing your parts inventory

78

00:07:09.200 --> 00:07:14.759

James Harper: by fabricating parts again, where feasible, and, if possible,

79

00:07:15.630 --> 00:07:28.300

James Harper: also try identifying additional sources, such as gsa auction centers, military installations that may have similar vehicle fleets

80

00:07:28.310 --> 00:07:30.110

James Harper: with excess parts.

81

00:07:30.790 --> 00:07:36.629

James Harper: Our last suggestion is to consider writing contracts for shorter periods of time,

82

00:07:37.000 --> 00:07:39.729

James Harper: although it may increase the workload.

83

00:07:39.740 --> 00:07:46.369

James Harper: It may also reduce the effects of rising prices, as you will know the price you're paying upfront,

84

00:07:46.730 --> 00:07:49.310

James Harper: and you can budget your spend better.

85

00:07:49.730 --> 00:07:55.940

James Harper: Also consider increasing, including options in the contracts that have been

86

00:07:56.600 --> 00:08:01.470

James Harper: that have escalating clauses in them already, which i'll discuss

87

00:08:01.680 --> 00:08:04.039

James Harper: more in upcoming slides,

88

00:08:05.480 --> 00:08:09.790

James Harper: the pre-solustation things On the next slide

89

00:08:11.740 --> 00:08:17.260

James Harper: we began looking at some components of the brief solicitation phase.

90

00:08:18.640 --> 00:08:22.020

James Harper: The actions listed on the right side on the left side.

91

00:08:22.660 --> 00:08:28.580

James Harper: This slide describe actions associated with preparing to solicit

92

00:08:29.440 --> 00:08:34.990

James Harper: a most important part of that process is clearly identifying the requirement.

93

00:08:35.799 --> 00:08:40.849

James Harper: Checking the marketplace for potential suppliers is a necessary action.

94

00:08:41.450 --> 00:08:43.090

James Harper: It is also imperative.

95

00:08:43.780 --> 00:08:46.670

Map out the solicitation of strategy. The,

96

00:08:46.930 --> 00:08:48.090

James Harper: for instance,

97

00:08:48.100 --> 00:08:53.729

James Harper: whether you're going to use an invitation for bid, a request for a proposal

98

00:08:54.290 --> 00:08:57.009

James Harper: will be, there will be small business involvement.

99

00:08:57.650 --> 00:09:08.499

James Harper: The disadvantaged business goals on existing or using existing contractual vehicles that are already in place, such as schedules,

100

00:09:08.970 --> 00:09:11.989

James Harper: whether you will use full and open competition.

101

00:09:12.560 --> 00:09:15.970

James Harper: If this will be a sole source or a single source,

102
00:09:15.980 --> 00:09:17.120
James Harper: or even

103
00:09:17.220 --> 00:09:18.650
James Harper: a two-step

104
00:09:18.790 --> 00:09:19.900
James Harper: procurable

105
00:09:20.390 --> 00:09:22.590
James Harper: The second disclaimer is, we met

106
00:09:22.600 --> 00:09:27.969
James Harper: at the bottom for pre-solicitation. Slides that follow. Please know that we are not. I

107
00:09:28.580 --> 00:09:36.919
James Harper: economists, we're just using these broad non-technical descriptions to help the discussion move forward

108
00:09:41.790 --> 00:09:45.899
James Harper: actions of pre-solicitation with things.

109
00:09:46.840 --> 00:09:49.090
James Harper: What's the difference between

110
00:09:49.340 --> 00:09:52.240
James Harper: inflation and escalation?

111
00:09:55.120 --> 00:10:03.569
James Harper: The actions listed on the left side, as we just talked about, describe actions associated with fairness, solicitation. We've gone through that

112
00:10:03.720 --> 00:10:16.999
James Harper: checking the marketplace for potential suppliers is also an necessary action. But when we get to what is the difference between inflation and estimation, this slide and the next few

113
00:10:17.270 --> 00:10:22.200
James Harper: we please. No. I'm. Referring commonly used definitions of economy.

114
00:10:22.980 --> 00:10:24.700
James Harper: Economic terms,

115

00:10:26.800 --> 00:10:36.820

James Harper: you know, refers to inflation that is in the general price level over time and increase in the general price level. Over time

116

00:10:37.470 --> 00:10:46.380

James Harper: for general price. Level is an economy-wide average over all goods and services. In other words, prices are trending upwards.

117

00:10:49.020 --> 00:10:50.200

James Harper: Next slide.

118

00:10:51.400 --> 00:10:53.160

James Harper: There is a clear

119

00:10:53.670 --> 00:10:56.950

James Harper: distinction between escalation and inflation.

120

00:10:57.660 --> 00:11:00.879

James Harper: Escalation refers to price changes

121

00:11:01.080 --> 00:11:06.899

James Harper: of specific goods and services in specific sectors of the economy, the,

122

00:11:07.040 --> 00:11:10.609

James Harper: for instance, gas, food,

123

00:11:11.580 --> 00:11:13.970

James Harper: building materials, et cetera,

124

00:11:14.480 --> 00:11:24.260

James Harper: whereas inflation is only one component of a price change for a specific market basket of goods or services,

125

00:11:24.720 --> 00:11:28.380

James Harper: for instance, over nineteen vaccines, the

126

00:11:28.990 --> 00:11:30.790

James Harper: electronic components,

127

00:11:31.090 --> 00:11:32.630

James Harper: automatic

128

00:11:32.750 --> 00:11:38.609

James Harper: gizmos and chassis, for instance,

129

00:11:39.000 --> 00:11:44.650

James Harper: negative price escalation is called de-escalation, and we haven't seen that, for

130

00:11:45.280 --> 00:11:47.129

James Harper: we hope to see it real soon.

131

00:11:47.680 --> 00:11:48.970

James Harper: Next slide.

132

00:11:52.930 --> 00:11:55.320

James Harper: Escalation has two components

133

00:11:55.860 --> 00:11:57.810

James Harper: well in the definition of escalation,

134

00:11:57.950 --> 00:11:59.790

and we find two components,

135

00:12:00.160 --> 00:12:06.680

James Harper: one inflation itself, and something called real price change. Rpc.

136

00:12:07.210 --> 00:12:13.410

James Harper: Inflation affects all prices in the same proportions, such as fifteen percent.

137

00:12:13.830 --> 00:12:22.469

James Harper: The Rpc. Or the real price. Change is the portion of escalation that is unexplained by inflation.

138

00:12:22.820 --> 00:12:31.560

James Harper: Example: the amount, the price increased above overall inflation which may be caused by

139

00:12:32.130 --> 00:12:38.199

James Harper: conditions within the marketplace that are unknown to the general public.

140

00:12:38.860 --> 00:12:40.000

James Harper: Excellent.

141

00:12:41.230 --> 00:12:44.830

James Harper: There are some specific market prices.

142

00:12:45.680 --> 00:12:52.239

James Harper: This component of escalation is where real price growth is experienced at industry or

143

00:12:52.460 --> 00:12:53.760

James Harper: economic

144

00:12:54.400 --> 00:12:56.330

James Harper: wide levels.

145

00:12:56.630 --> 00:12:58.580

James Harper: We encourage you to check

146

00:12:58.590 --> 00:13:00.249

James Harper: the following indices:

147

00:13:00.990 --> 00:13:04.289

James Harper: to stay aware of price changes.

148

00:13:04.930 --> 00:13:07.369

James Harper: I produce the price and disease.

149

00:13:07.430 --> 00:13:09.729

James Harper: The consumer price embassies,

150

00:13:10.110 --> 00:13:12.640

James Harper: employment cost in the senior

151

00:13:13.280 --> 00:13:18.719

James Harper: and professional forecasts from applicable industries.

152

00:13:23.970 --> 00:13:27.660

James Harper: There are specific contributors to escalation.

