



What is A GSA Contract and Schedule?

A GSA schedule is an unfunded, five-year contract listing the prices the federal government has agreed to pay for a vendor's commercial products and services. The contract may be renewed for three five-year periods resulting in a 20-year contract if all renewals are executed.

A GSA schedule contract is an official federal contract but it is not funded and it does not have products or services to deliver immediately. Funding occurs when an order is signed by a federal agency.

There are 62 categories of commercial products and services that vendors may apply for a GSA contract under. Known as schedules, these categories cover everything from industrial products, vehicles, computers and office products, to most categories of professional services.

Today, GSA schedules are the favored purchasing mechanism for most federal buyers and an ideal sales and closing vehicle for vendors. Large federal contractors can have GSA schedule sales exceeding \$ 100 million annually.

To be an approved supplier under a GSA schedule, the vendor must go through an arduous application process. Negotiating fair and reasonable prices for the products or services to be delivered is the most important aspect of application process.

If a contract is successfully negotiated, the vendor is placed on a list of approved suppliers for that particular schedule. Buyers for federal agencies can order using GSA Advantage, the online marketplace for GSA schedule product/services.

An order under a schedule is a request for products and/or services. Approved vendors under a GSA schedule use the prices listed in their GSA contract to price orders received from federal agencies.

Competition for an individual GSA order is reduced significantly because the prices contained in a schedule are pre-determined at the time of contract award. However, direct sales efforts are usually required to generate an order. GSA vendors should not expect sales under the contract without focused, agency-based sales efforts.

Generally, federal buyers submit requests to three vendors on a schedule and select the winning vendor based on best value considerations. An approved order stands as a contract between the purchasing agency and schedule vendor, not between the vendor and GSA. However, it must conform to all the terms and conditions of the vendor's GSA schedule contract.

Price increases based on commercial cost increases or economic indexes can be negotiated under GSA schedule contracts. Vendors may offer discounts for an individual agency order without affecting the prices listed in the contract.

Congress has granted state and local agencies the authority to purchase directly from the Information Technology GSA schedule (IT70). State and local purchasing authority may be extended to other GSA schedules in the future.

**To Learn more about obtaining a GSA Contract call
Federal Suppliers Guide at 813-343-7017.**
