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# DHS Strategic Sourcing Metrics: FY15

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# DHS Contracting Spend

# FY15 Spend By Component

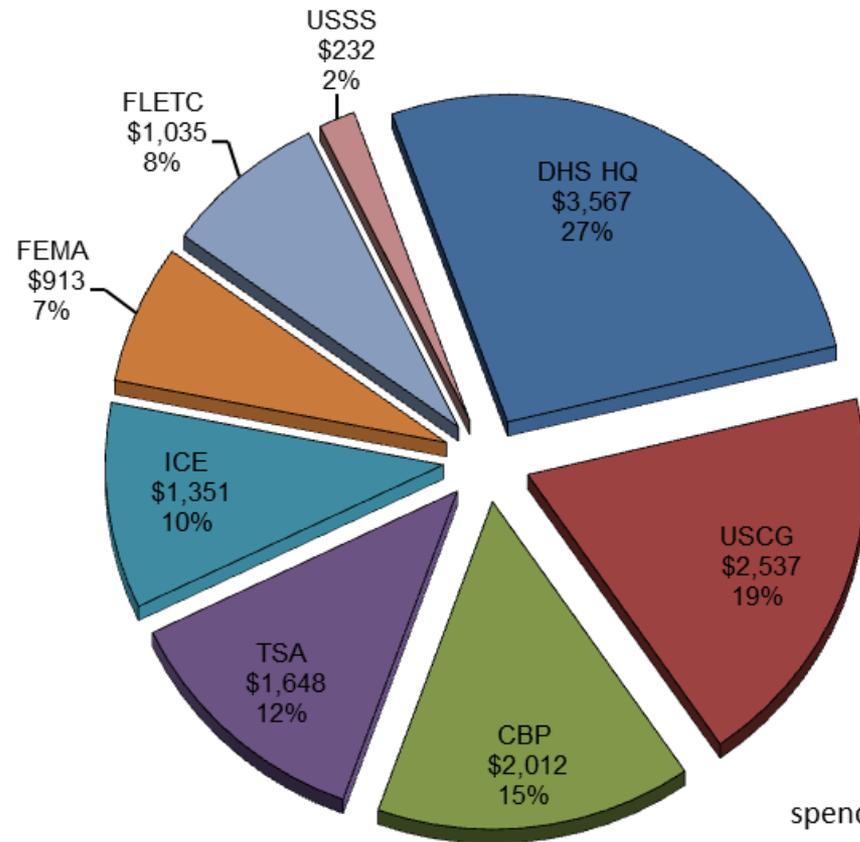


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**FPDS-NG reports ~\$13.3B of spend in FY15**

## SPEND BY COMPONENT

Component	Total (\$M)
DHS HQ	\$ 3,567
USCG	\$ 2,537
CBP	\$ 2,012
TSA	\$ 1,648
ICE	\$ 1,351
FEMA	\$ 913
FLETC	\$ 1,035
USSS	\$ 232
<b>Grand Total</b>	<b>\$ 13,294</b>



spend in \$millions

DHS HQ = CIS + HQ

Data Source: FPDS-NG

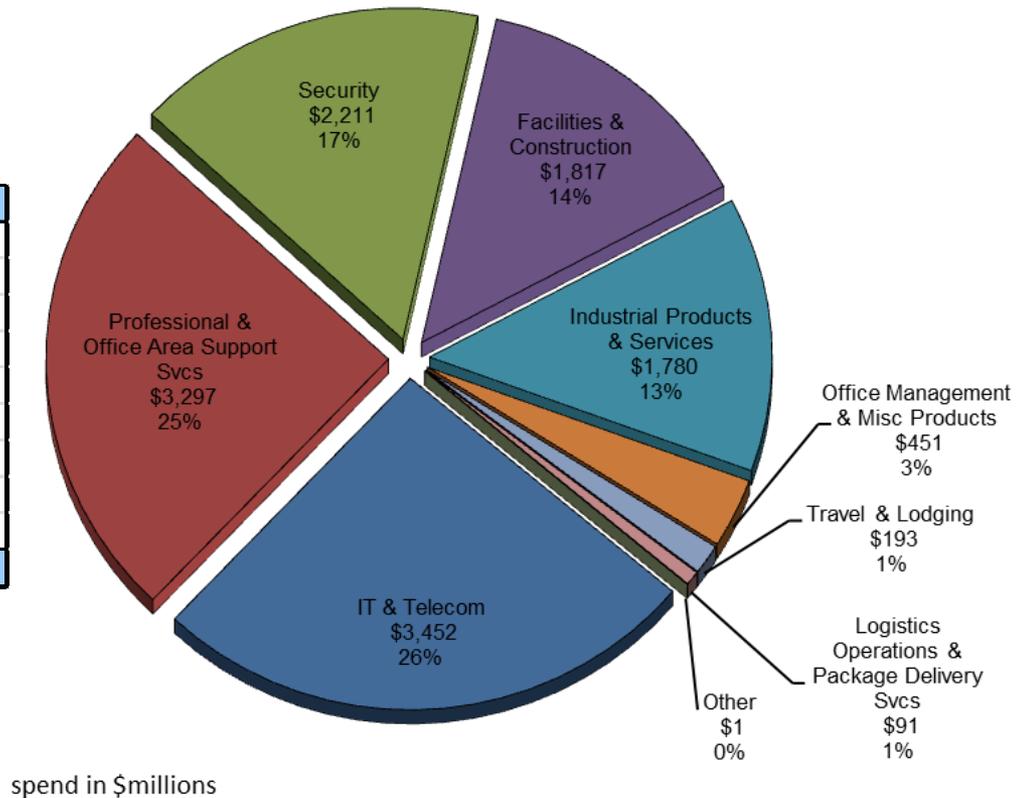
# FY15 Spend By Commodity Family



**FPDS-NG reports ~\$13.3B of spend in FY15**

## SPEND BY COMMODITY FAMILY

Commodity Family	Total (\$M)
IT & Telecom	\$ 3,452
Professional & Office Area Support Svcs	\$ 3,297
Security	\$ 2,211
Facilities & Construction	\$ 1,817
Industrial Products & Services	\$ 1,780
Office Management & Misc Products	\$ 451
Travel & Lodging	\$ 193
Logistics Operations & Package Delivery Svcs	\$ 91
Other	\$ 1
<b>Grand Total</b>	<b>\$ 13,294</b>

