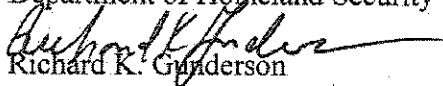


AUG 26 2010



**Homeland  
Security**

Memorandum For: Heads of Contracting Activity  
Department of Homeland Security Purchase Cardholders

From:   
Richard K. Gundersen  
Acting Chief Procurement Officer

Subject: Federal Strategic Sourcing Initiative Blanket Purchase Agreements for  
Office Supplies

The desired end result of the Secretary's Efficiency Review Initiative and the Management Action Directive on Usage of Blanket Purchase Agreements (BPAs) for office supplies is to leverage DHS's buying power to receive the lowest price possible when acquiring supplies.

In Fiscal Year 2009, DHS initiated actions to increase use of a set of four strategically sourced Department-wide office supply BPAs providing all Department of Homeland Security (DHS) Components, Directorates, and Offices with a simple and straightforward solution for the procurement of office supplies. All of the BPAs offered highly competitive pricing. DHS Acquisition Alert 09-09 required all DHS Components, Directorates, and Offices to use the BPAs.

As a means of leveraging *Government-wide* buying power in the area of office supplies and realizing even deeper discounts, DHS joined with the General Services Administration (GSA), the Office of Federal Procurement Policy (OFPP), and a number of other Federal agencies to award a Second Generation of Office Supply BPAs. GSA announced award of the 15 new office supply BPAs under the Second Generation Federal Strategic Sourcing Initiative (Second Generation FSSI) in mid-July 2010. A listing of the Second Generation Federal Strategic Sourcing Initiative BPAs is provided in the attachment to this memorandum.

The Second Generation FSSI BPAs provide additional discounts to the negotiated prices already available on GSA's Schedule 75 for office supplies, and provide the federal Government with a fast and effective way to order while ensuring prompt, cost-effective delivery and quality customer service.

Additional benefits include:

- capturing economies of scale;
- ensuring compliance with applicable regulations to include the AbilityOne Program;
- ensuring that sustainable purchasing requirements and the Trade Agreements Act are addressed;
- fostering markets for sustainable technologies and environmentally preferable products;

- simplifying data collection and enhancing transparency by enabling agencies to better manage expenditures and measure cost savings;
- aligning purchasing with existing agency procurement practices;
- enabling achievement of socioeconomic goals; and
- providing ease of ordering

Under the BPAs, discounts increase as the collective purchases grow across the federal Government. Through this pricing structure, the vehicle truly leverages the Government's buying power.

As recently stated by the Administrator, OFPP, the new office supply BPAs will:

- entitle Federal purchase cardholders to automatically receive the discounted pricing just by using their Government purchase card -- whether they buy on-line, over the phone, or in person -- at any one of the 15 winning vendors, which includes three service-disabled veteran-owned small businesses and ten small businesses overall;
- help federal agencies cut procurement costs for office supplies by as much as 20 percent, or close to \$200 million, over the next four years, which does not take into account even deeper price discounts of up to 19 percent that will kick in as government-wide purchasing increases the spending above pre-determined volume discount thresholds; and
- require the winning vendors to provide detailed spend data which will allow agencies to analyze internal business processes and develop more efficient ones, which can be shared with the commodity team and GSA to obtain additional savings and improve future office supply agreements.

Annually, DHS spends approximately \$99 million on office supplies, over 76 percent of which is spent through open market purchases. The Second Generation FSSI BPAs provide DHS with the opportunity to achieve savings well beyond those realized under existing DHS office supply BPAs. In fact, we estimate that for every five million dollars in business shifted to the Second Generation FSSI BPAs, DHS saves a million dollars. Because of their substantial savings potential, it is imperative that DHS, its Components, Directorates, and Offices use the Second Generation FSSI BPAs.

This memorandum does not require the termination of existing task orders. However, effective immediately, **all new purchase card buys and task orders for office supplies should be awarded under the Second Generation Federal Strategic Sourcing Initiative BPAs identified in the attachment.** Additional ordering information, including Frequently Asked Questions (FAQs), is accessible on the DHS Strategic Sourcing webpage at:

<http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/oss/Pages/StrategicSourcing.aspx>.

If you have any questions regarding the use of the Second Generation Federal Strategic Sourcing Initiative BPAs, please contact Deborah Ford, Strategic Sourcing Program, on 202-447-5260.

Attachment

cc: Peggy Sherry, Acting Chief Financial Officer  
cc: Peggy Wilson, Bankcard Program Manager

Attachment

**Second Generation Federal Strategic Sourcing Initiative**

The Second Generation Federal Strategic Sourcing Initiative Office Supply BPAs are divided into three pools:

POOL ONE - comprised of nine companies that provide **full office supply** catalogs.

<b>Vendor Name</b>	<b>BPA Number</b>	<b>Socio-Economic Status*</b>
Capitol Supply Inc.	GS-02F-XA001	S
Document Imaging Dimensions	GS-02F-XA002	S/W
Independent Stationers Inc.	GS-02F-XA003	S
Metro Office Products LLC	GS-02F-XA004	S/D
New York Inkjet LLC	GS-02F-XA012	S/W
Shelby Distribution Inc.	GS-02F-XA005	SDVOSB
SITA Business Systems Inc.	GS-02F-XA006	S/D/W
Stephens Office Supply	GS-02F-XA014	S/W
WECSYS LLC	GS-02F-XA007	S/D

POOL TWO - comprised of three companies that provide **full office supply catalogs, next day delivery, secure desktop delivery, fill/kill and international shipping.**

<b>Vendor Name</b>	<b>BPA Number</b>	<b>Socio-Economic Status</b>
EZ Print Supplies Inc.	GS-02F-XA008	S/W
Office Depot	GS-02F-XA009	L
Staples Inc.	GS-02F-XA013	L

\* Key for Socio-Economic Status:

S = Small Business      S/W = Small, Woman-Owned Business      S/D = Small, Disadvantaged Business

SDVOSB = Service Disabled Veteran-Owned Small Business      L = Large Business

S/D/W = Small Disadvantaged, Woman-Owned Business

POOL THREE - comprised of three companies that provide toner catalogs.

Vendor Name	BPA Number	Socio-Economic Status*
ASE Direct Inc.	GS-02F-XA010	SDVOSB
Cartridge Savers Inc.	GS-02F-XA011	S/D
Imaging Systems LLC	GS-02F-XA015	SDVOSB

The FSSI Second Generation BPAs are available on DoD eMall (<https://dod-email.dla.mil>) and GSA Advantage! (simply click on "FSSI Office Supplies" under "Products" on the [www.gsaadvantage.gov](http://www.gsaadvantage.gov) website).

Please contact Deborah Ford, Strategic Sourcing Program on 202-447-5260 if you have any questions regarding the use of the Second Generation Federal Strategic Sourcing Initiative BPAs.

\* Key for Socio-Economic Status:

S = Small Business      S/W = Small, Woman-Owned Business      S/D = Small, Disadvantaged Business

SDVOSB = Service Disabled Veteran-Owned Small Business      L = Large Business

S/D/W = Small Disadvantaged, Woman-Owned Business