153

00:13:28.230 --> 00:13:29.790

James Harper: Like everyone else,

154

00:13:30.020 --> 00:13:31.280

James Harper: contractors

155

00:13:31.480 --> 00:13:34.420

James Harper: affected by price increases the

156

00:13:34.590 --> 00:13:38.180

James Harper: some areas where contractors are affected include

157

00:13:38.280 --> 00:13:39.940

James Harper: cost of labor,

158

00:13:39.970 --> 00:13:41.880

James Harper: present and historical

159

00:13:43.230 --> 00:13:47.459

James Harper: pricing rates, mergers, and acquisitions,

160

00:13:47.710 --> 00:13:50.660

James Harper: one company buying another,

161

00:13:50.900 --> 00:13:52.290

James Harper: their material car,

162

00:13:53.730 --> 00:13:59.250

James Harper: the cost of insurance, and actually being able to find a broker who will sell them insurance.

163

00:14:00.120 --> 00:14:02.330

James Harper: They're borrowing power

164

00:14:02.910 --> 00:14:04.250

James Harper: over here,

165

00:14:04.470 --> 00:14:08.699

James Harper: and many other factors contribute to these increases.

166

00:14:09.230 --> 00:14:15.200

James Harper: Some items also are affected in the marketplace are there being fewer contractors

167

00:14:15.250 --> 00:14:17.799

James Harper: that provide bids and proposals.

168

00:14:18.560 --> 00:14:27.109

James Harper: Fewer kind of vendors who are willing to conduct business with Federal State and local governments, thereby

169

00:14:27.490 --> 00:14:32.979

James Harper: riots raising overall costs for all goods and services.

170

00:14:34.750 --> 00:14:35.919

James Harper: Next slide

171

00:14:36.790 --> 00:14:38.760

James Harper: we want to offer for you

172

00:14:38.780 --> 00:14:41.310

you a sample escalation clause.

173

00:14:41.320 --> 00:14:44.410

James Harper: This is an example of an escalation control cloth

174

00:14:44.650 --> 00:14:48.229

James Harper: from one of Fta. Direct contracts the

175

00:14:48.560 --> 00:14:50.670

James Harper: for consultant services.

176

00:14:50.680 --> 00:14:56.949

James Harper: Here we call our provisions that will limit the total estimated cost

177

00:14:56.980 --> 00:14:58.289

James Harper: of a contract

178

00:14:58.300 --> 00:15:03.280

James Harper: by imposing what is commonly known as a ceiling.

179

00:15:03.930 --> 00:15:06.119

He's noted. In the second part of this

180

00:15:06.130 --> 00:15:18.829

James Harper: it is estimated that the total cost of the Government have the full performance shall not exceed a specific dollar amount inclusive of profit and fee. These are negotiated.

181

00:15:21.630 --> 00:15:22.830

James Harper: Next,

182

00:15:25.670 --> 00:15:27.999

James Harper: this sample clause is offered

183

00:15:28.560 --> 00:15:37.650

James Harper: want to set a ceiling on the rate of escalation that will be allowed for each of the ensuing years of the contract,

184

00:15:38.050 --> 00:15:42.859

James Harper: and the third line. A numerical rate is

185

00:15:42.890 --> 00:15:44.190

James Harper: indicate

186

00:15:44.220 --> 00:15:50.150

James Harper: the escalation rate per year for performance of the prime contract door

187

00:15:50.930 --> 00:15:55.800

James Harper: market conditions and the aforementioned indices can be used

188

00:15:55.820 --> 00:15:59.950

James Harper: for for determining an appropriate rate.

189

00:16:02.450 --> 00:16:04.879

James Harper: The next slide speaks to him.

190

00:16:05.690 --> 00:16:10.359

James Harper: Sacramento. Funny. This is used primarily a cost type,

191

00:16:10.450 --> 00:16:12.479

James Harper: orders and contracts

192

00:16:12.870 --> 00:16:19.999

James Harper: incremental funding means that the partial funding of a contract or an exercise option

193

00:16:20.890 --> 00:16:25.599

James Harper: with additional funds anticipated to be provided at a later date.

194

00:16:25.990 --> 00:16:32.980

James Harper: Please note that this clause stipulates the contract, and shall not be authorized to incur costs

195

00:16:33.150 --> 00:16:35.489

James Harper: under an individual task,

196

00:16:35.560 --> 00:16:38.140

James Harper: or in excess of the total amount

197

00:16:38.540 --> 00:16:42.160

James Harper: the funds obligated against that particular.

198

00:16:42.230 --> 00:16:43.500

James Harper: That's what

199

00:16:44.370 --> 00:16:46.330

James Harper: this is another example.

200

00:16:46.810 --> 00:16:51.270

James Harper: A clause used in Fta's direct contracts.

201

00:16:51.820 --> 00:16:53.660

James Harper: So what does the rule?

202

00:16:54.970 --> 00:16:57.300

James Harper: And the next slide?

203

00:16:57.360 --> 00:17:00.310

James Harper: The only case from us in the case to us

204

00:17:00.900 --> 00:17:03.040

James Harper: wording from

205

00:17:03.640 --> 00:17:05.810

James Harper: the Omb super circular.

206

00:17:06.440 --> 00:17:10.180

James Harper: This is a regulation of grants and agreements.

207

00:17:10.599 --> 00:17:15.440

James Harper: We find the language that speaks to brand, name, or equal.

208

00:17:18.060 --> 00:17:20.809

James Harper: It spells out Conditions to be used

209

00:17:21.130 --> 00:17:26.270

James Harper: with clear and accurate descriptions of a technical requirement

210

00:17:26.280 --> 00:17:33.109

James Harper: cannot be listed because it is impractical or uneconomical to do so.

211

00:17:34.260 --> 00:17:37.750

James Harper: Any vendor that wants to offer an alternate

212

00:17:37.840 --> 00:17:39.030

James Harper: product

213

00:17:39.060 --> 00:17:45.389

James Harper: must present his or her case by describing the salient characteristics

214

00:17:45.400 --> 00:17:46.559

James Harper: of their product;

215

00:17:46.570 --> 00:17:48.530

James Harper: such that it is in the

216

00:17:48.550 --> 00:17:59.180

James Harper: that it is the same, or better than that which Agency had described in the preceding solicitation.

217

00:18:00.130 --> 00:18:01.939

James Harper: Next slide, Also,

218

00:18:02.040 --> 00:18:03.550

James Harper: if you were sampled

219

00:18:03.600 --> 00:18:05.370

James Harper: for the brand name, or are you going

220

00:18:05.830 --> 00:18:07.130

or acquisition regularly?

221

00:18:08.030 --> 00:18:12.920

James Harper: The highlighted section of this for a clause is the focus.

222

00:18:13.230 --> 00:18:20.700

James Harper: It gives explicit instructions to potential contractors. What is needed and expected.

223

00:18:21.900 --> 00:18:28.169

James Harper: Four criterial criteria potential contractors must meet to be considered

224

00:18:28.920 --> 00:18:37.949

James Harper: of contract, and the first is on this slide. The other three are on the ensuing slide, which is up next,

225

00:18:41.030 --> 00:18:42.990

James Harper: identifying the item

226

00:18:43.470 --> 00:18:45.849

James Harper: by its model number,

227

00:18:47.540 --> 00:18:48.740

James Harper: standard,

228

00:18:49.970 --> 00:18:54.449

James Harper: identifiable code that is done within the industry.

229

00:18:54.830 --> 00:18:55.930

James Harper: If they

230

00:18:56.420 --> 00:18:58.450

James Harper: potential contractor

231

00:18:59.710 --> 00:19:04.900

James Harper: and think it's to their advantage to include an illustrative illustrative

232

00:19:05.190 --> 00:19:13.030

James Harper: literature that will boast of their position. This is all well and good, and it is encouraged.

233

00:19:14.040 --> 00:19:16.180

James Harper: Let's not move to another

234

00:19:17.610 --> 00:19:21.689

James Harper: claws that can, in fact, help thus

235

00:19:22.830 --> 00:19:24.630

James Harper: to mitigate some of the

236

00:19:24.930 --> 00:19:30.800

James Harper: price increases that we see. This is called an economic price adjustment.

237

00:19:30.980 --> 00:19:34.550

James Harper: This is primarily used with fixed price contracts.

238

00:19:34.800 --> 00:19:44.199

James Harper: This is another best practice clause we suggest. They can help in trying to control. Escalation is the Epa economic price

239

00:19:44.690 --> 00:19:45.800

James Harper: The floors

240

00:19:46.260 --> 00:19:48.000

James Harper: economic price had just been called.

