



**U.S. Department of Veterans Affairs**  
**National Acquisition Center**  
*Federal Supply Schedule Service*

Volume 60, Issue 3  
 September 2015

## Federal Supply Schedule Contracting (FSS) Newsletter

Federal Supply Schedule Service, 1<sup>st</sup> Avenue 1 Block North of 22<sup>nd</sup> Street, Hines, IL 60141  
[FSS Website](http://FSS Website) <mailto:fss.help@va.gov> 708-786-5180

### INSIDE THIS ISSUE

- 1 Industrial Funding Fee Sales and Remittance
- 2 GSA Advantage! Vendor Start-Up Kit
- 3 Small Business Subcontracting Plans and Electronic Subcontracting Reporting System (ESRS)
- 5 Covered Drugs Not On Contract
- 5 Public Law E-mails
- 6 BPAs

### Industrial Funding Fee Sales and Remittance

The Industrial Funding Fee is an administrative fee built in to the pricing of all products and services offered under the VA Schedules program. For two schedules, 621I and 621II, the IFF is 1%, but all other VA FSS schedules the IFF is 0.5%. In accordance with IFF [Clause 552-238-74](#), FSS Schedule contractors are required to remit their Industrial Funding Fee every quarter for all sales under the contract during the preceding 3-month period. This applies if it was a complete quarter or partial. All Sales reports and IFF payments are due by the 60<sup>th</sup> calendar day following the end of the preceding quarter. These quarters are based on the government’s fiscal year and begin in October (see Sales Reporting Timeline on left). For reporting and payment purposes, any partial month is considered as one full month. If in any quarter your firm does not have any sales, a report of zeroes must be submitted through [VA Sales Portal](#).

The VA Sales Portal is an electronic tool established to record all FSS schedule holders sales. In addition, the Sales Portal also accepts and maintains the IFF payments. The way the system is currently set up, each contractor is required to submit their sales report and remit their IFF Payment online through the VA Sales Portal. The use of the Sales Portal is mandatory for all FSS contract holders. The User ID for logging into the portal is always the company’s FSS Contract number without dashes. The password will be created by the sales point of contact that registers the firm in the portal. If you forget your password to the VA Sales Portal there is an, “I forgot my password” link on the log in screen. In a case where your firm has different personnel utilize the portal and the information to log on is not available you must call the sales helpdesk and request the old registration be removed so a new point of contact can register. It is highly recommended when registering that vendors provide a primary and secondary point of contact to limit the number of requests for removal and re-establishment of accounts.



**Sales Reporting  
 Timeline**

### *Industrial Funding Fee Sales and Remittance from page 1*

For updates to already posted sales, vendors cannot enter negative numbers into the portal. If your firm needs to update already posted quarterly sales you will need to click on the sales adjustment link in the Sales Portal. When posting adjusted sales you are required to enter in the actual sales that should have been reported during that quarter. The system will then automatically calculate if additional IFF is owed or if a credit is due. Failure to report your contract sales and remit your IFF payment is considered non-compliance with the terms and conditions of this contract and can result in a contract termination.

---

## **GSA Advantage! Vendor Start-Up Kit**

This Start-Up Kit explains how to get your products and services online as well as how to maintain your information. Your participation is extremely important to us as we have accepted the challenge to employ electronic commerce and to simplify the acquisition process for the Federal Government. A Vendor's electronic SIP (Schedule Input Program) catalog/text files must be received no later than 6 months after award. The SIP files must be submitted electronically or via the SIP software. All necessary and pertinent information can be found at [SIP Information](#) and [SIP Guides](#).

