

Federal Strategic Sourcing Initiative (FSSI)
Office Supply Third Generation Contract (OS3)

Frequently Asked Questions (FAQs)
Questions from Agency Purchasing Authorities and Cardholders

1. Where do I go for more information, and whom do I contact?

Questions on the Federal Strategic Sourcing Initiative Third Generation Office Supplies (FSSI OS3) IDIQs may be sent to fssi.officesupplies@gsa.gov. Please also visit the FSSI OS3 website at <http://www.gsa.gov/os3>

2. What is FSSI Office Supplies Third Generation (FSSI OS3)?

The Federal Strategic Sourcing Initiative for Office Supplies Third Generation (FSSI OS3) is GSA's latest FSSI solution for office supplies. Strategic sourcing leverages the purchasing power of the entire federal government, reducing costs of goods and services and allowing for better service. FSSI OS3 is a purchasing channel solution that helps federal customers achieve significant savings on their office supply purchases, while also supporting the nation's small businesses. OS3 is expected to provide more than \$90 million in annual savings captured through lower prices. The awards are the result of a collaborative team effort among customer agencies across the federal government. Under OS3 prices decrease as the collective purchases grow across the federal government.

GSA has awarded multiple Indefinite Delivery-Indefinite Quantity (IDIQ) contracts for office supply products and commodities through the purchasing channel acquisition. Twenty-three of the twenty-four awards have gone to small business entities. This solution provides a great opportunity to achieve significant savings and meet sustainable acquisition and other socioeconomic goals. In this critical time of reduced budgets, this cross-agency strategic sourcing initiative helps the government to leverage data, dollars and good business sense in meeting acquisition goals.

Additional benefits include:

- Capturing economies of scale;
- Ensuring compliance with applicable regulations to include the AbilityOne Program, sustainable purchasing requirements and the Trade Agreement Act;
- Fostering markets for sustainable technologies and environmentally preferable products;
- Simplifying data collection and enhancing transparency by enabling agencies to better manage expenditures and measure cost-savings;
- Aligning purchasing with existing agency procurement practices;
- Enabling achievement of socioeconomic goals;

- Providing ease of ordering; and
- Providing point of sale compliance, ensuring that purchase card users automatically receive the FSSI price.

3. Why use FSSI OS3?

OS3 is designed to leverage total government spend. As more agencies use OS3 to purchase office supplies, we will hit volume discounts driving the prices even lower. By purchasing office supplies through the IDIQs, customers are able to ensure that they are meeting all relevant mandates and procurement regulations, most notably for “green” or sustainable items. The items on the IDIQs, where applicable, meet product guidelines for green products, and when purchased in a large quantity (ie. by meeting the minimum purchasing thresholds), are transported sustainably as well.

In addition, by using your GSA SmartPay card, you will automatically get the discounted FSSI prices, and your agency will benefit by getting credit card refunds in the process. Unlike buying office supplies retail, you can be assured that you are not paying sales tax, which your agency can monitor by receiving spend data to help keep prices down in the future.

The contract prices have been proven to be better than any mass pricing discounts agencies can get on their own, and are easy to use, especially through GSA Advantage!

4. How do I use FSSI OS3?

GSA’s goal is to make FSSI OS3 easy to use, and make it as easy as possible for all purchasing authorities and purchase cardholders to procure office supplies that are compliant with all applicable mandates.

For orders \$3,000 or less, use your GSA SmartPay card to make a purchase in the FSSI Office Supplies aisle of GSA Advantage! This is available by visiting www.gsaadvantage.gov and clicking on “Office Supplies and Equipment – FSSI” on the left side of the page.

DoD Emall, walking in to a vendor’s store, or otherwise contacting the vendor directly are other means of buying office supplies through FSSI OS3, though they are not as streamlined or easy to measure as purchasing through GSA Advantage!

For orders over \$3,000, please check with your Contracting Officer to understand your agency’s specific purchasing policy.

5. Who may use FSSI OS3?

Anyone with a GSA SmartPay card, who works for either the federal government or the Department of Defense, can use OS3.

6. Are federal agencies required to purchase from FSSI OS3?

Many agencies have mandated that the use of FSSI OS3. Some agencies have designated which OS3 contractors to utilize, based on specific agency mandates. This process is done in

accordance with FAR Part 16.505(b). The information is provided through your agency's FSSI representative.