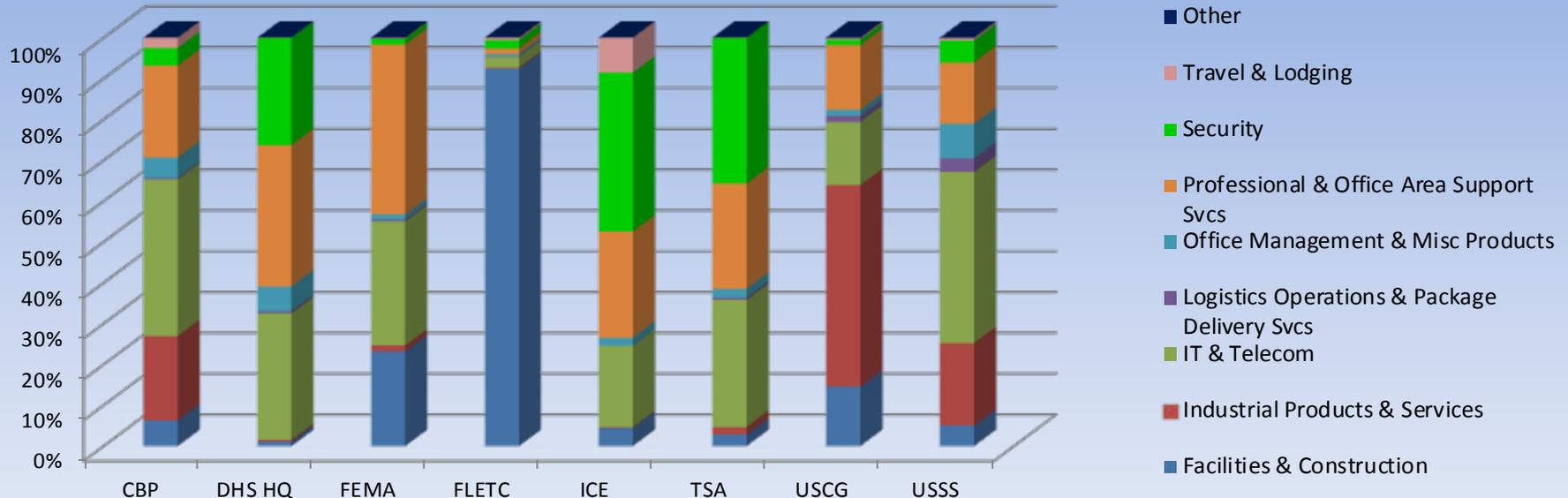


# FY15 Spend By Commodity and Component



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Commodity Family	CBP	DHS HQ	FEMA	FLETC	ICE	TSA	USCG	USSS	Total (\$M)
Facilities & Construction	6%	1%	23%	92%	4%	3%	15%	5%	\$ 1,817
Industrial Products & Services	21%	0%	1%	0%	0%	2%	49%	20%	\$ 1,780
IT & Telecom	38%	31%	30%	3%	20%	31%	15%	42%	\$ 3,452
Logistics Operations & Package Delivery Svcs	0%	1%	0%	0%	0%	1%	2%	3%	\$ 91
Office Management & Misc Products	5%	6%	1%	1%	2%	2%	1%	8%	\$ 451
Professional & Office Area Support Svcs	22%	35%	42%	1%	26%	26%	16%	15%	\$ 3,297
Security	4%	26%	1%	2%	39%	36%	1%	5%	\$ 2,211
Travel & Lodging	3%	0%	0%	1%	9%	0%	1%	1%	\$ 193
Other	0%	0%	0%	0%	0%	0%	0%	0%	\$ 1
<b>Grand Total (\$M)</b>	<b>\$2,012</b>	<b>\$3,567</b>	<b>\$913</b>	<b>\$1,035</b>	<b>\$1,351</b>	<b>\$1,648</b>	<b>\$2,537</b>	<b>\$232</b>	<b>\$13,294</b>



Data Source: FPDS-NG

DHS HQ = CIS + HQ

# FY15 Spend DHS Taxonomy/Commodity & Category Mapping



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## Industrial Products & Services \$1,780,121,217

Transportation Equipment \$1,077,507,783
Industrial Products Install / Maintenance / Repair \$538,647,915
Machinery & Components \$84,959,195
Hardware & Tools \$21,131,600
Basic Materials \$6,947,821
Fuels & Related Materials \$11,301,756
Test & Measurement Supplies \$37,527,184
Fire / Environmental Protection Equipment \$2,097,963

## IT & Telecom \$3,451,904,959

Telecom & Communications \$248,075,476
IT Hardware, Software & Support Svcs \$3,203,829,482

## Professional & Office Area Support Services \$3,297,170,769

Management Support Svcs \$1,725,606,230
Technical Svcs \$1,081,514,105
Clerical & Administrative Svcs \$351,738,715
Health Related Svcs \$138,311,719

## Security \$2,210,716,219

Security Systems & Services \$2,127,038,614
Ammunition & Explosives \$31,116,895
Security Animals & Related Svcs \$8,823,259
Protective Apparel & Equipment \$24,776,275
Weapons \$18,961,176

## Facilities & Construction \$1,817,304,964

Construction Related Svcs \$1,148,751,696
Facility Related Svcs \$576,256,237
Facilities Purchase & Lease \$15,123,011
Facility Related Materials \$62,005,234
Construction Related Materials \$15,168,786

## Office Mgmt. & Misc. Products \$451,018,452

Office Management Products & Related Svcs \$307,352,037
Non-Protective Apparel \$92,916,933
Misc Products \$50,749,482

## Travel & Lodging \$192,598,157

Passenger Travel \$100,636,738
Lodging \$13,456,159
Travel Agent & Misc Svcs \$78,505,260

