



Conference Report
ACT-IAC 3rd Annual Small Business Conference
Key Points and Takeaways



Conference Report: Key Points and Takeaways ACT-IAC 3rd Annual Small Business Conference

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Navigating Toward an Interoperable Health IT Environment

Executive Order (EO) 13335 mandates:

"...leadership for the development and nationwide implementation of an interoperable health information technology infrastructure to improve the quality and efficiency of health care."

This established the position of National Coordinator for Health Information Technology in the Department of Health and Human Services. The Office of the National Coordinator (ONC) worked with multiple federal agencies to develop and publish the 2008-2012 Federal Health IT Strategic Plan, published on June 3, 2008, which explicitly recognizes the federal government's role in promoting interoperable health IT in collaboration with public and private industries. The strategic plan states two main goals:

1. Transforming care delivery, personal health and support through the access and use of electronic health information and,
2. Advancing population health (public health, biomedical research that makes use of health care information, health care quality improvement, and emergency preparedness) through timely access to and use of electronic health information.

This panel of government officials and small business experts will address these goals, the specific initiatives under way, and how they influence and shape the competencies of small business for success in IT?

Panel Members:

Moderator: Sharon Jones, *Federal Vice President, BusinessGenetics*

Mario Hyland, *Senior Vice President, AEGIS.net*

Jack Jones, *Chief Information Officer, National Institutes of Health*

Vish Sankaran, *Program Director, Federal Health Architecture, Office of the National Coordinator for Health IT, Department of Health and Human Services*

Dr. Paul A. Tibbits, *Chief Information Officer, Enterprise Development, Department of Veterans Affairs*

Major questions for Health Care IT:

- What are the goals of the Federal Government?
- How should our systems be enhanced or developed to meet Health IT?

Discussion Points:

Vish Sankaran

- Small business is always evolving, nimble and agile
- March 5, 2009 White House Report cites concerns including spiraling costs and insurance
- Federal expenditures are 40% of \$2.1 trillion yearly spent on health care
- Phase 1: 2004-2008
 - Executive Orders issued that address HHS standard for cost and quality
 - Office of National Coordinator efforts:



- Interoperable standards
- Create health IT certification
- Launch Health Information Network
- Address policy variations through states
- Phase 2: Health IT 2009-2014
 - Stars are aligned for success
 - Goal: Every American has public health record by 2014, “bench to bedside.”
 - Recovery Act Funding \$20B
 - Information available at point of care; provides situational awareness
- Federal Health Architecture Vision
 - FHS Consortium with over 12 health agencies
 - Build common tools and solutions; build it once and use multiple times
- Nationwide Health Information Network
 - Common sets of specifications, standards that will enable Feds and Private sector to communicate
 - DoD, VA, SSA, HIS, NCI and CDC demoed with the private sector
 - Releasing source code for CONNECT tools to public by end of March 2009. Software available for download in April.
 - Integrators, Health IT vendors and government looking at interoperable solutions – away from point-to-point.

Dr. Paul Tibbits

- Two words to remember “Value Proposition”
 - Health IT never had a clear value proposition
 - Disparity between technical advances and health IT wide
 - Cost is a major issue
- The difference between application software and data has been confusing to Congress. To improve health care, need to send data
- DoD and VA are at the 98% level of exchanging data
- The Chicago Lovell Federal Health Care Center example of Va and DoD interoperability
- Personal health record
 - Patient needs to be focus
 - Use consumer empowerment model
 - Should not impose standards on private doctors
 - Start by focusing on the data.

Jack Jones

- Why do Health IT?
 - Improve quality, safety and efficiency
 - Value for research
 - Gather data for current patients
 - Assemble longitudinal records for patients
- What’s going to work
 - Bioinformatics including lab results and images – need shared standards
 - Reengineering the physician’s office to take advantage of IT
- What will be difficult?
 - Narrative portion of medical record. Difficult to perform data mining. Important to collect data for hypothesis testing.