241

00:19:48.490 --> 00:19:51.379

James Harper: It is used in fixed price contracts arena.

242

00:19:51.640 --> 00:19:57.190

James Harper: It allows for price adjustments as circumstances change in the marketplace

243

00:19:57.640 --> 00:19:58.880

James Harper: or down.

244

00:19:59.480 --> 00:20:10.230

James Harper: The contractor must present full documentation to support their requests for consideration of adjusting pre-established prices for products and services

245

00:20:10.850 --> 00:20:14.719

within the clause on the terms and conditions that must be met

246

00:20:14.750 --> 00:20:19.980

James Harper: before the contracting officer agrees and documents the adjustment

247

00:20:20.570 --> 00:20:24.569

James Harper: issuance of a formal contract modification.

248

00:20:24.820 --> 00:20:40.610

James Harper: And if you will note again, within the highlighted area, the percentage of change is designated within the the clause itself that goes out with the solicitation and becomes part of the eventual contract

249

00:20:44.490 --> 00:20:46.000

James Harper: next line.

250

00:20:47.620 --> 00:20:50.080

James Harper: In the solicitation phase.

251

00:20:51.700 --> 00:20:57.379

James Harper: The left side of this line identifies steps needed in structuring the solicitation.

252

00:20:57.610 --> 00:21:00.759

James Harper: This includes developing the request for proposal.

253

00:21:01.110 --> 00:21:03.959

James Harper: Also Don't, as a competitive proposal method

254

00:21:04.170 --> 00:21:06.080

James Harper: or an invitation forbid.

255

00:21:06.510 --> 00:21:13.670

James Harper: These are contracting practices that may only comply with Ftas for an overcome

256

00:21:13.770 --> 00:21:21.570

James Harper: requirements, but they may not. If the specifications are too narrowly drafted.

257

00:21:21.950 --> 00:21:25.190

James Harper: The words were restricting competition.

258

00:21:25.570 --> 00:21:30.370

James Harper: They also developed evaluation criterion that must be met

259

00:21:31.250 --> 00:21:32.820

James Harper: to be awarded a contract.

260

00:21:34.030 --> 00:21:38.290

James Harper: Any literature that can be that can accompany to be in a proposal that

261

00:21:38.340 --> 00:21:52.990

James Harper: any demonstrations of products, capabilities desired as part of the evaluation process, and the final determination and announcement of procedures among other requirements, any

262

00:21:53.390 --> 00:21:54.890

James Harper: information that the

263

00:21:56.540 --> 00:21:57.940

James Harper: grant he can

264

00:21:58.560 --> 00:22:07.599

James Harper: passed to potential contractors to help them clarify our requirement and substantiate their particular bid. Is

265

00:22:07.870 --> 00:22:09.050

James Harper: it's the Lamb

266

00:22:09.230 --> 00:22:15.210

James Harper: the right side that fits opportunities for the team to bring about new and innovative methods

267

00:22:15.800 --> 00:22:17.860

James Harper: to speed the award of contract.

268

00:22:19.410 --> 00:22:27.570

James Harper: These note that the determination of whether cost or price. Analysis will be sufficient in selecting the contract award.

269

00:22:27.860 --> 00:22:31.489

James Harper: The determination of whether cost of price analysis

270

00:22:31.630 --> 00:22:34.030

James Harper: will be sufficient

271

00:22:34.310 --> 00:22:38.329

James Harper: in determining and selecting the contract award.

272

00:22:39.980 --> 00:22:42.979

James Harper: The super circular requires some sort,

273

00:22:43.130 --> 00:22:46.790

James Harper: cost or price. Analysis be conducted by

274

00:22:46.880 --> 00:22:55.480

James Harper: on all awards that exceed the simplified acquisition, acquisition, threshold, which currently is two hundred and fifty thousand dollars.

275

00:22:56.450 --> 00:23:00.209

James Harper: The degree of each of those will be determined by the

276

00:23:00.970 --> 00:23:02.810

James Harper: requirement itself.

277

00:23:03.570 --> 00:23:04.790

James Harper: Next slide.

278

00:23:07.450 --> 00:23:09.310

James Harper: What does the rules say?

279

00:23:09.850 --> 00:23:13.060

James Harper: Circle again changes in the contract. The

280

00:23:13.330 --> 00:23:20.279

James Harper: cost of price, as stated above, super circular, requires that the cost of price analysis must be performed. The

281

00:23:20.360 --> 00:23:22.030

James Harper: and documented

282

00:23:22.080 --> 00:23:28.450

James Harper: for every contract awarded in excess of two hundred and fifty thousand, including modifications.

283

00:23:28.960 --> 00:23:31.799

James Harper: Profit must be negotiated separately

284

00:23:32.500 --> 00:23:39.900

James Harper: for non-competitive awards, and in all cases where cost analysis is performed.

285

00:23:42.050 --> 00:23:43.920

James Harper: We move now to the post award

286

00:23:44.190 --> 00:23:47.980

James Harper: face as we offer

287

00:23:49.060 --> 00:23:51.780

James Harper: the recommendations for your consideration.

288

00:23:52.070 --> 00:23:53.210

James Harper: This lad

289

00:23:53.820 --> 00:23:57.350

James Harper: speaks to an importers of getting the contract awarded

290

00:23:58.060 --> 00:24:01.800

James Harper: conducting the Post Award Orientation Conference,

291

00:24:01.910 --> 00:24:04.479

James Harper: documenting that conference,

292

00:24:04.520 --> 00:24:05.880

James Harper: discussing

293

00:24:05.890 --> 00:24:08.999

James Harper: any changes on either side of the table

294

00:24:09.360 --> 00:24:12.319

James Harper: that may have occurred between the notice of award.

295

00:24:12.550 --> 00:24:15.370

James Harper: The Post Award Conference itself the

296

00:24:16.380 --> 00:24:22.639

James Harper: it also as establishing the surveillance or the contract administration actions

297

00:24:22.990 --> 00:24:25.200

James Harper: and responsibilities.

298

00:24:25.270 --> 00:24:31.419

James Harper: A major action called follower on either side of the table.

299

00:24:31.850 --> 00:24:35.720

James Harper: This is the long-term pole in the tenth,

300

00:24:35.880 --> 00:24:41.710

James Harper: where the government must meet its obligations to the contract and sure

301

00:24:41.850 --> 00:24:46.789

James Harper: that the contractor is performing in accordance with the terms and conditions

302

00:24:46.800 --> 00:24:48.110

James Harper: of the contract

303

00:24:52.100 --> 00:24:59.509

James Harper: there are on the next slide. We use a reference material you may use in determining

304

00:25:00.070 --> 00:25:01.220

James Harper: You're

305

00:25:01.250 --> 00:25:03.039

James Harper: cost of prices,

306

00:25:03.210 --> 00:25:04.420

James Harper: or

307

00:25:06.300 --> 00:25:08.810

James Harper: we'll open the spot here. Right?

308

00:25:09.140 --> 00:25:10.240

James Harper: Okay.

309

00:25:10.770 --> 00:25:16.190

James Harper: Here are some documents that provide direction for Federally assisted professionals.

310

00:25:17.850 --> 00:25:22.329

James Harper: Please don't that the use of the far is not required to be

311

00:25:22.480 --> 00:25:28.899

James Harper: used by Fda grantees, except for part thirty, one contract price

312

00:25:29.880 --> 00:25:32.589

James Harper: at cost, principles and procedures.

313

00:25:34.280 --> 00:25:37.110

James Harper: Are we suggesting you familiarize yourselves,

314
00:25:37.250 --> 00:25:38.280
super circle

315
00:25:38.390 --> 00:25:39.800
James Harper: to c. Of our part two,

316
00:25:41.040 --> 00:25:43.140
James Harper: your local regulations.

317
00:25:43.720 --> 00:25:44.940
James Harper: No internal

318
00:25:45.490 --> 00:25:51.820
James Harper: standard operated procedures for procurement to be in compliance with all the

319
00:25:52.270 --> 00:25:54.370
James Harper: the procedures that are necessary.