## Logistics Operations & Package Delivery Svcs \$91,316,984

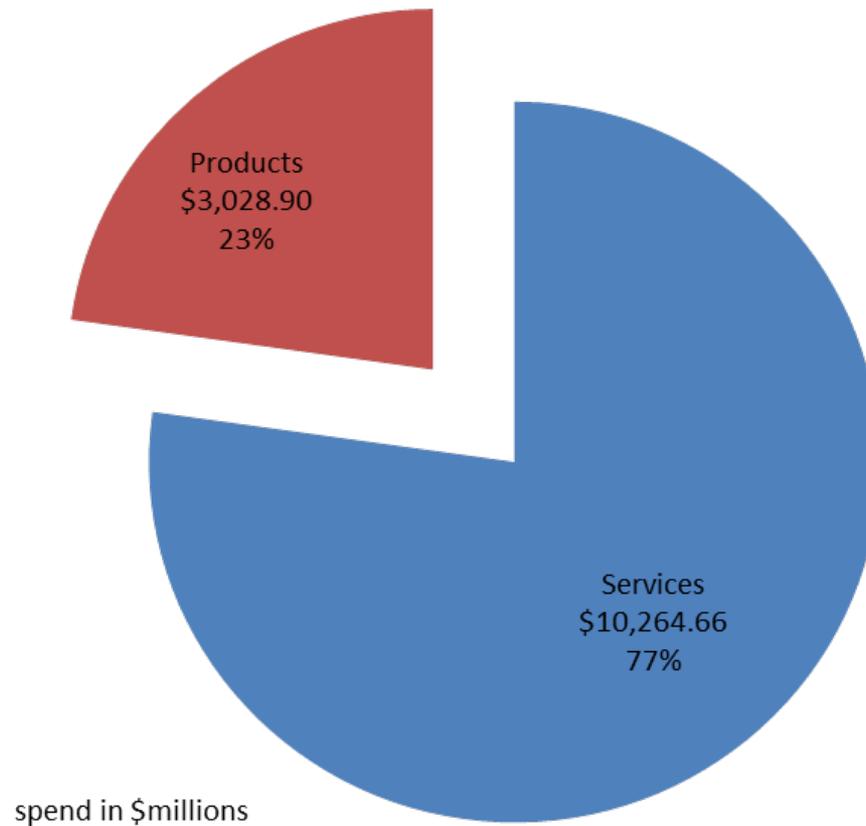
Logistics Svcs \$70,619,349
Package Delivery & Packaging \$20,697,635

Data Source: FPDS-NG

# Spend by Products vs. Services FY2015



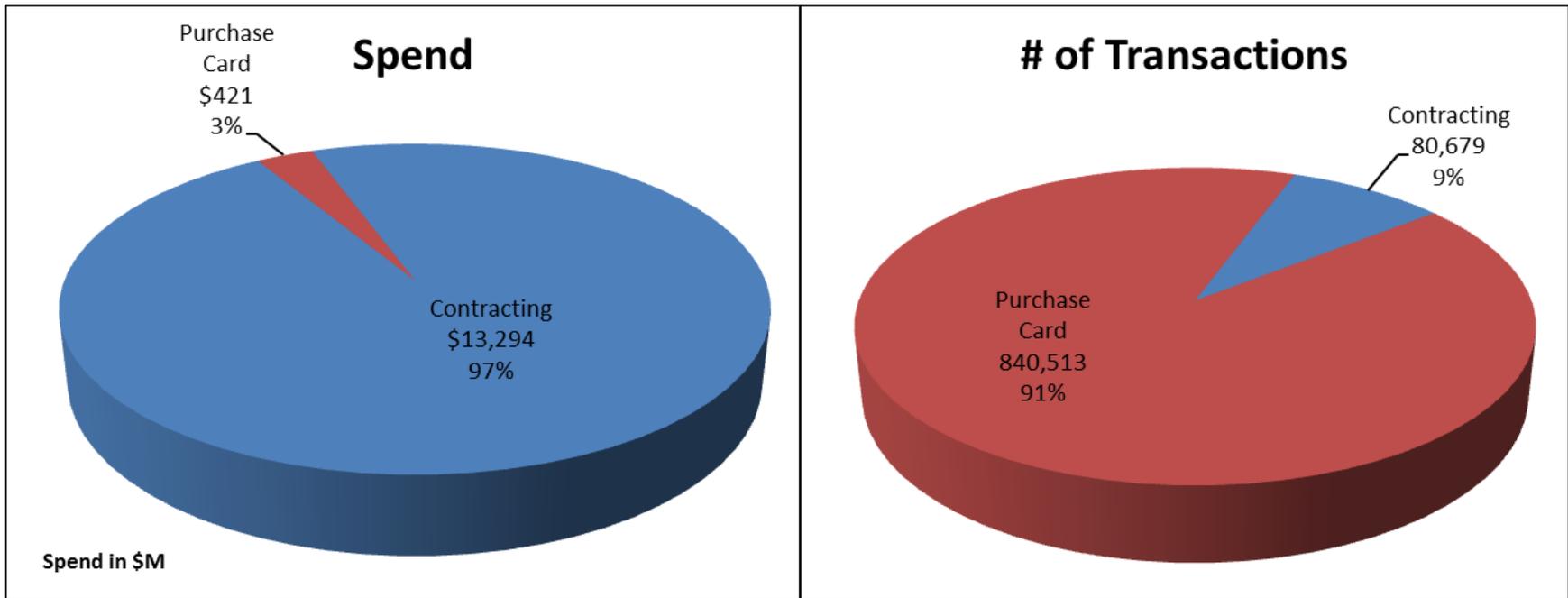
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spend in \$millions

Based on Product & Service Code (PSC) types

# FY15 Contracting vs. P-Card Spend



Data Source: Purchase card - JPMorgan Chase. Contracting - FPDS-NG.



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# DHS Strategic Sourcing Metrics



# DHS Strategic Sourcing Highlights

## SPEND

- Strategically sourced \$2.9 billion in FY15
- This represents approximately 21% of the total FY15 obligated dollars
- Small businesses received 50% of the spend through strategic sourcing contracts

## SAVINGS

- Cumulative savings = \$3.0 billion (since FY05)
  - FY15 = \$466 million
  - FY14 = \$471 million
  - FY13 = \$336 million
- Savings methodologies independently validated (March 2011)
- FY16 goal = \$425 million

## UTILIZATION

- DHS achieved a 43% utilization rate of strategic sourcing contracts in FY15
  - i.e., DHS purchased 43% of its needs through strategic sourcing for the areas covered by the vehicles we had in place during FY15.
- FY16 goal = 42%