- Communication among large entities
- Create and maintain vocabulary. There are 127 standards necessary for interoperability
- What's going to work?
 - Know the standards
 - Understand operations
 - Develop the value proposition

Mario Hyland

- Health IT requires a national effort, not just government
- Contributing factors
 - Push for the right direction in terms of policy, project management and execution
 - Relevant subject matter expertise
- Suggest forums that focus on where small business can help with Health IT.

Key Takeaways:

1. Need to develop Value Proposition for Health IT to realize its promise
2. VA and DoD are leading the way in proving interoperability.
3. Several significant initiatives are already underway including the Nationwide Health Information Network
4. Health IT requires a national effort, not just a government effort
5. Data is at the core of Health IT

Earned Value Management: Increased profitability. Increased revenue. Increased project management control.

Government Participants: *Discover proven techniques to use EVM information to optimize project contribution to mission effectiveness and reduce risk.*

Industry Participants: *What EVM can really deliver - Improved project management control leading to both improved customer satisfaction and increased profitability.*

Join our panel discussion that will bring together perspectives from both government and industry regarding this important management tool. Panelists will share experiences about how EVM is being used to help government and industry to work together to better manage projects. Panelists will also discuss the important role EVM plays in positioning your company to win more federal business.

As part of the discussion this workshop will focus on the following topics:

- What are the requirements for the use of EVM?
- Why is it important to implement EVM in my business?
- How can EVM provide me with greater visibility into my projects throughout their lifecycle?
- How can EVM help to position my company to win more federal business?

Panel Members:

Moderator: Kim Hunter, *Senior Manager, KM Systems Group*

Kavita Kalapur, *Consulting Practice Director, Oracle*

Keith Kratzert, *Earned Value Management Focal Point, Federal Aviation Administration*

Dorie Olson, *Director of Program Management, Capital Technology Information Services*



Dave Treacy, *Principal, MCR*

Discussion Points:

- What is the definition of EVM? Collecting Earned Value is figuring out the worth of what you have done. If you've planned something and done something, what is that worth? EVM is a metric used to measure progress and a control. EVM is not financial management or accounting.
- Do not manipulate data or hide information. Be brutally honest. If you're doing the right project management, earned value is a way to measure it. If you did not do good project management then your data will not be trustworthy.
- With Firm Fixed Price there is a myth that it transfers risk to the contractor. In reality it transfers cost risk. You have the management risk with good project management and tools like Work Breakdown Schedules.
- To determine if EVM information is accurate, the government can perform an audit, have open relationships with contractors that allow flagging of risks, verify compliance with standards and can validate information.
- Once a system has been validated, an internal surveillance system is put in place.
- The transition to an EVMS was triggered when the project became a "strategic investment" by the client. They started slow using a trainer and EVMS product. The implementation team consisted of three people. Goals were to establish procedures and do a CMM process mapped to EVM. Government clients were new at EVM and needed to be educated. Good PM foundation was critical to have in place beforehand.
- There will be a joint learning process as more agencies move towards EVM.
- The person putting the new FAR clause into the contract needs to think about it.
- There is no rule for how deep the WBS goes. You do not want to go down to the level where it takes more work to do EVM than it does to do the actual work.
- When approached about re-baselining, find out what happened. Yellow is a great color. Green all the time means someone is wrong and is not being managed properly.
- Re-baselining can take countless hours. Many controls need to be placed around when re-base, triggers, who brings info, and you cannot re-baseline to wipeout variables. The government has more financial limitations and as the culture changes, people are using the information.
- EVM is not applied to all budget items of a contract. Management reserve does not have work assigned to it. From the bottom up, you do not apply it to all budgets in a contract. You can use it on O&M but you do not have to do it.
- DCMA, DOD, and DOE validate contractor systems. An acceptance guide can be found at fast.faa.gov. Agencies have always accepted a DCMA. SSA said that they would accept validation from FAA or DOE.
- Would requiring EVM be difficult for small businesses? Source selection should look at everything. The government needs to bring you up or take the risk. If the business with EVM or an EVM plan has the advantage over another business if all else are equal.
- EVM is required for Biomedical research, how would you apply EVM for those contracts? There is a difference between "R" and "D." If you are developing something then you should. If you are just doing pure research it is not necessary. You should have a plan but you won't know the outcome.
- EVM tracks cost and schedule not other management controls. It does not manage/track quality. Just doing Earned Value doesn't guarantee success.