---

### *“Mandatory Contractor Participation in GSA Advantage”*

---

#### ***Mandatory Contractor Participation in GSA Advantage***

In keeping with the Terms and Conditions of your FSS contract you are mandated to adhere to the FSS and GSA Schedule Clause I-FSS-597 GSA ADVANTAGE!® (SEP 2000) clause:

- a) The Contractor must participate in the GSA Advantage!® online shopping service. Information and instructions regarding contractor participation are contained in clause I-FSS-599, Electronic Commerce.
- b) The Contractor also should refer to contract clauses 552.238-71, Submission and Distribution of Authorized GSA Schedule Pricelists (which provides for submission of pricelists on a common-use electronic medium), I-FSS-600, Contract Pricelists (which provides information on electronic contract data), and 552.243-72, Modifications (which addresses electronic file updates).

*GSA Advantage! Vendor Start-Up Kit from page 2****Submission of SIP Files (Catalog and Text)***

Always ensure BOTH SIP Files (Catalog and Text) are submitted with each upload so that your files are not rejected. Submit SIP Files immediately after receiving an approved Modification from your Contract Specialist. When submitting the files you are requested to always annotate the Modification Number associated with the upload (i.e. P00001). Lastly, always download your “response files” after each approval or rejection, as they clear your SIP Program from old information.

***GSA’s Vendor Support Center (VSC)***

GSA owns and operates the vendors’ SIP Program; this is NOT a Department of Veterans Affairs FSS program. You should always contact the VSC for downloading your “response files,” as this is the ONLY way you can acquire the files.

ALWAYS read any email responses, especially rejections, as it provides you with additional instructions to ensure your next upload is successful. Vendors may contact the VSC staff Monday - Friday, 8:30AM to 5:30PM Eastern Time, at (877) 495-4849, or via email at [vendor.support@gsa.gov](mailto:vendor.support@gsa.gov).

---

VSC Staff

Monday – Friday

8:30AM to 5:30PM Eastern  
Time

(877) 495-4849

[Vendor.support@gsa.gov](mailto:Vendor.support@gsa.gov)

---

## Small Business Subcontracting Plans and Electronic Subcontracting Reporting System (ESRS)

We are fast approaching the busiest time of year for small business subcontracting plans with nearly 75% of FSS subcontracting plans expiring at the end of the year and the upcoming reporting requirement for small business subcontracting plan holders to submit their actual spend achievements in the Electronic Subcontracting Reporting System (ESRS) at [eSRS.gov](http://eSRS.gov). To keep things moving smoothly during this busy period and to maintain your contractual compliance, we are providing webinar training and additional information and support as outlined below.

***Webinar Training:*** As with previous years, we will again be providing webinar training to assist you with completing your small business subcontracting plan and eSRS reports. Approximate dates for these webinars are identified below. Stay tuned to [our training webpage](#) for exact dates. A Constant Contact message with specific information on attending these sessions will be sent out at least a week prior to each session.

- **eSRS Report Preparation:** Week of September 6<sup>th</sup> and September 13<sup>th</sup>
- **Small Business Subcontracting Plan Preparation:** Week of September 30<sup>th</sup>

---

***eSRS Report Preparation:***  
*Week of September 6<sup>th</sup>  
and September 13<sup>th</sup>*

***Small Business  
Subcontracting Plan  
Preparation: Week of  
September 30<sup>th</sup>***

---

### Small Business Subcontracting Plans and ESRS Reporting from page 3

**Year-End Plan Submissions:** The majority of our small business subcontracting plans are set to expire on December 31, 2015; so, to alleviate this concentrated workload for FSS and to increase turnaround time for our contractors, we will be handling the process differently this year. Many of you have expressed interest in submitting your proposed 2016 plans to us early due to previous processing delays, and we have listened to your concerns. Plans expiring on December 31, 2015, will be divided into three groups for staggered submissions. When determining which group you fall under, be sure to go by your plan name rather than your FSS contract name as many times these names are not the same. If any contractor finds the timing of their submission grouping to be problematic, please reach out to us at [Subcontracting.AMMHINVAFSS@va.gov](mailto:Subcontracting.AMMHINVAFSS@va.gov) to discuss an alternative submission time.