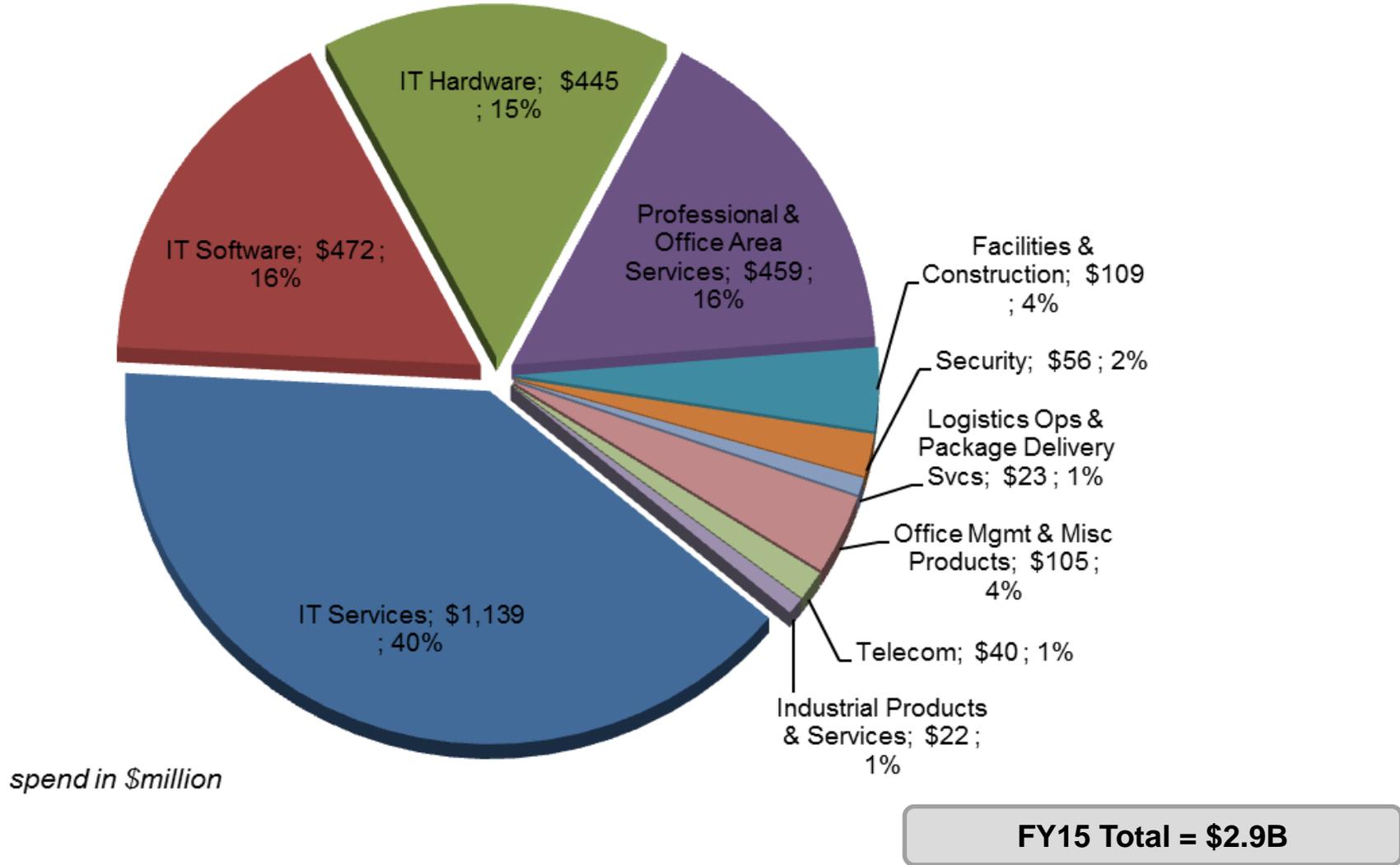
## FEDERAL PARTICIPATION

- DHS is an active participant on the Category Management Leadership Council (CMLC) and numerous Federal strategic sourcing initiatives (FSSI)
- DHS is a recognized leader in Federal strategic sourcing by organizations such as OMB, GAO, and Congress

# Strategic Sourcing Spend (\$M) FY2015



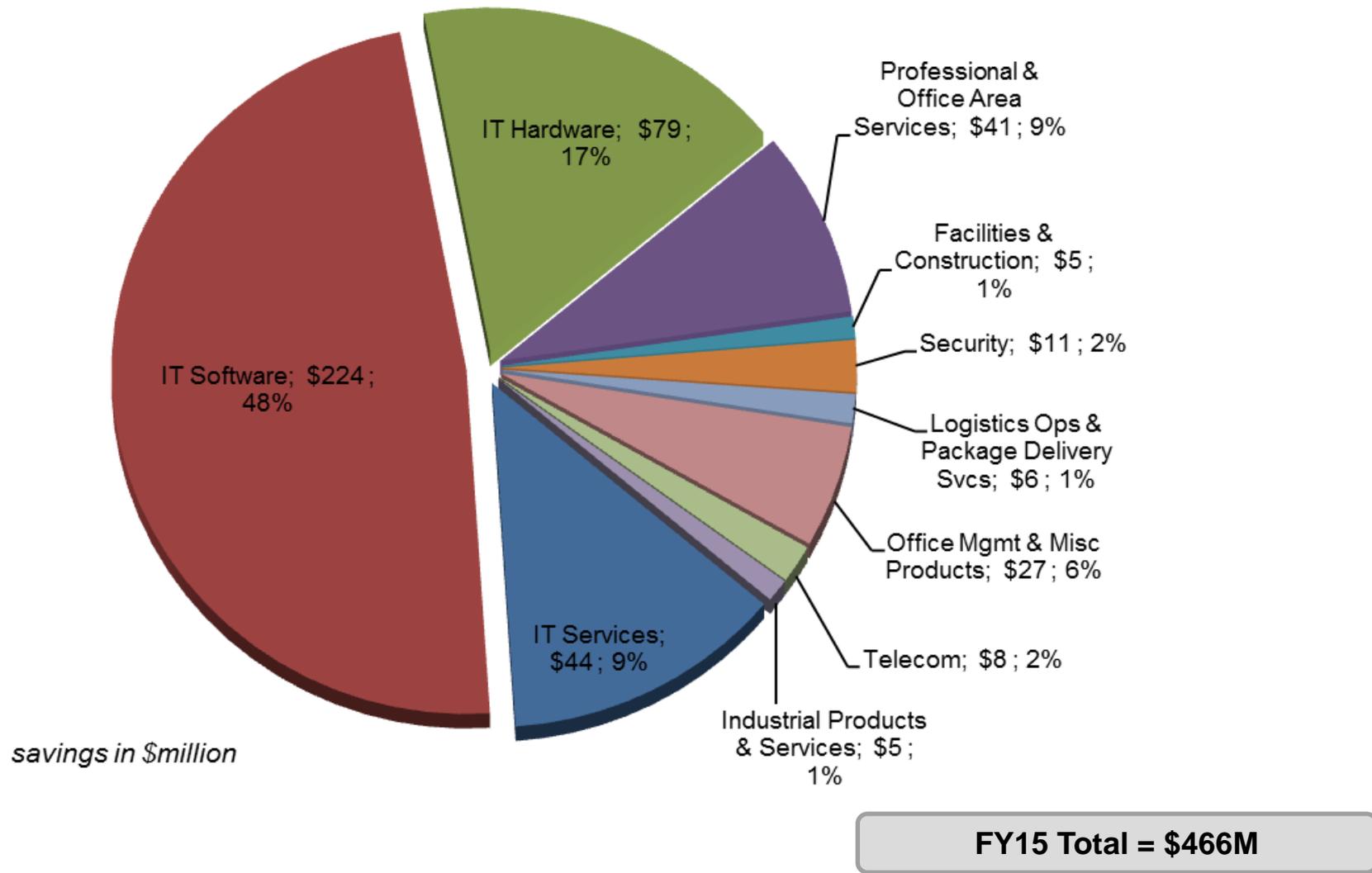
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# Strategic Sourcing Savings (\$M) FY2015