- GAO just released management and cost estimating guide. It has 3 chapters on EVM.
- PMBOK handles Management reserve vs. Contingency reserve with a difference in opinion. It still needs further refinement.
- **EVM examples:** The Presidential helicopter was a case where EVM was on contract but data was ignored resulting in problems. There was a major program having scheduled problems and asked for a re-baseline. The PM talked to DOT/OMB, explained that the schedule variance was not correcting itself and needed relief. One contract saw SV going down, re-baseline was approved.

Key Takeaways:

1. You cannot cheat at solitaire so be brutally honest, do not manipulate data or hide data, and create an environment that rewards the identification of risks.
2. A good project management foundation and being CMM3 helped the transition to an EVMS.
3. The Integrated baseline review is perhaps the biggest risk to mitigate with EVM. RFQ and SOO are usually outdated by the kickoff meeting.
4. Avoid re-baseline beforehand by addressing the problems when information is at yellow instead of at red.
5. The FAR states the lack of an EVM is not a factor of award. If you don't have an EVM, you can submit a plan for EVM. If the government is willing to work with you to bring you up to standard, then the government reduces risks.

Evolving Procurements: Award Winning Strategies

Why does it seem like some vendors have better success in winning contract awards? Selecting which contract opportunities to pursue is a very important factor in developing a winning strategy to overcome issues when working with the federal procurement process.

The Evolving Procurements Workshop will engage participants in a dialogue on:

- staffing constraints and security clearances;
- how to research agency budget documents to identify appropriate target opportunities;
- how to integrate small business participation into procurement strategies;
- evaluation criteria and mandatory small business factors;
- using the Federal Small Business Procurement Scorecard as a winning strategy;
- which vendor techniques work; and
- insight on understanding government procurement strategies

Panel Members:

David Loines, *Acting Deputy Director, Office of Government Contracting Area II, Small Business Administration*

Randy Moore, *President & Chief Executive Officer, RLM Communications*

Roy Reed, *President, Kingfisher Systems*

Jose Salazar, *Program Manager, Industrial Security Program Branch, Department of Homeland Security*

Moderator: C. Damon Hecker, *Vice President, Mission Excellence Strategic Business Unit, Kingfisher Systems*



Introduction:

- Staffing Constraints and Security Clearance Processing
- Integrating Small Business Participation into Procurement Strategies
- Evaluation Criteria and Mandatory Small Business Factors
- Use of Federal Small Business Procurement Scorecard
- Which Vendor Techniques Work
- Insight on understanding Government Procurement Strategies
- Tips on Working with Large Businesses

Discussion Points:

- **Staffing constraints and Security Clearance Processing** – Understand the requirement and ensure you are in constant communication with COTR, FSO and employees
- **Integration of small business participation into procurement strategies** – Get ahead of the opportunities using resources such as INPUT, networking associations, teaming discussions, and push opportunities into small business set-asides via:
 - SBA and/or Agency small business advocates
 - Sources sought responses
- **Working with Large Businesses** – Understand SB contracting goals on larger procurements, bring something to the table, utilize programs like Mentor Protégé, and provide quality personnel
- **Pre-marketing a Customer** – Do your homework in advance so you understand opportunity from both sides, focus on your capability and provide procurement options
- **Small Business “Shells”** – This can be mitigated by small business teaming to cover all capabilities, remember ethical focus of the organization, and utilize size protests to help police these “shells” from occurring
- **Mandatory Small Business Factors on Larger Procurements** – utilize GSA's subcontracting directory of large business small business liaisons and look into subcontracting opportunities via subnet on SBA.gov
- **Use of Federal SB scorecard as a Winning Strategy** – Research # of actions and \$s, look at an Agency's best practices, and always check out the procurement forecast
- **Targeting Large Businesses for Teaming** – Utilize Mentor Protégé program (JVs), team now for future bids together, find the right POC within the larger organization, find a way to make teaming mutually beneficial and offer something unique
- **SBA 8a Backlog and Set-Aside Programs** – backlog is being streamlined for 8a applications to reduce cycles to less than 6 months but waivers do exist, hub zone/8a/SDVO programs are currently under review by SBA, women owned set-aside programs are currently undertaking a new study