320
00:25:55.380 --> 00:26:04.890
James Harper: At this point we have presented all that we have for you. We'll check to see if there are any questions or discussions

321
00:26:05.340 --> 00:26:09.329
James Harper: we ask that you enter your comments or questions in the Q. And a function

322
00:26:09.450 --> 00:26:11.590
James Harper: on the bottom of your screen

323
00:26:12.120 --> 00:26:17.090
James Harper: will follow up with answers, either in the chat or directly to the inquire.

324
00:26:17.420 --> 00:26:21.360
James Harper: We thank you for your attention and your attendance.

325
00:26:23.120 --> 00:26:42.499
Allen, Reginald (FTA): Yeah, so it will help with the chat. So there's lots of questions in the chat. And again, if, when you put your question in, if you could also put your email in that way, if we don't get to it, we can follow up with you directly. So so, Jim, the taking it from the kind of from the top. The first question is

326
00:26:42.510 --> 00:26:58.119
Allen, Reginald (FTA): um about updating the Fta best Practices manual, and there are a couple of questions on that line

about updating that or the super circular um. Can you address that? We are in the process of dating both of those,

327

00:27:01.210 --> 00:27:04.010

James Harper: the next iteration, which is G. And also the

328

00:27:04.190 --> 00:27:08.050

James Harper: practices manual to bring it In accord with this,

329

00:27:08.750 --> 00:27:09.900

all the other

330

00:27:11.450 --> 00:27:14.880

James Harper: policies that have changed since this May last

331

00:27:18.050 --> 00:27:23.459

James Harper: projecting that we'll have those through all of the reviews that they have to go through

332

00:27:23.900 --> 00:27:28.500

James Harper: and ready for our primetime, if you will summer of twenty,

333

00:27:32.930 --> 00:27:35.410

Allen, Reginald (FTA): and um

334

00:27:39.830 --> 00:27:47.470

Allen, Reginald (FTA): the next one has to do with Gsa. So the question is, as Gsa suggested a protocol

335

00:27:47.530 --> 00:27:50.700

Allen, Reginald (FTA): or re-powering cutaway vehicles

336

00:27:50.830 --> 00:27:56.870

Allen, Reginald (FTA): base replacements would be engine transmission, water, pump, driver, seat,

337

00:27:57.200 --> 00:28:10.439

Allen, Reginald (FTA): repair, or replacement of other seats and features would be optimal. Ah! Could the base items be in a standard template available for inclusion and invitations for bid.

338

00:28:11.320 --> 00:28:14.930

James Harper: I don't have an answer for that, but we will investigate, and,

339

00:28:15.520 --> 00:28:19.890

James Harper: in fact, Gsa has issued such instructions.

340

00:28:24.820 --> 00:28:36.239

Allen, Reginald (FTA): Ah, the next one has to do with source well is using source well or similar cooperative purchasing system and approved method of procurement.

341

00:28:36.960 --> 00:28:40.839

James Harper: It is, if, in fact, they document themselves,

342

00:28:41.640 --> 00:28:45.650

James Harper: comply with all the Fda requirements, such as

343

00:28:46.570 --> 00:28:49.629

James Harper: the identification of the

344

00:28:50.720 --> 00:28:51.930

James Harper: prices

345

00:28:52.930 --> 00:28:55.010

James Harper: those participants

346

00:28:55.720 --> 00:29:01.590

James Harper: not pre-selected, if you will, and that all of the Fda clauses and provisions are included.

347

00:29:09.470 --> 00:29:25.529

Allen, Reginald (FTA): Ah, one of the questions here, and this one's more of an opinion question. But if you want to offer an opinion. What do you think is affecting fewer vendors being willing to contract with government entities?

348

00:29:25.600 --> 00:29:28.600

James Harper: Well, I will say that I've been

349

00:29:28.990 --> 00:29:32.289

James Harper: business a minute or two, and over the years

350

00:29:34.670 --> 00:29:35.710

James Harper: spoken with

351

00:29:36.590 --> 00:29:41.489

James Harper: invariance and conducting business with the Federal Government has been the paperwork.

352

00:29:43.890 --> 00:29:49.240

James Harper: There's overwhelming amounts of paperwork, and in some cases

353

00:29:49.570 --> 00:29:50.830

James Harper: our

354

00:29:51.440 --> 00:29:55.220

James Harper: processes. I have also been deterrent to folks,

355

00:29:56.970 --> 00:29:58.230

James Harper: and we're working on all of them

356

00:29:59.050 --> 00:30:10.010

James Harper: one of the ways that we, of course, we have the prompt payment clause at the Federal level, which is ah being passed down to recipients of our ah, our assistance, and

357

00:30:11.030 --> 00:30:15.200

James Harper: we are suggesting that people begin to think about a different way of

358

00:30:15.260 --> 00:30:20.040

James Harper: identify what their requirements are not necessarily writing The two or three hundred

359

00:30:20.740 --> 00:30:22.020

James Harper: statement of work

360

00:30:22.410 --> 00:30:24.660

James Harper: in a statement of objectives and performance

361

00:30:24.930 --> 00:30:25.960

statements.

362

00:30:27.110 --> 00:30:30.599

Allen, Reginald (FTA): So we're continuing to improve the process as the bottom line

363

00:30:30.610 --> 00:30:34.740

James Harper: and their automation is Oh, no!

364

00:30:36.790 --> 00:30:40.139

James Harper: Oh, well, it's already in place in the Federal agency. Some of these

365

00:30:41.980 --> 00:30:43.450

James Harper: pass down, if you will

366

00:30:44.080 --> 00:30:46.379

James Harper: at least identified and introduced.

367

00:30:46.850 --> 00:30:47.890

James Harper: Ah! Recipients for the

368

00:30:48.560 --> 00:30:50.159

James Harper: are able to

369

00:30:50.820 --> 00:30:52.960

break that into their processes

370

00:30:54.100 --> 00:30:56.160

James Harper: is projected

371

00:30:56.870 --> 00:31:00.240

James Harper: the redundant types of things that are

372

00:31:00.840 --> 00:31:04.120

James Harper: a procurement office does, and that will free up

373

00:31:04.360 --> 00:31:06.750

James Harper: the specialists and the contracting officers

374

00:31:06.870 --> 00:31:09.250

James Harper: to engage themselves. And then

375

00:31:10.720 --> 00:31:12.010

James Harper: complex

376

00:31:12.080 --> 00:31:13.930

James Harper: portions of the process.

377

00:31:14.560 --> 00:31:15.750

James Harper: So stay to

378

00:31:17.740 --> 00:31:33.280

Allen, Reginald (FTA): so. Ah, one of the ah related questions, and this is probably one that we'll have to follow up with the ah with the questioner. But but i'll read a question because I think it's implementing of some of the things that folks are seeing.

379

00:31:33.490 --> 00:31:47.409

Allen, Reginald (FTA): The question was, our agency was awarded a loan, overgrad um, and named a bus manufacturer as a partner, which means they did not have to issue a competitive procurement. The bus manufacturer gave a

380

00:31:47.420 --> 00:31:56.160

Allen, Reginald (FTA): price for the bus and the low no application, and stated in writing that the base price was valid. If the bus was manufactured in two thousand and twenty four.

381

00:31:56.810 --> 00:32:08.060

Allen, Reginald (FTA): They were about to give the bus manufacturer a purchase order. However, they were then told that the base price increased by one hundred thousand dollars per bus.

382

00:32:08.590 --> 00:32:27.769

Allen, Reginald (FTA): Um. They were given the funds. Ah, per the the lono uh per the bus manufacturer original report, and they were asking any guidance in this matter would be appreciated. So not sure. That's one you want to answer now, but I kind of put it out there because it's similar questions in the chat

383

00:32:28.210 --> 00:32:30.080

that that required follow up.

384

00:32:33.080 --> 00:32:40.780

Allen, Reginald (FTA): There was a question about, if I need fta clauses for an Rfq. Where can I find examples of these?