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# Strategic Sourcing Savings Since Inception to FY2015



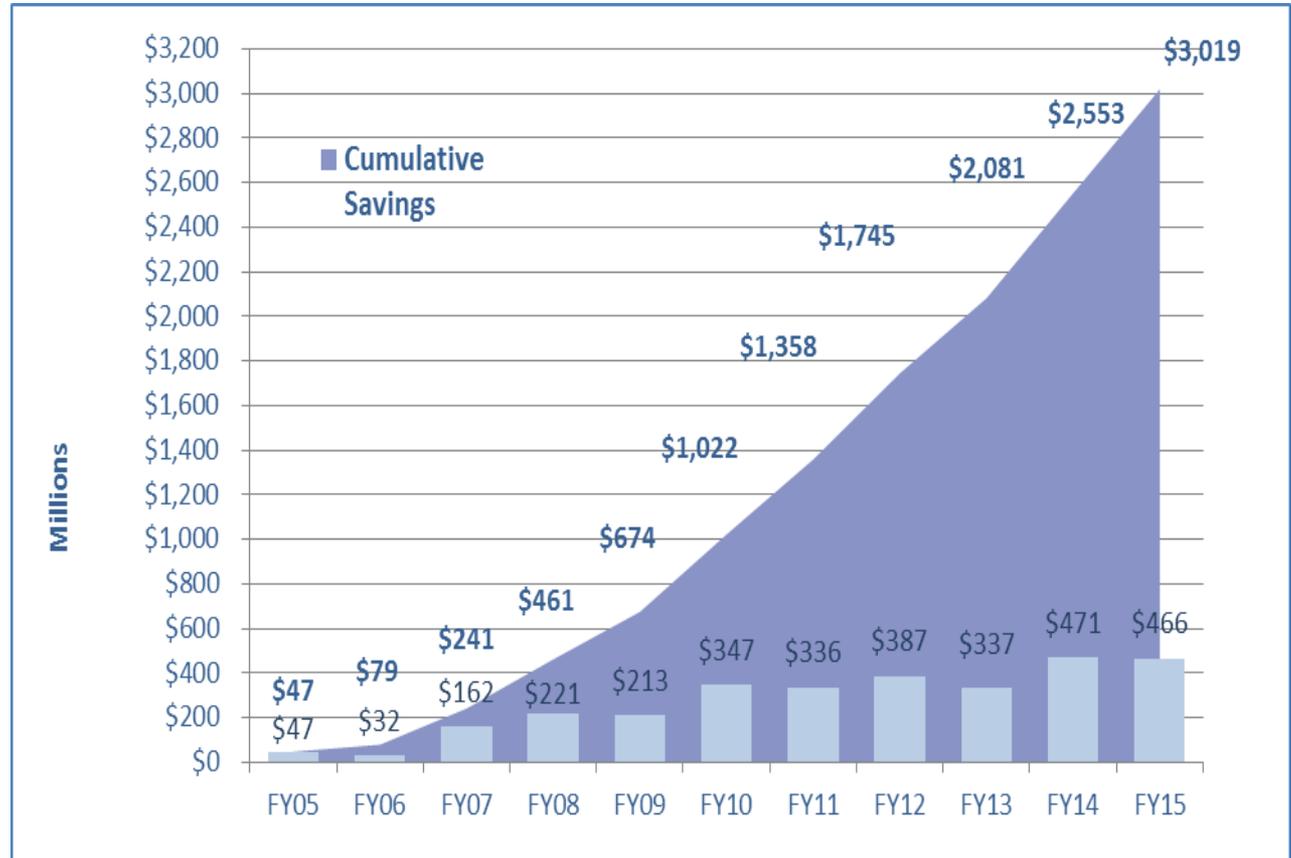
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## Top 3 commodity family savings (since FY2005)

- IT & Telecom (81%)
  - 44 vehicles
  - 360 contracts
- Professional & Office Area Services (10%)
  - 19 vehicles
  - 621 contracts
- Office Management & Misc. Products (5%)
  - 9 vehicles
  - 89 contracts

## Top 3 component savings (since FY2007)

- CBP (33%)
- DHS HQ (28%)
- ICE (10%)



Data Source: FPDS.gov; vendor reports



# Available Department-wide Vehicles

## IT & Telecom

1. Academy Class Management System
2. Cellular Wireless Managed Services
3. Content Delivery Network II (CDN2)
4. Data Center 2 (DC2)
5. EAGLE II (IT Services)
6. Enterprise PRISM Instance Support Services
7. FirstSource II - IT Hardware and Software
8. Geospatial Tech Support Services (GTSS)
9. Microsoft Enterprise Services
10. Remote Sensing
11. Tactical Comm. (TacCom) Equipment & Services
12. Technical Investigative Surveillance Equipment (TechOps)<sup>a</sup>
13. Wireless Devices & Services (FSSI)<sup>a</sup>