7. What are the delivery requirements?

Standard delivery is three to four business days by ground. Express, desktop, secure, and international delivery are all available, and may carry an extra fee. Orders below the minimum threshold of either \$25, \$50, or \$100 (depending on the vendor) may also carry a convenience fee. In most circumstances, purchasing authorities and purchase cardholders can and should plan ahead for the procurement and delivery of office supplies. By doing so, the federal workforce generates two major benefits: First, we significantly decrease costs, as overnight delivery can add 15 to 20% of the cost of the item with some vendors; second, by placing fewer and larger orders, we reduce our impact on the environment and streamline the process for our employees.

8. Why is there a minimum order requirement of \$25, \$50, or \$100? What if I don't need to order that much?

One significant way to reduce the total cost of your order is to increase the order size. This also reduces the costs of all items in the FSSI OS3 over time. This process results in less paperwork, less tracking, and less reconciliation. In addition, larger and fewer orders means that there are fewer trucks on the road making deliveries, reducing the federal government's financial and environmental footprint. GSA recommends that you consolidate your orders so that you have fewer total transactions to manage. However, because it is not always possible to combine orders or otherwise meet the minimum purchase thresholds, some FSSI OS3 vendors will process smaller orders if you contact them directly.

9. What are the competition requirements?

No competition is required on orders below the micro-purchase threshold of \$3,000. For orders exceeding the micro-purchase threshold, your Contracting Officer can post your requirements on GSA e-Buy or GSA Reverse Auction system and compete among the 24 contract holders.

10. Are these contracts consistent with AbilityOne?

Yes. All contractors are required to remain AbilityOne certified resellers.

11. How will using OS3 save money?

GSA is firmly committed to this Administration's efforts to realize better value and savings through strategic sourcing. The savings from FSSI OS have totaled more than \$370 million

since 2010. Strategic sourcing leverages the purchasing power of the entire federal government, reducing costs of goods and services and allowing for better service. OS3 will cut costs and increase efficiencies by providing everyday supplies like pens, paper, and printing items from a list of vendors with negotiated low prices.

GSA expects OS3 to provide more than \$90 million in annual savings through its lower prices on office supplies. The awards reflected the result of a collaborative effort among customer agencies across the federal government and builds upon the success of OS2.

12. Does OS3 support small businesses?

The agency is also committed to increasing small business participation in strategic sourcing initiatives and OS3 is expected to increase the volume of spend going to small businesses, while also delivering government savings. Small businesses received 23 out of the 24 awards, which included awards to SDVOSBs, two consortia of small businesses and a HUBZone vendor. GSA estimates that more than \$9 out of every \$10 spent on OS3 purchasing will go to small business.

FSSI's previous office supplies vehicle, FSSI OS2, featured Blanket Purchase Agreements (BPAs) with fifteen vendors. Thirteen of those vendors were small business entities. Those thirteen small businesses had participating dealer agreements with over 120 small businesses. OS2 reached a cumulative small business utilization rate of 75.4 percent, and these small businesses have seen sales of more than \$866.2 million since the inception of OS2 in 2010. FSSI OS2 was also a proponent of the federal government's sustainability goals. In FY 2013, agencies purchased approximately \$89 million worth of recycled content products through the FSSI OS2, including approximately \$19.5 million worth of remanufactured toner cartridges.

13. Does OS3 promote sustainability?

Yes. The items on the OS3 contracts meet Comprehensive Procurement Guidelines (CPG), provide for toner recycling, and include a vast array of remanufactured items. The delivery terms reduce the total number of shipments.

14. What if the product I want to buy is not on FSSI OS3?

In general, the OS3 program includes a wide range of products, brands, and part numbers, although not every brand or part number may be included. By purchasing office supplies through OS3, customers are able to ensure that they are meeting all relevant mandates and procurement regulations (TAA, EO 13514). We recommend purchasing an item that is a "close second" to the office supply you are intending to buy.

15. What additional discounts are included in OS3?

OS3 includes a Delivery Tier Discount structure. Percentage discounts are included on orders of \$300 and more with some vendors.

OS3 also has a Cumulative Volume Tier Discount structure. This means that, the more the federal government spends, the more it saves on OS3. As spend with individual contractors hits thresholds of \$10M, \$25M, \$50M, \$75M, and \$100M tiers, those contractors must lower the variance on their prices with the lowest price available for that part number on OS3.

16. My favorite vendor is not part of OS3, may I still order from them?

For a list of FSSI OS3 vendors, please visit gsa.gov/os3. OS3 was a full and open competition, and extensive competition was received. Not every proposal submitted received an award.

17. What if I cannot find the item I am looking for on FSSI OS3?

Please keep in mind that FSSI OS3 items meet all relevant federal procurement mandates. If you cannot find the item you are looking for we recommend considering a similar item.