385

00:32:40.790 --> 00:32:44.070

James Harper: You find A in the the best practices manual,

386

00:32:44.110 --> 00:32:45.600

James Harper: and then they

387

00:32:47.740 --> 00:32:49.120

James Harper: and clauses are

388

00:32:49.870 --> 00:32:51.019

James Harper: their body hugs. In

389

00:32:51.250 --> 00:32:52.660

James Harper: document itself is what we'll

390

00:32:54.480 --> 00:32:57.110

James Harper: clauses are current, and they

391

00:32:57.150 --> 00:32:58.690

James Harper: best practice is manual,

392

00:32:59.080 --> 00:33:00.090

James Harper: and tomorrow,

393

00:33:00.100 --> 00:33:03.110

James Harper: semi,

394

00:33:05.490 --> 00:33:11.180

Allen, Reginald (FTA): those are located on the Fta.

395

00:33:12.570 --> 00:33:16.350

James Harper: And if there's a particular clause that you have a question about, you can always shoot me,

396

00:33:17.320 --> 00:33:19.090

James Harper: you know, researching for it.

397

00:33:22.550 --> 00:33:25.310

Allen, Reginald (FTA): So another question is, Can a sample

398

00:33:25.660 --> 00:33:39.649

Allen, Reginald (FTA): of the Fta agreement that contains clauses that will refer to in the presentation be made available, so that the language can be available or potentially used by others. So I think that's along the same lines of what you just stated.

399

00:33:43.820 --> 00:33:44.930

James Harper: Yes.

400

00:33:47.020 --> 00:33:55.290

Allen, Reginald (FTA): Another question to do with cost price analysis. How do you do this successfully for software or cloud solutions?

401

00:33:55.300 --> 00:33:56.590

Yeah,

402

00:33:56.600 --> 00:34:04.439

Allen, Reginald (FTA): every property size is different. Every property has different modules for the application. It seems impossible to do a comparison,

403

00:34:07.240 --> 00:34:10.939

James Harper: as they would say. A very good question,

404

00:34:12.659 --> 00:34:14.560

James Harper: a projected answer

405

00:34:14.620 --> 00:34:15.669

James Harper: again, and

406

00:34:16.300 --> 00:34:22.620

James Harper: during as much research on the particular item,

407

00:34:23.550 --> 00:34:24.600

James Harper: purchase

408

00:34:25.920 --> 00:34:27.029

and find out. And

409

00:34:29.030 --> 00:34:30.149

James Harper: we're alone

410

00:34:32.489 --> 00:34:34.920

James Harper: those kinds of things looking at

411

00:34:35.940 --> 00:34:38.259

James Harper: contractors website, if they

412

00:34:39.929 --> 00:34:42.280

James Harper: a price list there

413

00:34:42.360 --> 00:34:44.060

James Harper: for the general public. No

414

00:34:45.610 --> 00:34:46.769

paid for it

415

00:34:46.989 --> 00:34:48.680

James Harper: that acquisition

416

00:34:48.710 --> 00:34:50.099

James Harper: and then

417

00:34:50.739 --> 00:34:51.939

James Harper: reasonable determination

418

00:34:53.630 --> 00:34:58.230

James Harper: makes good sense. When a reasonable person pay this type of information.

419

00:35:02.660 --> 00:35:06.440

James Harper: If you have information. Technology, specialists around

420

00:35:06.670 --> 00:35:10.749

James Harper: involve them in the determination. They may have some insight of what

421

00:35:11.670 --> 00:35:12.799

James Harper: marketplace

422

00:35:13.270 --> 00:35:15.089

you can reach out to.

423

00:35:15.520 --> 00:35:16.680

You're larger if you

424

00:35:17.290 --> 00:35:20.269

James Harper: larger sister and brother uh

425

00:35:20.390 --> 00:35:24.170

James Harper: grantees that may have a pricing section in them.

426

00:35:24.270 --> 00:35:26.690

James Harper: Well might even have a price Analyst

427

00:35:26.720 --> 00:35:30.149

James Harper: there's still a few of those around that can assist you and let them in.

428

00:35:35.800 --> 00:35:39.449

Allen, Reginald (FTA): So I have a question related to

429

00:35:39.730 --> 00:35:55.939

Allen, Reginald (FTA): um. I'll just read it out. So we we. We have experienced a trend where vendors are not able to stand by their offer Kind of related to the previous question. Um. Occasionally, even for twenty four hours, we get codes, but when we go to place the order,

430

00:35:55.950 --> 00:36:10.229

Allen, Reginald (FTA): Maybe even in a few days time the vendor refuses to abide by their offer. Firm, fixed prices have not been honored even while well reputed vendors.

431

00:36:10.530 --> 00:36:21.490

Allen, Reginald (FTA): Ah! We cannot take any action but accommodate their demand, or try to find another vendor. So it was more that that was an anonymous comment. But I don't know if you want to comment on that.

432

00:36:21.500 --> 00:36:24.079

James Harper: Well, as we said in the presentation,

433

00:36:24.660 --> 00:36:26.100

James Harper: should

434

00:36:26.150 --> 00:36:33.390

James Harper: to be able to substantiate their increase in their prices be the post from their suppliers.

435

00:36:35.470 --> 00:36:40.890

James Harper: The documentation that they can bring to you the show that the price that they

436

00:36:41.090 --> 00:36:46.580

James Harper: stated today as increased by X percent within two or three days, the

437

00:36:47.180 --> 00:36:49.649

James Harper: just taking that word

438

00:36:50.260 --> 00:36:54.989

James Harper: not necessarily the procurement of the business. They should again be able to

439

00:36:55.000 --> 00:36:55.979

James Harper: here

440

00:36:56.670 --> 00:36:59.180

James Harper: can give us documentation that we

441

00:36:59.840 --> 00:37:03.620

James Harper: substantiate those costs of those prices increases,

442

00:37:03.720 --> 00:37:07.049

James Harper: and if they are in fact reasonable with our

443

00:37:07.410 --> 00:37:08.770

James Harper: evaluation,

444

00:37:09.090 --> 00:37:10.790

James Harper: go ahead and make me

445

00:37:13.380 --> 00:37:16.479

James Harper: with them, just refusing to

446

00:37:17.590 --> 00:37:18.940

the jury line

447

00:37:19.210 --> 00:37:21.819

James Harper: acknowledged, or just to support,

448

00:37:21.870 --> 00:37:23.249

James Harper: which they've given us

449

00:37:25.390 --> 00:37:32.129

James Harper: no debt, and remember them next time around that we are in need of supplies and services in this?

450

00:37:36.630 --> 00:37:55.529

Allen, Reginald (FTA): Would it be helpful during market research conducted in the pre-solestation phase to determine if there are increased savings by purchasing and volume. For example, allowing solicitations to contain step-latter, pricing or commodity, products

451

00:37:55.540 --> 00:38:00.629

Allen, Reginald (FTA): can fta clarify use of step ladder, pricing strategies

452

00:38:00.640 --> 00:38:01.600

James Harper: Well,

453

00:38:04.210 --> 00:38:06.709

James Harper: call us that matter we

454

00:38:07.330 --> 00:38:16.310

James Harper: included in the discussion with alternates. You couldn't include in your proposal. You did

455

00:38:17.410 --> 00:38:19.660

James Harper: desired uh

456

00:38:19.910 --> 00:38:22.759

James Harper: price for this product of services

457

00:38:23.050 --> 00:38:25.689

James Harper: required, and an alternate,

458

00:38:25.700 --> 00:38:27.229

James Harper: and if they give you any,

459

00:38:27.630 --> 00:38:28.700

all three of those,

460

00:38:28.760 --> 00:38:32.869

James Harper: then they send with them justification at that point.

461

00:38:34.610 --> 00:38:43.130

James Harper: Because again, we have to. We, the community, have to be able to substantiate the price that we're paying,

462

00:38:43.540 --> 00:38:53.220

James Harper: based on some documentation of what's in the marketplace or our own knowledge of those particular products or services. So

463

00:38:53.230 --> 00:38:54.779

yes,

464

00:38:54.890 --> 00:39:01.659

James Harper: everything. Basically I would always say, as I say in my core courses document document document.

465

00:39:02.670 --> 00:39:05.909

James Harper: All tribunals will tell you if it's not in the file. It didn't happen.