## Facilities & Construction

14. Design/Build Construction – National and Regional

## Industrial Products & Services

15. Bulk Fuel
16. Janitorial & Sanitation Supplies (FSSI)<sup>a</sup>
17. Maintenance, Repair & Operations (MRO) (FSSI)<sup>a</sup>
18. Medical Countermeasures II (MCM2)
19. Medical Supplies
20. Nitrile Gloves
21. Personal Protective Equipment – Garments
22. Personal Protective Equipment – Goggles
23. Personal Protective Equipment – Hand Sanitizers
24. Personal Protective Equipment – Surgical Masks
25. Personal Protective Equipment – N95 Respirators

## Logistics Ops & Package Delivery Services

26. Domestic Delivery Services III (FSSI)<sup>a</sup>
27. Relocation Services

## Professional & Office Support Services

28. Architecture & Engineering Services
29. Centers of Excellence
30. Contract Auditing & Review Services
31. Credit Monitoring Services
32. Credit Reporting
33. DHS MarketPlace
34. Employee Shuttle Services
35. Intelligence/Counterintelligence Analysis, Training, & Tradecraft (ICATTS)
36. OASIS
37. OCFO: Assessment of Internal Controls Support Services
38. OCFO: Compliance, Performance, and Statistical Sampling of Internal Controls Support Services
39. OCFO: Financial Management & Reporting Support Services (FMRSS)
40. Regulatory Support Services
41. Technical, Acquisition and Business Support Services (TABSS)
42. Third Party Intern Providers Support Services
43. Workers Compensation Medical Case Management Services

## Security

44. .223 Caliber Ammunition (Standard and Enhanced)
45. .223 Readily Identifiable Training Ammunition
46. .357 Sig Caliber Duty and Training Ammunition
47. .38 Special +P Caliber Ammunition 135 Grain
48. .40 Caliber Ammunition 180 Grain
49. .40 Caliber Readily Identifiable Training Ammunition
50. 9mm Luger +P Caliber Ammunition 124 Grain
51. 12 Gauge Shotgun Ammunition (3 Types)
52. Body Armor II
53. Canines
54. Detection Equipment Integrated Logistics Support
55. Explosive Trace Detection – Next Generation

56. Explosives Trace Detection (ETD) Consumables
57. Handheld Radiation Detectors
58. Human Portable Tripwire
59. Less than Lethal Specialty Munitions (LLSM)

## IT Software

60. Adobe Enterprise License Agreement
61. Continuous Diagnostic & Mitigation (CDM)<sup>a</sup>
62. Enterprise PRISM Instance Perpetual Licenses & Maintenance
63. Enterprise Software Solutions – F5 Networks
64. Enterprise Software Solutions – IBM
65. Enterprise Software Solutions – McAfee
66. Enterprise Software Solutions – NetApp
67. Enterprise Software Solutions – Quantum
68. Enterprise Software Solutions – Symantec
69. Enterprise Software Solutions – VMWare
70. Enterprise Talent Management System (ETMS)
71. Environmental System Research Institute II
72. Microsoft Enterprise Licensing Agreement
73. Oracle Enterprise License Agreement

## Office Mgmt. and Misc. Products

74. Furniture
75. Office Supply III (FSSI)<sup>a</sup>
76. Print Management (FSSI)<sup>a</sup>
77. Uniforms

<sup>a</sup> Federal Initiatives DHS is supporting or leading  
Red text denotes FY 2015 Award(s)

# FY15 Spend & Savings by DHS-wide Contract



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Current Department-wide Contracts	FY15 Spend Total (\$M)	FY15 Savings Total (\$M)
<b>Facilities &amp; Construction</b>		
Architecture & Engineering Services	\$ 9.8	\$ 0.4
Design Build Construction	\$ 98.3	\$ 4.1
<b>Industrial Products &amp; Services</b>		
Janitorial & Sanitation Supplies (JanSan) FSSI	\$ 0.8	\$ 0.2
Maintenance, Repair & Operations (MRO) FSSI	\$ 9.1	\$ 1.2
Medical Countermeasure II (MCM2)	\$ 0.3	\$ -
Medical Supplies	\$ 6.7	\$ 1.0
Nitrile Gloves	\$ 6.3	\$ 2.8
Personal Protective Equipment 2	\$ -	\$ -
<b>IT Hardware</b>		
FirstSource II	\$ 314.6	\$ 46.7
Tactical Communication Equipment & Services (TacCom)	\$ 129.5	\$ 32.4
Technical Surveillance Equipment (TechOps)	\$ 1.0	\$ 0.2
<b>IT Services</b>		
Content Delivery Network II (CDN2)	\$ 2.1	\$ 2.3
Data Centers	\$ 104.5	\$ 11.6
EAGLE (Enterprise Acquisition Gateway for Leading Edge Solutions)	\$ 519.4	\$ 15.5
EAGLE II	\$ 490.7	\$ 25.8
Enterprise PRISM Instance (EPI) Support Services	\$ (1.0)	\$ -
Geospatial Technical Support Services (GTSS)	\$ 11.3	\$ 3.3
Microsoft Enterprise Services (Next Generation) (expired)	\$ 11.9	\$ 0.9
Remote Sensing	\$ 0.3	\$ -

