

Bill Sisk  
Draft Testimony December 11, 2013  
Joint Oversight Hearing  
“Reverse Auctions”

House Veterans' Affairs Committee Subcommittee on Oversight and Investigations  
and House Small Business Committee Subcommittee on Contracting and the Workforce

Good morning, Chairman Coffman, Chairman Hanna, Ranking Member Kirkpatrick , Ranking Member Meng, and members of the Subcommittees for Veterans’ Affairs Oversight and Investigations and Small Business Contracting and the Workforce. My name is Bill Sisk and I am the Deputy Commissioner of the General Services Administration’s Federal Acquisition Service.

I have spent over twenty years at GSA. I started in GSA’s Regional office in Atlanta in 1990 and have served in numerous management positions including Assistant Regional Administrator and Regional Commissioner. In my capacity as Regional Commissioner, I represented GSA’s Assisted Acquisition Services, Network Services, and Personal Property. I have also served as Assistant Commissioner in the Office of General Supplies and Services within the Federal Acquisition Service and was appointed to the U.S. AbilityOne Commission which is a unique program that provides employment opportunities for individuals who are blind or have other significant disabilities.

I appreciate the opportunity to appear here today to discuss GSA’s recently launched Reverse Auction Platform. This effort is one of a continuing series of actions the Federal Acquisition Service has undertaken in support of GSA’s mission to deliver the best value in acquisition and technology services to government and American people. Based on data since its inception, GSA’s Reverse Auction Platform is one tool that, with proper training and use, can provide savings to agencies, help them achieve small business goals, and provide visibility into spending data that, over time, can help agencies make better acquisition decisions.

GSA’s Reverse Auction Platform was put into operation July 1<sup>st</sup>, 2013 and is designed to be an efficient and cost effective platform for buying non-complex commodities and simple services. This initiative’s focus is to drive down the total cost of acquisitions and increase savings to customers and taxpayers. GSA’s Reverse Auction Platform is an eTool available to our government partners to use to facilitate the request for and submission of quotes or offers for products and services through GSA Multiple Award Schedules and Blanket Purchase agreements (BPAs), Veterans Administration’s schedules, and Department of Navy BPAs against GSA schedule contracts. GSA leveraged existing e-Buy and GSAAuctions.gov IT infrastructure resources which reduced development costs and provides users a familiar look and feel when using the Reverse Auction website. The GSA Reverse Auction tool is non-mandatory and available to agencies to consider as they develop acquisition strategies.

Additionally, by leveraging GSA Schedule contracts and their unique ability to provide a broad array of vendors and small business set-aside capability, GSA’s Reverse Auction Platform improves the government’s ability to maintain small business participation through broad competitions and set-asides to promote agencies’ meeting small business goals in a cost effective way.

There are a variety of potential benefits to agencies of this platform, including that it:

- Displays real-time pricing
- Provides customers with level III spend data (historical pricing data)
- Interfaces with existing systems, i.e., eBuy / eLibrary enabling vendor authentication to verify that contracts are still valid under the GSA Multiple Award Schedules program
- Assists in meeting small business goals
- Facilitates compliance with competition requirements

While agencies may realize these benefits, it is also important that the Reverse Auction Platform be used appropriately. GSA provides training on the Reverse Auction platform regularly to both the buyer and vendor communities. GSA offers on average four training sessions per week in a variety of forums. To date, over 50 sessions have been conducted and over 2000 individuals trained on the platform. Additionally, frequently asked questions and answers are available on the site as a resource for users.

The data so far has demonstrated savings in price, good competition from vendors, and support for small businesses. To date, several Federal Agencies, including GSA, have utilized the platform for 485 auctions, realizing about 6.7 percent savings on average with an average of three vendors participating per auction. 85.53 percent of the total awards and 87.18 percent of the total value of all contracts have been made to small businesses.

As the GSA Reverse Auction Platform continues to mature and evolve with more training and education provided, GSA predicts an increase in the use of the platform based on the initial interest in the platform and the overall interest by agencies in utilizing reverse auction procurement solutions. Additionally, we predict future spend data may provide insights for potential strategic sourcing opportunities. As we move forward, we welcome insights from Congress, from industry, and from partner Federal agencies on additional ways to improve the platform and ensure it is used appropriately.

During this time of continued budget uncertainty and ongoing fiscal pressure, GSA has launched the Reverse Auction platform in the hopes that it will be used by our partners to maximize savings in terms of both driving competition among vendors to achieve cost savings and by cutting processing times so that agencies achieve resource savings as well. This tool is one offering by GSA to deliver better value and savings to our partners and ultimately the American taxpayer.

Thank you again for the opportunity to testify and I am happy to answer any questions you may have.