

General Services Administration
Washington, DC 20405

ADM 2800.12B, Change 85
May 29, 2018

GSA ORDER

Subject: GSAM Case 2018-G502, Pilot Program for Innovative Commercial Items

1. **Purpose.** This U.S. General Services Administration (GSA) order transmits a revision to the General Services Acquisition Manual (GSAM) to implement a pilot program to competitively procure innovative commercial items, including products, technologies, and services using the commercial solutions opening (CSO) procedure in accordance with Section 880 of the 2017 National Defense Authorization Act (NDAA).

2. **Background.** The CSO procedure authorized by Section 880 of 2017 NDAA is an acquisition mechanism providing a streamlined acquisition process and simplified contract terms that is designed to attract start-up companies and others who have not previously worked with the U.S. Government. This program is intended to promote competition while addressing specific needs for innovative commercial items. The CSO procedure offers a range of advantages to open up the field of competition so that the Government and taxpayers benefit from a large pool of solutions at a better cost and performance, including:

- (i) Streamlined solicitation requiring only minimal corporate and technical information;
- (ii) Fast track vendor selection timelines;
- (iii) Simplified contract administration procedures and requirements; and
- (iv) Preference for the vendor retaining core intellectual property, when appropriate.

GSA has also created a new Procurement Innovation Resource Center (PIRC) to assist the federal government with acquiring innovative technologies and implement the CSO procedure through a pilot program to competitively procure innovative commercial items, including products, technologies, and services currently in the production/commercialization phase as well as adaptations of existing commercial items. The CSO pilot will assist GSA and other federal agencies, through assisted acquisitions, with procuring emerging technologies to improve services for citizens and make them more cost effective for taxpayers.

3. **Effective date.** May 29, 2018

4. Explanation of changes. This amendment comprises non-regulatory changes. For full text changes of the amendment see Attachment A, GSAM Text Line-In/Line-Out. This amendment revises the language of the following GSAM 571 sections:

- Section 571.101 details the scope of the CSO pilot and incorporates the requirements and guidance within the GSA PIRC CSO Guide.
- Section 571.102 outlines how the purpose of the CSO pilot is to promote competition with a streamlined approach to address specific needs for innovative commercial items.
- Section 571.103 provides the definitions of innovative, commercial solutions opening, peer review, and a solution brief.
- Section 571.201 states the approval process for GSA contracting officers to utilize the CSO procedure.
- Section 571.202 lists the restrictions for awarding a contract with the CSO procedure.
- Section 571.203 outlines the CSO procedure and references the additional detailed procedures within the GSA PIRC CSO Guide.
- Section 571.204 reserves the right to establish a peer review advisory group in the future.
- Section 571.205 references the GSA PIRC CSO Guide for reporting requirements.
- Section 571.206 states that the authority to enter into a contract under this part expires on September 30, 2022.

5. Cancellations and Rescissions. None

6. Point of Contact. Any questions regarding this Order should be directed to Kevin Funk, General Services Acquisition Policy Division, via phone at (202) 357-5805 or via email at kevin.funk@gsa.gov.



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Attachment A

GSAM Case 2018-G502

“Pilot Program for Innovative Commercial Items”

GSAM Text, Line-In/Line-Out

GSAM Baseline: Change 83 effective 02/22/2018

- Additions to baseline are indicated by **[bold text in brackets]**
- Deletions to baseline made by final rule are indicated by ~~strikethroughs~~
- Five asterisks (* * * * *) indicate that there are no revisions between the preceding and following sections
- Three asterisks (* * *) indicate that there are no revisions between the material shown within a subsection

PART 571—PILOT PROGRAM FOR INNOVATIVE COMMERCIAL ITEMS

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[Subpart 571.1—General

571.101 Scope.

(a) This part establishes a pilot program to competitively procure innovative commercial items, including products, technologies, and services using the commercial solutions opening (CSO) procedure authorized by section 880 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328).

(b) The competitive selection from a general solicitation and the peer review of such solution briefs by scientific, technological, or other subject matter experts within the U.S. Government is considered to be a competitive procedure.

(c) Procurements under the CSO Pilot Program must be compliant with the requirements in this part and the requirements in the GSA Procurement Innovation Resource Center (PIRC) CSO Guide available at <https://www.gsa.gov/pirc>.

571.102 Purpose.

GSA has developed this pilot program to be implemented outside the normal Federal Acquisition Regulations requirements to engage traditional and non-traditional Government contractors, including start-up companies. This program is intended to promote competition with a streamlined approach to address specific needs for innovative commercial items. This program offers a range of advantages to start-up companies and others who may not have significant work experience with the U.S. Government, including—

- (a) Streamlined solicitation requiring only minimal corporate and technical information;**
- (b) Fast track vendor selection timelines;**
- (c) Simplified contract administration procedures and requirements; and**
- (d) Preference for the vendor retaining core intellectual property, as appropriate.**

571.103 Definitions.

As used in this part—

“Agency Acquisition Innovation Advocates” are the GSA Acquisition Officials nominated by the Senior Procurement Executive and serving on the Office of Management and Budget Acquisition Innovation Council.