# FY15 Spend & Savings by DHS-wide Contract (cont'd)



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Current Department-wide Contracts	FY15 Spend Total (\$M)	FY15 Savings Total (\$M)
<b>IT Software</b>		
Academy Class Management System (ACMS)	\$ 2.5	\$ 0.3
Adobe BPA	\$ 10.0	\$ 51.7
Enterprise PRISM Instance (EPI) Perpetual Licenses and Maintenance	\$ 1.9	\$ 0.0
Enterprise Software Solutions - F5 Network	\$ 3.6	\$ 1.1
Enterprise Software Solutions - IBM	\$ 81.4	\$ 79.9
Enterprise Software Solutions - McAfee	\$ 16.2	\$ 7.1
Enterprise Software Solutions - NetApp	\$ 17.9	\$ 8.5
Enterprise Software Solutions - Quantum	\$ 3.7	\$ 1.0
Enterprise Software Solutions - Symantec	\$ 25.8	\$ 16.3
Enterprise Software Solutions - VMWare	\$ 16.2	\$ 3.6
Enterprise Talent Management System (ETMS)	\$ 9.1	\$ -
Environmental Systems Research Institute ELA 2 (ESRI 2)	\$ 0.1	\$ 0.0
Microsoft ELA 2015-2020	\$ 85.5	\$ 10.7
Microsoft Enterprise Services 2015-2020	\$ 14.4	\$ 0.1
Microsoft Enterprise Software (Next Generation) (expired)	\$ 6.9	\$ 12.1
Oracle BPA	\$ 180.0	\$ 31.6
<b>Logistics Ops &amp; Package Delivery Svcs</b>		
Domestic Delivery Services 3 (DDS3) FSSI	\$ 16.8	\$ 5.2
Relocation Services	\$ 6.2	\$ 1.2
<b>Office Mgmt &amp; Misc Products</b>		
All-In-One Multi-Functional Devices (MFDs)	\$ 4.8	\$ 1.2
B&W MFDs (expired)	\$ 0.6	\$ 0.1
Furniture	\$ 5.3	\$ 11.9
Office Supply III (OS3) FSSI	\$ 11.5	\$ 4.3
Print Management Services FSSI	\$ 6.4	\$ 5.2
Uniforms IDIQ	\$ 76.8	\$ 4.0

# FY15 Spend & Savings by DHS-wide Contract (cont'd)



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Current Department-wide Contracts	FY15 Spend Total (\$M)	FY15 Savings Total (\$M)
<b>Professional &amp; Office Area Services</b>		
Assessment of Internal Controls Support Services	\$ 32.4	\$ 16.2
Centers of Excellence (COE)	\$ 11.6	\$ -
Contract Audit & Review Services (CA&RS)	\$ 0.0	\$ -
Credit Monitoring Services	\$ 1.9	\$ 0.3
Employee Shuttle Services	\$ 1.4	\$ -
Financial Management and Reporting Support Services (FMRSS)	\$ 12.6	\$ 5.8
OASIS	\$ 14.0	\$ -
Program Management, Administrative, Clerical and Technical Services (PACTS)	\$ 68.5	\$ 0.5
Regulatory Support Services	\$ 1.6	\$ 0.5
Review & Statistical Support for Internal Controls	\$ 3.2	\$ 0.8
Technical, Acquisition, & Business Support Svcs (TABSS)	\$ 306.3	\$ 16.1
Tri-Merged Credit Reports	\$ 0.7	\$ 0.1
Workers' Compensation Medical Case Management Services (WC MCMS)	\$ 5.9	\$ 0.6
<b>Security</b>		
.223 Cal - Readily Identifiable Training Ammunition	\$ 1.9	\$ 0.5
.223 Caliber Ammunition	\$ 6.9	\$ -
.38 Special +P Cal - 135 Grain Ammunition	\$ 0.0	\$ 0.1
.40 Cal - 180 Grain Ammunition	\$ 6.0	\$ 7.9
.40 Cal - Readily Identifiable Training Ammunition	\$ 2.2	\$ 0.6
12 Gauge Shotgun Ammunition	\$ 2.0	\$ 0.4
9mm Luger +P Cal - 124 Grain Ammunition	\$ 0.9	\$ 0.7
Body Armor 2	\$ 10.8	\$ 0.9
Canines IDIQ	\$ 2.5	\$ 0.2
Explosives Trace Detection (ETD) Next Gen	\$ 22.2	\$ -
Less than Lethal Specialty Munitions (LLSM)	\$ 0.7	\$ 0.1
<b>Telecom</b>		
Cellular Wireless Managed Services (CWMS)	\$ 38.8	\$ 8.0
Wireless FSSI	\$ 0.7	\$ 0.3

Data Source: FPDS-NG and vendor sales reports (when available)

# How do we measure savings?



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**SSPO FY16 Savings Goal: \$425M**

## Discount off GSA Schedule

*Negotiated Contract Discount Rate or  
Range Off of a Published GSA  
Schedule*

## GSA Fee Avoidance

**Cost Avoidance through the Non-Use  
of a GSA Schedule Vehicle:  
Up to 3% in fee avoidance**

## Discounts off Commercial Pricing

**Savings Based on Vendor Provided  
Discounts off of Commercially  
Available Pricing**

## Reduction in Prices Paid

**Difference between prior prices paid  
through a SSV and  
follow-on/re-competed SSV prices**

# How do we calculate utilization?



**SSPO FY16 Utilization Goal: 42%**

- Based on SSV contract number(s)
- Data Source: ERA

**SSV Utilization =**

**Numerator: (SSV Spend)**

**Denominator: (SSV Commodity Specific PSCs\*)**

- PSCs directly related to the SSV contract description
- Over 270 PSCs identified in FY14
- Data Source: FPDS-NG