466

00:39:06.420 --> 00:39:10.190

James Harper: So the more documentation first of all, starting with our own

467

00:39:10.430 --> 00:39:15.000

James Harper: research, our market research in terms of what's in the marketplace,

468

00:39:15.010 --> 00:39:17.029

James Harper: you can send out invitation for

469

00:39:17.220 --> 00:39:18.700

James Harper: information

470

00:39:19.240 --> 00:39:28.649

James Harper: to find out what is going on in the the industry itself. Many of those vendors will respond to you with three

471

00:39:28.830 --> 00:39:30.160

James Harper: information about them.

472

00:39:32.690 --> 00:39:34.940

James Harper: It may not give you like price at that one

473

00:39:35.220 --> 00:39:36.370

James Harper: In Jan Again,

474

00:39:36.580 --> 00:39:39.240

James Harper: take the information that you have

475

00:39:39.700 --> 00:39:45.120

James Harper: paired with your in-house, or your internal information and knowledge of the product.

476

00:39:45.920 --> 00:39:50.110

James Harper: I wasn't getting a independent government estimate on what

477

00:39:50.160 --> 00:39:52.389

James Harper: things should cost you

478

00:39:52.530 --> 00:39:55.810

James Harper: what is going on in the marketplaces for it is that that escalation

479

00:39:56.810 --> 00:39:57.969

James Harper: and I was doing it

480

00:40:02.090 --> 00:40:05.129

James Harper: determined price. That was satisfied. Okay,

481

00:40:07.970 --> 00:40:09.790

James Harper: that's very reasonable to both bodies.

482

00:40:10.970 --> 00:40:12.129

James Harper: It's very unreasonable.

483

00:40:13.650 --> 00:40:31.029

Allen, Reginald (FTA): Okay, A lot of questions around updating the manuals and things that we've already kind of covered. One other question was related to Will Fta be funding any additional procurement courses offered through nt

484

00:40:32.240 --> 00:40:35.429

James Harper: those uh they can't see me.

485

00:40:36.780 --> 00:40:38.279

James Harper: National translation

486

00:40:39.690 --> 00:40:41.490

you're then

487

00:40:41.500 --> 00:40:42.740

James Harper: is in.

488

00:40:44.300 --> 00:40:46.129

James Harper: I want to say it fixed

489

00:40:47.570 --> 00:40:50.970

James Harper: budgetary situation or

490

00:40:51.340 --> 00:40:53.020

James Harper: limit on the monies that uh

491

00:40:55.550 --> 00:40:56.669

them by

492

00:40:56.780 --> 00:40:57.870

James Harper: the Congress,

493

00:40:58.330 --> 00:40:59.920

they do their best

494

00:41:01.730 --> 00:41:03.069

out of pandemic.

495

00:41:03.800 --> 00:41:06.019

James Harper: What it told us is that we'll begin

496

00:41:07.190 --> 00:41:10.629

James Harper: to provide as many as they possibly can on site,

497

00:41:11.900 --> 00:41:13.259

James Harper: also some virtual

498

00:41:15.570 --> 00:41:16.589

James Harper: available, as you move,

499

00:41:18.880 --> 00:41:23.769

James Harper: know that Mr. Allen has any more money than he

500

00:41:25.000 --> 00:41:26.129

James Harper: free up for you

501

00:41:26.170 --> 00:41:30.329

James Harper: increasing production of courses, and

502

00:41:30.350 --> 00:41:32.049

James Harper: do as best we can through the like

503

00:41:32.210 --> 00:41:33.389

what it means.

504

00:41:33.720 --> 00:41:37.580

James Harper: My office will begin again in two thousand and three, to drive

505

00:41:37.730 --> 00:41:47.000

James Harper: present as many of our technical assistance conferences across the country as time and money will allow. So we're doing all again at this point

506

00:41:47.260 --> 00:41:54.919

James Harper: to get the word out on a continual basis with one other person Joining my staff, we

507

00:41:55.290 --> 00:42:01.950

James Harper: are setting down on a quarterly basis, updates to the procurement process as things change

508

00:42:03.330 --> 00:42:05.509

James Harper: process that he says, we go back.

509

00:42:05.840 --> 00:42:07.039

James Harper: You need help.

510

00:42:09.780 --> 00:42:17.259

Allen, Reginald (FTA): So there's a question about. Are all bidders required to register with Sams in order to bid.

511

00:42:20.400 --> 00:42:29.800

James Harper: If, in fact, there are Federal assistance funds associated with the solicitation, the ventral contractor, contractors, yes,

512

00:42:34.300 --> 00:42:43.489

Allen, Reginald (FTA): and far clauses on economic price, adjustment, escalation be used adopted for inclusion and solicitations.

513

00:42:43.500 --> 00:42:52.259

James Harper: They can be adopted, and if you choose to use it or any of them verbatim, then you have to identify that. This is, in fact,

514

00:42:59.260 --> 00:43:06.839

Allen, Reginald (FTA): it's a question about the slides being available related to for Fta clauses, so that that's coming.

515

00:43:12.370 --> 00:43:22.569

Allen, Reginald (FTA): Which would you suggest, would be a good percentage for a price adjustment clause, and should it be every six months or twelve months,

516

00:43:23.870 --> 00:43:27.560

James Harper: my two favorite words in this whole business of the cure,

517

00:43:27.620 --> 00:43:30.100

Allen, Reginald (FTA): it depends. It depends. Yeah,

518

00:43:30.110 --> 00:43:31.330

James Harper: they're zoning

519

00:43:31.940 --> 00:43:34.870

James Harper: a product or a service that you would you

520

00:43:35.200 --> 00:43:36.490

James Harper: trying to

521

00:43:36.520 --> 00:43:38.989

James Harper: satisfy. It depends on

522

00:43:39.080 --> 00:43:41.040

James Harper: market conditions with

523

00:43:48.380 --> 00:43:52.370

James Harper: way. Prices have changed

524

00:43:52.650 --> 00:43:56.879

James Harper: a year of late, probably a ninety day

525

00:43:57.490 --> 00:43:59.479

James Harper: timeframe might be

526

00:43:59.510 --> 00:44:07.359

James Harper: something that you would consider. That was part of the presentation. When we talked about writing shorter-term contracts

527

00:44:08.090 --> 00:44:17.989

James Harper: put an option in those. So you don't have to go back and start over again if you care to. With an escalation projected escalation there,

528

00:44:18.000 --> 00:44:19.699

James Harper: based on what you

529

00:44:20.340 --> 00:44:21.850

derived from

530

00:44:21.980 --> 00:44:23.760

all the indices that we

531

00:44:24.360 --> 00:44:25.759

It's a good news.

532

00:44:29.950 --> 00:44:40.670

Allen, Reginald (FTA): So there's a short question on how to deal with. Bid prices that are dramatically or drastically above your ice, and you don't have competition.

533

00:44:44.050 --> 00:44:45.080

James Harper: Well,

534
00:44:46.200 --> 00:44:47.589
there's a reason,

535
00:44:51.290 --> 00:44:52.589
James Harper: and

536
00:44:52.890 --> 00:44:55.400
James Harper: we go back again. What is happening in them

537
00:44:56.700 --> 00:44:58.590
James Harper: that we're talking about uh

538
00:44:58.770 --> 00:45:00.950
James Harper: items products.

539
00:45:01.280 --> 00:45:02.399
James Harper: Then

540
00:45:02.760 --> 00:45:04.509
James Harper: there are certain,

541
00:45:04.610 --> 00:45:07.300
James Harper: as it sees again, that we can go

542
00:45:07.710 --> 00:45:11.060
James Harper: to and check what the increase in

543
00:45:11.470 --> 00:45:12.660
James Harper: he is.

544
00:45:12.890 --> 00:45:14.370
James Harper: The Ppi

545
00:45:14.750 --> 00:45:16.000
James Harper: in particular,

546
00:45:16.890 --> 00:45:21.910
James Harper: identifying the cost which was yesterday. Today's cost, and in some cases they

547
00:45:23.820 --> 00:45:29.200

560
00:46:16.340 --> 00:46:17.559
You moved out of

561
00:46:17.840 --> 00:46:20.500
James Harper: expired something into negotiations,

562
00:46:21.700 --> 00:46:24.149
James Harper: and then you can

563
00:46:24.460 --> 00:46:30.409
James Harper: choir or ask that particular vendor to provide to you their cost sheets.