“Commercial solutions opening (CSO)” is a competitive procedure for acquiring innovative commercial items, including products, technologies, and services through a competitive selection of solution briefs resulting from a general solicitation and peer review of such solution briefs.

“Innovative” —

(1) Means any item that is—

(i) A new technology, process, or method as of the date of submission of a solution brief; or

(ii) A new application or adaptation of an existing technology, process, or method as of the date of submission of a solution brief.

(2) Includes existing items within the production/commercialization phase (i.e. after design or development, and before widespread government or commercial adoption) as well as new adaptations of existing commercial items.

“Peer Review” means a process where scientific, technological, or other subject matter experts within the U.S. Government evaluate solution briefs submitted against specified selection criteria.

“Solution Brief” means a solution proposed by an offeror in response to a solicitation issued using the CSO procedure.

Subpart 571.2—Pilot Program

571.201 Approval Process.

GSA contracting officers must receive approval in accordance with the procedures provided within the GSA PIRC CSO Guide to utilize the CSO procedure under this part to enter into contracts to fulfill requirements, capability gaps, or procure potential technological advancements. Only

those acquisitions approved by an Agency Acquisition Innovation Advocate may be conducted under the CSO procedure.

571.202 Restrictions.

- (a) The CSO procedure shall only be used when procuring innovative commercial items, including products, technologies, and services.
- (b) Any contract using this authority must not exceed \$10,000,000, inclusive of all options.
- (c) No contracting officer or employee of the government may create or authorize an obligation in excess of the funds available, or in advance of appropriations (Anti-Deficiency Act, 31 U.S.C. 1341), unless otherwise authorized by law.
- (d) GSA employees must be appointed as a contracting officer, consistent with GSAM 501.603, and must have a Federal Acquisition Certification in Contracting (FAC-C) at Level III to award a contract using the CSO procedure in accordance with this part.

571.203 CSO Procedure.

- (a) Acquisition Plan. The acquisition team shall perform acquisition planning and conduct market research to identify where there may be opportunities to acquire innovative commercial items to meet the government's needs.
- (b) Solicitation. The solicitation shall—
 - (1) Describe the agency's interest, either for an individual program requirement or for broadly defined areas of interest covering the full range of the requirements;
 - (2) Describe the criteria for selecting the solution briefs, their relative importance, and the method of evaluation;
 - (3) Specify applicable intellectual property (IP) terms, carefully assess the IP needs of the government, and protect the offeror's rights in the IP it currently owns;
 - (4) Specify the period of time during which solution briefs submitted will be accepted;
 - (5) Contain instructions for the preparation and submission of solution briefs;
 - (6) Identify clearly the basis and procedures for payment; and
 - (7) Include other necessary terms as required for the protection of the Government and offerors. See the GSA PIRC CSO Guide and the GSA PIRC CSO Solicitation Template at <https://www.gsa.gov/pirc> for additional guidance.
- (c) Synopsis. The availability of the solicitation shall be publicized for at least 7 calendar days through the Governmentwide point of entry and on relevant websites.

(d) Process of Evaluation.

(1) Solution briefs received shall be evaluated in accordance with evaluation criteria specified within the solicitation. Solution briefs may or may not be evaluated against each other.

(2) The Contracting Officer must complete a written evaluation report for each solution brief submitted and include a copy in the contract file.

(3) Offeror(s) may be invited to submit a proposal after an evaluation of their solution brief.

(4) See the GSA PIRC CSO Guide at <https://www.gsa.gov/pirc> for additional guidance.

(e) Legal Review. The GSA PIRC CSO Guide identifies when legal reviews are required.

(f) Award.

(1) Contracting Officer shall ensure GSA Finance is notified of award and amount obligated.

(2) Contracting Officer shall ensure that the contract file and applicable award documentation are completed in accordance with the procedures in this part and the GSA PIRC CSO Guide.

(g) Notification to Offerors. Offerors not selected for an award may request, within 5 calendar days of notification of non-selection, feedback regarding the technical review findings of their submitted solution brief.

571.204 Peer Review Advisory Group.

[Reserved]

571.205 Reporting Usage and Effectiveness of Pilot Authority.

The Contracting Officer shall report usage and effectiveness in accordance with the GSA PIRC CSO Guide.

571.206 Sunset of the Pilot Authority.

The authority to enter into a contract under this part expires on September 30, 2022. The period of performance for contracts established prior to September 30, 2022 may continue beyond this sunset date.]