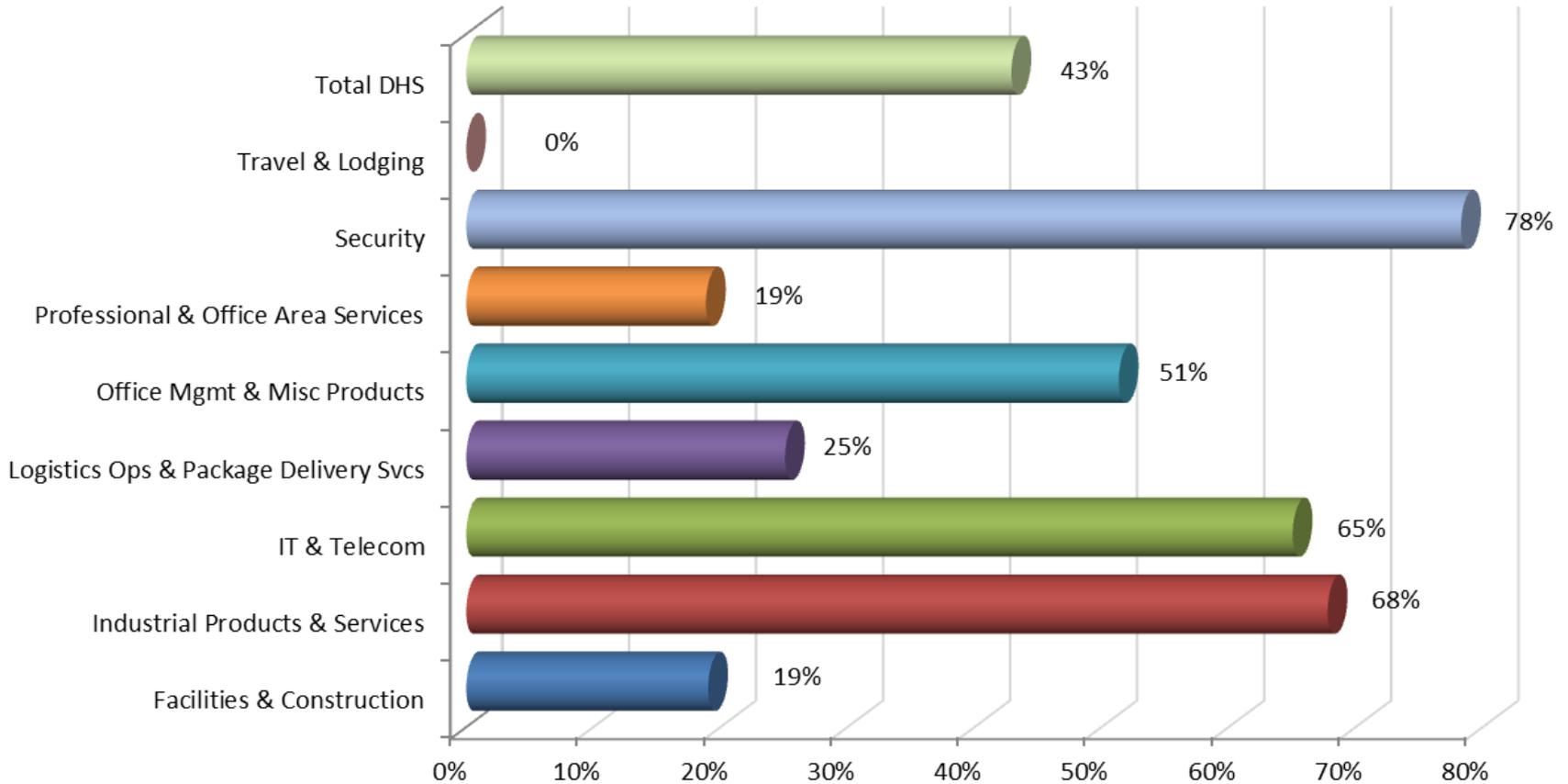
- Not all spend is eligible for a SSV, therefore only relevant PSCs factor into utilization
- PSCs can cut across many SSVs (e.g., 7030 – ADP Software applies to more than 15 SSVs)

*\*Denominator baseline remains consistent over time because PSCs are constant unless an SSV is awarded or expires*

# Strategic Sourcing Contract Utilization FY2015



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Note: Utilization Rate = Total DHS-Wide Contract Non Emergency Spend / Total Relevant PSC Non Emergency Spend

Note: Total (DHS) utilization is for all of DHS

DHS HQ = HQ + CIS spend

Data Source: FPDS.gov

# Small Business Achievements



- **FY15 strategic sourcing vehicle results:**

Strategic Sourcing Spend	
Total	\$2,870,490,620
Small Business	\$1,442,041,175
% to Small Business	50%
# of Strategic Sourcing Vendors	
Total	614
Small Business	410
% Small Business	67%
# of Strategic Sourcing Vehicles	
Total	77
Full Set-Asides	15
Partial Set-Asides	16
% Full/Partial Set-Asides	40%

- **SSPO partners with OSDBU on all Department-wide vehicles to ensure small businesses receive primary consideration**
- **In FY15, more than 34% of the overall DHS spend went to small businesses. Of this amount, nearly 1/3 were through the use of a strategic sourcing vehicle**

# Key Strategic Sourcing Vehicles with Set-Asides



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Small Business Tracks	EAGLE II	FirstSource II	OASIS	TABSS	FACTS II (Pending)
8(a)	✓	✓	✓	✓	
HUBZone	✓	✓	✓		
SDVOSB	✓	✓	✓	✓	✓
EDWOSB		✓	✓		
WOSB			✓		
All Small Business	✓	✓	✓	✓	



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# **DHS Strategic Sourcing Initiative-Specific Metrics (Examples)**



# EAGLE II Metrics

FC	Track	# of TO Awards	Obligated Amount	Base + All Options	% Value
FC1	SB	22	\$32,993,480	\$180,871,602	9.44%
	SDVOSB	13	16,165,185	71,174,610	3.72%
	HubZone	19	90,477,671	339,460,666	17.72%
	8(a)	21	35,654,360	175,143,559	9.14%
	UNR	28	260,626,585	685,368,917	35.78%
FC2	SB	40	87,167,317	318,265,109	16.61%
	UNR	2	1,901,289	7,975,863	0.42%
FC3	SB	15	25,869,198	70,262,150	3.67%
	UNR	5	17,409,265	67,180,214	3.51%
Total		165	\$568,264,351	\$1,915,702,690	100.00%

FC1 – Service Delivery, including Integration, Software Design/Development, Operations & Maintenance

FC2 – Information Technology Program Support Services

FC3 – Independent Verification and Validation

# TABSS Metrics



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Domain Category	Track	# of TO Awards	Obligated Amount	Base + All Options	% Value
<b>D1</b>	<b>T1: UNR</b>	70	\$ 95,285,165	\$ 245,301,210	11.93%
	<b>T2: SB</b>	105	\$ 180,198,548	\$ 391,544,735	31.78%
	<b>T3: 8(a)</b>	154	\$ 230,094,124	\$ 400,956,575	43.73%
<b>D2</b>	<b>T1: UNR</b>	8	\$ 2,000	\$ 1,750	0.00%
	<b>T2: SB</b>	25	\$ 25,688,405	\$ 51,002,120	2.67%
	<b>T3: SDVOSB</b>	28	\$ 29,439,207	\$ 59,139,752	3.87%
<b>D3</b>	<b>8(a)</b>	46	\$ 55,148,190	\$ 107,065,975	6.02%
<b>Grand Total</b>		<b>436</b>	<b>\$ 615,855,639</b>	<b>\$ 1,255,012,117</b>	<b>100.00%</b>

D1: Program Management, Engineering and Technology Support Services  
D2: Business Management, Financial Management and Audit Support Services  
D3: Contract Management Support Services



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# QUESTIONS AND ANSWERS