564
00:46:31.660 --> 00:46:35.190
James Harper: They show basically how the cost is.

565
00:46:36.040 --> 00:46:40.879
James Harper: Those products have been derived by that particular vendor

566
00:46:41.980 --> 00:46:46.650
James Harper: supply chain requirements is his or her suppliers

567
00:46:46.980 --> 00:46:48.080
increases

568
00:46:48.230 --> 00:46:50.470
James Harper: that they add on.

569
00:46:51.160 --> 00:46:53.390
James Harper: You come to this elevated price lecture

570
00:46:53.600 --> 00:46:55.270
James Harper: that they now have the food.

571
00:46:55.620 --> 00:46:59.550
James Harper: So there's some things that you can do. It's a lot of

572
00:46:59.610 --> 00:47:00.849
James Harper: ah additional work,

573
00:47:01.670 --> 00:47:05.299

James Harper: you in a rock between a rock and a, or at least, if you are

574

00:47:06.760 --> 00:47:12.359

James Harper: supplier and you need it, what he or she has. But you just have to ask him to work with.

575

00:47:13.440 --> 00:47:19.169

Allen, Reginald (FTA): Yeah, this is a similar question, it says, is a cost analysis required if only one

576

00:47:19.230 --> 00:47:20.990

Allen, Reginald (FTA): proposal is received.

577

00:47:21.000 --> 00:47:22.009

James Harper: Yes,

578

00:47:23.310 --> 00:47:28.859

James Harper: yes, and there's above two hundred and fifty thousand. Yes, and cost analysis that is required

579

00:47:33.500 --> 00:47:39.019

Allen, Reginald (FTA): for major project. Best value design bill procurements.

580

00:47:39.150 --> 00:47:44.820

Allen, Reginald (FTA): You seeing any trend towards including price escalation clauses in the contract.

581

00:47:47.440 --> 00:47:48.649

James Harper: Yes,

582

00:47:48.830 --> 00:47:51.850

James Harper: and it's probably a good practice

583

00:47:53.340 --> 00:47:58.190

James Harper: yourself as much as you possibly can by

584

00:47:58.300 --> 00:48:00.509

James Harper: determining what a reasonable

585

00:48:00.800 --> 00:48:07.929

James Harper: percentage of escalation is that your agency can afford, and that makes sense for the product of the service that you're trying.

586

00:48:15.270 --> 00:48:23.069

Allen, Reginald (FTA): There was one. Where can the best Practices Manual be obtained? And again, it's on the Fta

public website under procurement.

587

00:48:23.230 --> 00:48:29.409

Allen, Reginald (FTA): Um. We can probably put the link here in the uh in the Q. And A. Uh. Towards the end

588

00:48:31.100 --> 00:48:32.290

i'm

589

00:48:32.970 --> 00:48:45.120

Allen, Reginald (FTA): one one noted one tactic of shorter periods of performance in an earlier slide, Kylie speak to the trade-offs of more administrative time and effort

590

00:48:45.130 --> 00:48:53.509

Allen, Reginald (FTA): contract administration as being compared to being able to renegotiate faster, or make changes and updates the

591

00:48:56.190 --> 00:49:06.390

Allen, Reginald (FTA): so I guess the the trade off between shorter periods of performance, doing more acquisition work or just negotiating and trying to do it that way.

592

00:49:06.400 --> 00:49:11.690

James Harper: Yeah, that's again a determination that will have to be made on the part of the

593

00:49:11.700 --> 00:49:15.259

James Harper: agency itself to identify

594

00:49:15.590 --> 00:49:20.590

James Harper: it's costs, wouldn't it be it more economical for them

595

00:49:20.850 --> 00:49:24.400

James Harper: issue shorter-term contracts based on all the

596

00:49:31.760 --> 00:49:33.450

James Harper: and or

597

00:49:33.460 --> 00:49:34.569

James Harper: is it

598

00:49:36.360 --> 00:49:40.789

James Harper: advantageous for them to issue the normal one year plus,

599

00:49:41.660 --> 00:49:44.020

James Harper: and include

600

00:49:44.180 --> 00:49:45.310

James Harper: it's

601

00:49:45.540 --> 00:49:48.890

James Harper: determined rate of inflation.

602

00:49:49.980 --> 00:49:56.860

James Harper: It will be driven, in my opinion, by market conditions and the product or the service that you are

603

00:49:57.210 --> 00:49:59.339

James Harper: we are trying to satisfy

604

00:50:00.570 --> 00:50:06.049

James Harper: The trend of a particular product of services is escalating the

605

00:50:06.580 --> 00:50:07.709

James Harper: they will

606

00:50:08.790 --> 00:50:09.819

percent.

607

00:50:10.490 --> 00:50:11.640

James Harper: Great

608

00:50:12.140 --> 00:50:14.669

James Harper: may want to look at that and say, Okay,

609

00:50:15.010 --> 00:50:17.930

James Harper: So I'm. Going to award this contract through

610

00:50:18.680 --> 00:50:19.839

James Harper: for ninety days

611

00:50:19.940 --> 00:50:21.139

James Harper: and see what

612

00:50:21.840 --> 00:50:23.799

James Harper: condition the market is in

613
00:50:25.540 --> 00:50:26.980
days down the road.

614
00:50:28.530 --> 00:50:31.950
James Harper: That's More cost-effective for that agency,

615
00:50:32.120 --> 00:50:33.350
James Harper: then, of course, go there. Well,

616
00:50:33.750 --> 00:50:37.509
James Harper: it, in fact, is going to be more costly

617
00:50:37.790 --> 00:50:39.310
James Harper: to re-solicit

618
00:50:42.400 --> 00:50:43.800
James Harper: then you may want to.

619
00:50:45.360 --> 00:50:49.710
James Harper: But again, this is a cost analysis that has to be done by the

620
00:50:51.850 --> 00:50:54.879
James Harper: put it out as suggestions. And it is it

621
00:50:55.100 --> 00:50:56.330
James Harper: basically

622
00:50:56.750 --> 00:50:58.700
James Harper: the tide, the tide to what

623
00:50:59.660 --> 00:51:01.750
James Harper: the service that is needed.

624
00:51:04.730 --> 00:51:20.830
Allen, Reginald (FTA): So this is kind of related to the not getting a lot of bids, but it's it's. Can you give some guidance concerning bids and ah rs, where we do not receive any bids at all, and vendors are just not putting in bids

625
00:51:21.430 --> 00:51:25.179
James Harper: the requirement the age-old requirement. Or

626

00:51:26.280 --> 00:51:36.860

James Harper: but if you get no bids. You want to go to those who asked for the solicitation and inquire of them why they did not.

627

00:51:37.660 --> 00:51:39.139

James Harper: Many will tell you

628

00:51:39.690 --> 00:51:40.990

that time

629

00:51:42.360 --> 00:51:44.629

James Harper: it's costly to put together a proposal

630

00:51:45.300 --> 00:51:52.020

James Harper: way less put together. Bid, and it may make a business decision not to go after

631

00:51:53.050 --> 00:51:56.160

James Harper: that's before them that it's been issued by a particular office

632

00:51:56.380 --> 00:51:59.239

James Harper: when they have before them some other

633

00:51:59.330 --> 00:52:01.569

James Harper: to this, that one of them,

634

00:52:02.890 --> 00:52:03.969

James Harper: seeing as they

635

00:52:04.940 --> 00:52:06.130

so those questions

636

00:52:06.290 --> 00:52:17.070

James Harper: asked, and many of the vendors over my experience has been there. They're really honest about it. Some say they ask for the solicitation

637

00:52:17.700 --> 00:52:25.420

James Harper: current to keep their names on a bad list. They didn't have any intention of giving you a bit, or propose you

638

00:52:25.430 --> 00:52:32.150

James Harper: at the outset. Those kinds of responses are the ones that I have encountered over time.

639

00:52:35.330 --> 00:52:44.989

Allen, Reginald (FTA): There was a question: Can you speak more about the requirement for all bidders to register with Sams? Is that true for our fees as well.