Key Takeaways:

1. Understanding the security requirement and being engaged with all stakeholders is key to facilitating the process
2. Researching a Agency's small business goals, scorecard, forecast and using the small business advocates will enable you to better position your company for success
3. Identify ways to make teaming with large businesses mutually beneficial as a small business by fostering a long term relationship, providing quality personnel and using resources like the SBA and programs such as the Mentor Protégé Program



4. Keep track of the evolving nature of small business set-aside programs and where they are headed and ensure you are utilize the SBA.gov as a resource for research and teaming
5. Doing your homework, utilizing resources currently available, understanding small business evaluation factors and bringing quality and innovation to the table will lead to positive results!

Performance Based Acquisitions: Effective or Dysfunctional?

Performance Based Acquisition, what does it all mean? Some say that a form of PBA's have been around since the 40's; in 2001 OMB mandated it; and then in 2007 elevated the mandate so that it be used for 45% of agencies services contracts. Additionally, some say government officials are not adequately trained on PBA's and that industry is not responding to the challenge.

PBA is the preferred acquisition method of the future. Join the dialogue on how we, Government and Industry, can create better partnerships using Performance Based Acquisition. While the PBA experience base builds, discover how we can expedite the knowledge transfer needed for the most successful execution of PBA by both Government and Industry.

Panel Members:

Moderator: Angela Drummond, *Chief Executive Officer, SiloSmashers*

Joanie Newhart, *Sr. Procurement Executive, Department of Transportation*

Deidre Lee, *Director, Department of Defense and Intel, Compusearch*

David Drabkin, *Deputy Chief Acquisition Officer & Sr. Procurement Executive, Office of the Chief Acquisition Officer, General Services Administration*

Elliott Branch, *Director of Contracts, NAVSEA*

Introduction:

- Government does not have clearly measurable results or a way to support improvements.
- Contractors must have the ability to deliver the service.
- Post-contract discussions should include what should have been the solution
- After 6 months, evaluate how services could be better solicited.
- Contractors should evaluate Performance Based Services. Was this the appropriate risk? Should the risk be assumed by the contractor? With Firm Fixed Priced (FFP) contracts - consider that each additional change will cost the government more money. FFP creates an adversarial relationship with contractors and suppliers.
- Software development solicitations are not considered valuable.

Discussion Points:

- It's in vogue to ensure that PBAs are inserted into government contracts.
- **Foundation for PBAs**-started around 1990. Encouraged by industry-best practices resulting in better performance & better value for the buyer. This prompted government to start to institute PBAs. Government agencies and the FAR Council asked industry to provide examples, but have not done so yet.



- **Purpose for PBAs** – focuses on “buying to outcome” vs “government outlining the **How To** then paying for it” This shifts the responsibility of solution to the contractor who then receives payment.
- **Are PBCs effective?** – it was agreed that little progress has been made in this area. In 2007 only 40% of contracts were performance based.
- Does government do a good job of describing requirements well? The consensus was that there are no “good” examples of PBCs. SOWs are used in lieu of PBCs. Elements of an SOW are (1) content/info, (2) output/outcome, (3) necessary conditions, (4) measures/indicators, (5) standards, (6) prescriptive/how to do. Government has an obligation to say exactly what they want.
- **Evolution of PBCs** – PBCs are different now. Government spends more on services than product. US is a service economy. Government doesn’t really know what it wants, but mostly wants staff augmentation.
- **What are the roadblocks?**
 1. Resources(not enough people)
 2. Time (always hurried)
 3. Training (good efforts, but not enough time).