---

*If you find the timing of your submission grouping **problematic**, please reach out to us to discuss an alternative submission time,*

---

Plan Names Starting With	Submit by
A – D (including numbers)	October 15 <sup>th</sup>
E-N	October 31 <sup>st</sup>
O-Z	November 15 <sup>th</sup>

**eSRS Reporting:** Annual reporting of your company's actual small business spend with the various categories (e.g. all small businesses, veteran-owned small businesses, woman-owned small businesses, etc.) follows the schedule below. Remember that your reporting is based on the Government's fiscal year of October 1 – September 30, rather than your company's fiscal year.

Report Type	Reporting Period	Due Date
Summary Subcontracting Report (SSR)	Oct 1 – Sep 30	Oct 30 <sup>th</sup>
Year-End Supplementary Small Disadvantaged Business Report (Year-End SDB)	Oct 1 – Sep 30	Within 90 days of submitting the SSR
Individual Subcontracting Report (ISR)	1.Oct 1 – Mar 31	1.Apr 30 <sup>th</sup>
– 2 Reports -	2.Apr 1 – Sep 30	2.Oct 30 <sup>th</sup>

Check out our subcontracting web page at [Small Business Subcontracting Plans](#) for further information on plans, goals, training guides, and the review/approval process.

## Covered Drugs Not On Contract

Section 603 of the Veterans Healthcare Act of 1992, Public Law 102- 585, requires all Special Item Number 42-2A “covered drugs” to be made available on Federal Supply Schedule 65IB contracts, and at a contract price not exceeding the calculated Federal Ceiling Price (FCP). Covered drugs, which have generally come to mean both brand name drugs and authorized generics, are subject to annual pricing updates as set forth in Public Law 102-585. In preparation for the upcoming 2016 covered drug pricing updates, VA’s Pharmacy Benefits Management Service and the Federal Supply Schedule Service have been working together to ensure that any covered drug item introduced into the marketplace on or before April 1, 2015, is on a Federal Supply Schedule 65IB contract well in advance of September 30<sup>th</sup>, 2015. This ongoing effort will continue through the remainder of September. It is imperative to have these items added to contract well in advance of September 30, 2015 because the FSS contract price in place as of September 30<sup>th</sup> is important for FCP calculations.

---

## Public Law E-mails

Earlier this summer, VA’s Federal Supply Schedule Service distributed emails to all covered drug suppliers with Federal Supply Schedule 65IB contracts. These covered drug suppliers were requested to perform a thorough review of all of their current covered drug items on contract, including package sizes, product descriptions, pricing and 2015 Federal Ceiling Prices.

Additionally, a verification of the awarded, current tracking customer ratios established for each covered drug item on contract was requested.

These emails were provided only to those vendors that have a covered drug on a FSS contract or interim agreement. About 90 covered drug suppliers failed to respond in any fashion prior to the original July 30, 2015 deadline. These delinquent contractors were provided with one final opportunity to reply after conducting the thorough review. Any contractor that failed to reply may receive a negative contract performance rating from their contracting officer. For further concerns or company-specific questions, please contact your company’s assigned contract specialist directly.

## BPAs

We have received questions recently asking if sales under a BPA that was issued by an authorized user against a VA FSS contract are sales that must be reported as Federal Supply Schedule Sales. That answer is yes. Whether the BPA is issued by the National Acquisition Center (NAC) National Contract Service (NCS), the Strategic Acquisition Center (SAC), Department of Defense (DoD), or one of the VA local ordering activities, the BPA was awarded from a VA FSS contract, these are reportable sales. Any order issued against a Blanket Purchase Agreements (BPAs) established against the referenced VA FSS contract starting with V797P or V797D must be reported and an Industrial Funding Fee must be collected and remitted in agreement with (IAW) [Clause 552.238-74](#) Industrial Funding Fee and Sales Reporting.

---

### Federal Supply Schedule Service

1<sup>st</sup> Avenue 1 Block North of 22<sup>nd</sup> Street

Hines, IL 60141

Phone: 708-786-5180

<mailto:fss.help@va.gov>