640

00:52:45.000 --> 00:52:49.789

James Harper: If, again it's tied to financial Federal financial assistance.

641

00:52:49.800 --> 00:52:54.949

James Harper: Well, contractors to get pain that they must be registered in safe,

642

00:53:00.210 --> 00:53:03.279

James Harper: and they've extended the registration

643

00:53:03.370 --> 00:53:04.460

James Harper: again because of

644

00:53:04.860 --> 00:53:05.940

you know, all right,

645

00:53:10.940 --> 00:53:15.499

James Harper: a platform that Sam is on, and I believe that's been extended.

646

00:53:16.140 --> 00:53:17.390

James Harper: April of twenty.

647

00:53:18.610 --> 00:53:21.480

James Harper: Quote me on that. I'll uh verify that in.

648

00:53:29.160 --> 00:53:31.109

Allen, Reginald (FTA): See, we are

649

00:53:31.620 --> 00:53:48.140

Allen, Reginald (FTA): there. There's a lot of questions in the chat. A lot of them, I think we've covered already. Ah, but we'll go through them, and for the ones that we did not ah address. If you put your email with the question, we'll follow up with you. Ah, directly.

650

00:53:48.250 --> 00:54:05.449

Allen, Reginald (FTA): Um! One here is when conducting a procurement that qualifies for the simplified acquisition process. What does that actually entail? Can I find information? I can find information on the thresholds, but nothing on what that means for the procurement itself

651

00:54:07.650 --> 00:54:10.130

James Harper: below this side or the

652

00:54:10.420 --> 00:54:11.649

James Harper: Was that a question?

653

00:54:12.300 --> 00:54:24.069

Allen, Reginald (FTA): Well, so so I think they're trying to understand the difference between the procurement action, if it's simplified if it falls in a simplified acquisition process, or if it's above that person,

654

00:54:24.320 --> 00:54:28.640

James Harper: the amount of information that is shared with

655

00:54:28.690 --> 00:54:47.150

James Harper: vendors. Uh above the simplified acquisitions that show there are some mandatory clauses that have to be included. Uh, because it is above uh, there's some requirements on, including small businesses, Dvds and those kinds of things for grantees

656

00:54:47.910 --> 00:54:49.870

requirements that come with the

657

00:54:50.430 --> 00:54:51.479

James Harper: there

658

00:54:52.360 --> 00:55:01.849

James Harper: the above the fat. You notice that again, you can. If you simplify the descriptions of what your requirements are,

659

00:55:02.180 --> 00:55:05.499

James Harper: less less less paperwork, if you will,

660

00:55:06.220 --> 00:55:07.620

James Harper: you have

661

00:55:07.760 --> 00:55:13.269

James Harper: knowledge and experience with buying a product or service in recent times recently

662

00:55:13.680 --> 00:55:21.659

James Harper: being described in the days that we live in now, probably the last ninety days. If you have information, you

663

00:55:22.150 --> 00:55:35.260

James Harper: on those promise you can use to them again saying that situation, December. Ah, those kinds of things!
The documentation is much simpler for thunder as a planet

664

00:55:35.550 --> 00:55:36.759

James Harper: under the search product

665

00:55:36.940 --> 00:55:42.610

James Harper: impartial where a price analysis will suffice. And it says that the

666

00:55:42.690 --> 00:55:44.349

James Harper: the price in the market was

667

00:55:46.880 --> 00:55:52.680

James Harper: looking at an existing schedule, such as state schedules, gsa schedules,

668

00:55:53.380 --> 00:55:54.580

and those kinds of things.

669

00:55:55.510 --> 00:55:57.259

The price that you were seeing

670

00:55:57.590 --> 00:55:59.690

James Harper: when was the last time you bought this

671

00:55:59.740 --> 00:56:05.079

James Harper: the first time. Even your government estimate how well that was constructed.

672

00:56:05.760 --> 00:56:07.939

We're above the

673

00:56:09.550 --> 00:56:14.709

James Harper: threshold. Now we're talking about in some cases doing a

674

00:56:14.970 --> 00:56:19.929

James Harper: semi, and maybe even a full-blown cost analysis where we're looking at

675

00:56:20.030 --> 00:56:21.180

James Harper: the disciplines that

676

00:56:22.340 --> 00:56:23.799

James Harper: suggested to us

677

00:56:23.880 --> 00:56:25.710

James Harper: the number of people,

678

00:56:26.290 --> 00:56:34.519

James Harper: the positions that they will execute for the level of effort, the price that they want to charge us for those.

679

00:56:34.830 --> 00:56:41.650

James Harper: The overheads and all of those kinds of things go into

680

00:56:41.690 --> 00:56:42.910

James Harper: completing it

681

00:56:43.250 --> 00:56:45.400

James Harper: a full blown cost. Analysis

682

00:56:45.600 --> 00:56:47.089

James Harper: the the major differences.

683

00:56:47.110 --> 00:56:48.319

James Harper: All right.

684

00:56:50.560 --> 00:56:52.309

You have to get to

685

00:56:53.500 --> 00:56:54.600

James Harper: and putting

686

00:56:54.820 --> 00:56:56.439

James Harper: a final touches.

687

00:56:57.760 --> 00:57:02.080

James Harper: Acquisitions above the simple line Acquisition versus those under the

688

00:57:04.510 --> 00:57:28.459

Allen, Reginald (FTA): right. So we are almost at time. But i'll I'll just do this other short one. We have a lot of questions, and a lot of them are. Ah focused on the same thing. There's some progressive design Bill questions some related to by America in the Brooks Act that we're we're not going to get to today. Ah, but we'll follow up if you put an email in the ah in the in with with your question.

689

00:57:28.470 --> 00:57:38.589

Allen, Reginald (FTA): Um! There was one. When do we have to ask the contractor for a profit, analysis for a contract amendment. And how do we check that?

690

00:57:39.330 --> 00:57:40.469

James Harper: When the would

691

00:57:41.010 --> 00:57:42.990

James Harper: a profit? Analysis?

692

00:57:43.000 --> 00:57:46.089

Allen, Reginald (FTA): Yes, that's what he's asked.

693

00:57:46.100 --> 00:57:47.910

James Harper: Well,

694

00:57:50.620 --> 00:57:56.539

James Harper: we're doing for modification. So we already have an existing contract, and we know what the profit

695

00:57:57.670 --> 00:58:00.970

James Harper: rate was that we've read to. Now we

696

00:58:01.770 --> 00:58:05.520

James Harper: modification to an existing contract. The contract has come in with

697

00:58:05.820 --> 00:58:10.669

James Harper: an increase profit request. Then again, we asked for

698

00:58:11.270 --> 00:58:13.899

James Harper: backup documentation. I want.

699

00:58:13.910 --> 00:58:19.690

James Harper: Why did your business go down to such an extent that

700

00:58:20.250 --> 00:58:27.879

James Harper: to maintain the existing employees that we have, so you have to pay them more to keep them;

701

00:58:28.340 --> 00:58:31.139

James Harper: or if your business went up, then we should be looking for

702

00:58:31.530 --> 00:58:41.019

James Harper: in your profit. Request of us. Yes, you should be. When should you ask for it before you finalize any formal modifications?

703

00:58:43.530 --> 00:58:49.890

Allen, Reginald (FTA): All right. Well, thank you, everyone. We're at time, so i'll just turn it over to you, Jim, for any closing comments.

704

00:58:51.000 --> 00:58:57.950

James Harper: Just want to thank everyone for your attention, your dissipation. And certainly for these thought-revoking questions

705

00:58:58.760 --> 00:59:01.319

James Harper: those. And, as Mr. Allen said,

706

00:59:01.810 --> 00:59:04.310

James Harper: put in an email, We'll get back to you with,

707

00:59:04.710 --> 00:59:10.219

James Harper: and after, Some of those may take for a little longer than others, but we will

708

00:59:10.890 --> 00:59:15.790

James Harper: respond to each and every one of them. So thank you again. Everyone have a good

709

00:59:15.800 --> 00:59:21.619

James Harper: rest of your day, happy holidays, and safe out there, and be good to yourself and others.

710

00:59:21.640 --> 00:59:23.390

James Harper: Take care, thank you,