PBAs are not at the top of staff’s radar screen. In 1991, government had approx 33,000 Contract Specialists processing nearly \$150 billion in goods. There are now approx 28,000 Contract Specialists processing \$560 billion in goods & services of which 60% of that total is in services. In short, there are not enough people and no systems in place to compensate for the loss in personnel.

- **How will President Obama’s Administration initiatives impact PBAs?** – Agencies expect to double or triple their workload with stimulus package contracts. The bulk of these contracts should start around June or July of this year. There will not be enough people nor a budget or system in place to accommodate the influx of work. The acquisition workforce will need use the staff shortage to broaden its personnel level. Contracting leadership needs to work with the new administration to train new Contracting Officers. The government will also have to think about their workforce in a different way. They must focus on how they are trained in order to have expertise for the long run.
- **Government & Industry (Working Together)** – What can industry do to better respond to poorly written SOWs? Answers-Call Contracting Officer (CO) for clarification. Try to bid on what they give you in the SOW. Submit an alternate bid in case CO doesn’t know what they want. Have an open forum meeting between CO & Contractor. Contractor’s should tell the CO what their “plan” is for solicitations. COs should post the RFP and get collaborative input. Contractors must respond to Q&As as requested and list all assumptions. COs should be approachable. If COs are not answering questions, then they must be held accountable. CO should state what they mean in their solicitations. Contractors should keep in mind that they should not be so protective of competitive advantage so that they reveal more info to the government in their responses. There should be more openness on both sides. More time should be spent on drafting RFIs and industry days, but government doesn’t have the workforce or time to dedicate to it. Contractor will have to decide if the solicitation is a good fit for them and is this business that they really want. They may have to walk away from certain opportunities.



Key Takeaways:

1. PBA is “a tool”, Not “the tool”
2. Government directives drive PBAs, even if the solicitation needs to be something else (another contract vehicle)
3. PBAs work when there is and action plan: (1) Draft an RFP (2) Review with contact from the vendor community (3) Review the process throughout (4) Fee awarded due to pre-planning. Government should consider the following with regards to solicitations: A) What is the objective of the solicitation? B) How they can be more clear in their requirements? C) Be willing to concede control to improve contractual relations
4. Communication is critical throughout the process on both sides; they both must create an environment of “same for all”.
5. Monitor contract at intervals and alter contract measurements as needed. “You get what you measure”

Partnering for a Winning Team

Government Participants: *Improve visibility into the effectiveness of the Team in helping you achieve your mission by using Team effectiveness metrics.*

Industry Participants: *Get real-world examples of winning and losing team scenarios - What really caused those teams to succeed or fail.*

Join us in engaging industry and government leaders to discuss real-world examples of winning and losing teams and the scenarios that caused teams to succeed or fail. This workshop will focus on:

- Government and Industry perspectives and best practices towards making teaming arrangements work
- Examples of excellent and flawed teaming arrangements
- How to avoid the “bait and switch” scenario – solidifying your contract team
- The pain points and major thrusts of both government and industry in regards to teaming with both large and small businesses

Come learn from both government and industry leaders in business development, acquisition, contracting, and project management how to make teaming arrangements equal success in not only winning but leaving a lasting impression.

Panel Members:

Moderator: David Metzger, *Partner, Arnold & Porter*

Kevin Boshears, *Director, Office of Small and Disadvantaged Business Utilization, Department of Homeland Security*

David Fraley, *Director, Army Consulting, Gartner*

Greta Lehman, *Chief Information Officer, Information Resources Integration Directorate, Department of the Army*

Charlie Mitchell, *Senior Account Executive, Army Team Lead, Appian Corporation*



Introduction:

The government benefits from teaming – teams bring together a combination of skills. Teams may be composed of large and small businesses with either as a prime. It's important for teams to develop relationships and trust among team members.

Discussion Points:

The discussion focused on creating and working in teams as well as writing teaming agreements. Small businesses from a prime and subcontractor perspectives were discussed.

The following points were made:

- It's critical to lay out the terms and have the hard discussions up front. Include expectations and what each party will get out of the deal.
- The government is not supposed to get in the middle of teams and teaming agreements.
- Communication among the team is important. This leads to trust which is essential on a team. Trust is more important than what is written in the legal agreement. Need to take the long view in terms of the relationship.
- The two issues most often seen: 1) the relationships have not been developed before writing the teaming agreement; 2) the teaming agreement is poorly written.
- Problems result when, within one company, one team does capture, another team comes in for delivery. Relationships developed during the proposal process are often lost. Need to involve project manager from the start.
- Companies are best positioned when they have the specialized expertise that the government is looking for. It is difficult to come into a staff augmentation contract. Typically, government staff develops strong relationships with the incumbent and tend to re-hire them.
- When going after work, need to find out if there is an incumbent and whether the government is delighted with the incumbent.
- Process of bringing on team members includes identifying 2-4 potential team members, down select to no more than 3, interview and determine if you want them as a partner. Interview prospective team members as if they are coming to work for you. Be sure to check out each company's reputation. Putting a team together takes time.
- Panelists agreed that teaming typically happens at the last minute.
- Growing a small business is all about reputation. Great delivery will result in more work. The government appreciates companies that deliver value.
- Consistent with OFPP guidance, a prime can take credit for the whole scope of work; a sub can take credit for the scope they performed.
- As a sub, a company needs to know when it is being used, for example, when it is being used for its qualifications or to be taken off the street. Either case may result in little work share. Protect against this in up front discussions and in the teaming agreement.
- A business does not need to be on the initial vehicle to be a sub.
- Small businesses should do business with people who believe in what they bring to the table.
- Be sure to get in writing what each party is responsible for. People avoid asking hard questions because they may not want to hear the answer.
- It is difficult to specify terms for teaming agreements for IDIQ procurements because it is difficult to guarantee work share.



- A sub can ask the prime to send relevant portions of the proposal back for review before submittal.
- Need to be clear who is the prime and what is the relationship among team members – partner or sub?
- The prime needs to emphasize its leadership attributes.
- It's important to become engaged in marketing and pick your spots. Understand how prospective clients procure their goods and services.
- Teaming doesn't mean anything if you don't have a chance to win.
- Bigger is not necessarily better.

Key Takeaways

David Metzger, the moderator, summarized by providing five lessons for writing teaming agreements:

1. To be a binding contract there needs to be a definite statement of work. This should include number of hours/people. The teaming agreement written before the RFP is published should say: "incorporates by reference any proposal or SOW issued."
2. Include compensation of parties. This will incorporate by reference as well.
3. Make sure to state the duration of agreement in place. Should say "until the subcontract is signed or as long as the prime contract is in place" whichever is appropriate.
4. Make sure the government knows that if a contract is awarded to the prime, the prime will subcontract to the subcontractor. The government often doesn't understand that.
5. Do not flow down or allowed to be flowed down a termination of convenience clause.

Transitioning Forward: Finding Opportunity within Change

President Obama issued a technology innovation plan embracing IT as an enabler for efficient government and for solving major challenges facing the nation, including health care, climate change, energy policy and the economy. He also called for establishing the position of national chief technology officer. What does this mean for the IT priorities we are currently pursuing – IPv6, HSPD-12, and Trusted Internet Connection to name a few – and how can we transition forward to build upon the foundation that has been established. Join us as we hear from a panel of speakers that will share their thoughts regarding the future for the Federal IT community and how opportunities for industry partnerships with government will help both entities succeed through this period of change.

Panel Members:

Teresa Sorrenti, General Services Administration
Deniece Peterson, INPUT
Frank Reeder, Author, served on the Obama-Biden Transition Project

Introduction:

Frank Reeder

- It was the first time transition happened during war time and during economic pressures. There were a couple of dozen on the team. There was a clear commitment to being transparent and collaborative and the opportunity to do things much different in terms of



technology and administration. The Bush admin provided an unprecedented level of cooperation.

- There will be an unprecedented use of Web 2.0 engaging the public.
- Looking at stimulus, there is a large opportunity around Health IT however it will be hard
- Metering utilities will be used in order to conserve.
- The commission on cyber security for the 44th president looked at cyber security.

Teresa Sorrenti

- GSA's challenge is incorporating existing requirements into new guidelines making IT customer focus. There is a lot of activity on standardization, optimization, and consolidating of infrastructure.
- GSA still remains business focused with the transition improving on business cases. Redundant technology, security issues, policies do not go away.
- With security, GSA is using HSPD12 for contractors and employees integrated with system access through a single sign on.
- Cloud computing is being looked at by GSA with OMB to incorporate and maintain existing requirements. Buildings are being made more efficient and green.
- GSA is hosting Recovery.gov. Federal procurement data system will provide contact data for Recovery.gov.

Deniece Peterson

- The priority is the economic recovery as evident with the almost \$800 billion allocated to the economic stimulus.
- Most of the funds will be spent within the next 18 months. Speed in which to act is important.
- Funding for the Federal Agency Investments, about \$60B, is work that the government can't do but needs to spend quickly.
- Contracting, oversight & transparency provisions require collecting accounting data, public notes, quarterly reports, provisions for transparency and records access.
- Aligning technology well with stimulus, omnibus, and President Obama's priorities are good bets as to where the funds are going.
- Info security, consolidation, info sharing/collaboration will be cross-cutting priorities.
- President Obama supported acquisition reforms centers around transparency (sole source, interagency contracts), increased competition (focus on small business instead of large business, limiting time for non-competitive awards), and increased regulations/oversight (requires regulations governing use of cost-reimbursement contracts, interagency contracts)

Discussion Points:

- President Obama has reaffirmed the he is looking firmly into outsourcing but has not said that he switched outsourcing to in-sourcing. The March 4th memo says he wants to take a look at it.
- Too many cost type contracts that are potentially wasteful blurs what government should and shouldn't do.
- Need more capacity in the acquisition workforce.
- President Obama hasn't changed. The memo was an invitation to have a discussion on the different type of contracts and to study them.
- GSA has utilized EVM structuring payments on firm fixed price (FFP) contracts.
- The administration needs to hear more on how FFP contracts impact small business.



- There is a needed dialogue on FFP between government and industry that needs to happen on a larger scale.
- Input has not yet looked into whether FFP contracts work.
- The Army did a study on FFP and the results were a mix. Risk is usually factored into price. The answer is "it depends." You have to build risk into the contract.
- The stimulus is a litmus test for FFP. Stronger guidance will happen after the stimulus.
- The stimulus means needing to use existing contracts to quickly utilize funds.
- The stimulus does not contain small business set-asides. However, agencies may use it as an opportunity to help meet the standard small business contracting goal of 23%.
- There will be more transparency and more hoops with publication to go sole source.
- E-government initiatives are institutionalized and have graduated. Some lines of business provide transparency, business line of focus, and most initiatives will continue.
- IPV6 is a technology of the future but not necessarily government.

Key Takeaways:

1. Most of the funds will be spent within the next 18 months so speed in which to act is important.
2. Align solutions and technology to President Obama priorities to capture opportunities.
3. President Obama supported acquisition reforms centers around transparency, increased competition, and increased regulations/oversight.
4. Since ACT-IAC has a forum, now is the time to engage in the out- vs. in-sourcing discussion in response to President Obama's March 4th memo.
5. The administration needs to hear about the effect on small business of Firm Fixed Price contracts.

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Recorders:

Judith Cohen
Debra Crafter
Naveen Krishnamurthy
Antoinette Merrill
Ron Medina

Contributors:

Dick Blom
Angela Drummond
Theodora Giagtzis
Joshua Hackett
Joel Horwitz
Faye Jones
Rob Konosky
Megan Price
Nancy Sternberg
Marc Weisman