

# OCP|O

Office of the Chief Procurement Officer  
Strategic Programs Division  
Strategic Solutions Office

## Category Management

2020 ANNUAL REPORT



Homeland  
Security



*“As Chief Procurement Officer, my first responsibility is to motivate our people to deliver exceptional results. I’m highly gratified to report that my team of category managers delivered stellar achievements even during a trying year! As you’ll see throughout this report, when we were confronted with a global pandemic, this team quickly adapted to ensure our colleagues across the Department had access to the personal protective equipment, products, and services needed to fulfill their mission-critical duties. I am proud of the work that our category managers do and especially of their accomplishments over this past year!”*

— **Soraya Correa**, DHS Chief Procurement Officer



# Message from the Strategic Programs Division Executive Director

## **JACLYN RUBINO**

I am pleased to present this year's Category Management Annual Report, which details many of our successes and demonstrates our strong commitment to advancing the Chief Procurement Officer's priorities. The evolution of category management across Government continues at a fast pace. While DHS continues to be one of the Government leaders in category management, our continued success hinges on further collaboration with our partners across DHS, industry, and Government.

The value of our collaborative work became more evident this year as we had to expeditiously adapt to a different work environment, shift priorities due to mission needs, and forge enhanced supplier relationships to support our pandemic response efforts. Without skipping a beat, we continued to deliver solutions to help safeguard our frontline operators responsible for fulfilling the DHS missions. I am especially proud of the solutions delivered by our team of category managers and our partners across DHS. These teams overcame significant hurdles to serve our Department and Nation during this challenging time.

The exceptional dedication to serving our mission is one of the many reasons we rebranded the organization this year to be more appropriately named the Strategic Solutions Office (SSO). Our new name reflects the way our team serves our Department, our industry partners, and our Government-wide partners: by developing creative strategies to enable mission success; by providing high quality, responsive customer service; and by delivering innovative and flexible solutions.

A handwritten signature in black ink that reads "Jaclyn Rubino".



# DHS Continues to Demonstrate Strong Leadership in Category Management

DHS remains a leader in category management through its commitment to Government-wide category management principles and by fulfilling the agency-required actions outlined in Office of Management and Budget memorandum 19-13 in support of the President's Management Agenda. By collaborating with each Head of Contracting Activity, we provide Components with a diverse portfolio of strategic sourcing contract vehicles (SSVs) or guidance on the use of other spend under management (SUM) contract solutions.

Our SSV portfolio now encompasses more than 70 contract solutions that meet a DHS-specific need. They feature qualified vendors with the necessary expertise and capabilities to support the Department's unique and evolving challenges.



Another testament to DHS category management leadership is our ongoing prioritization to train the workforce. Despite the challenges of 2020, the SSO team was determined to keep up the pace of its training and outreach efforts:

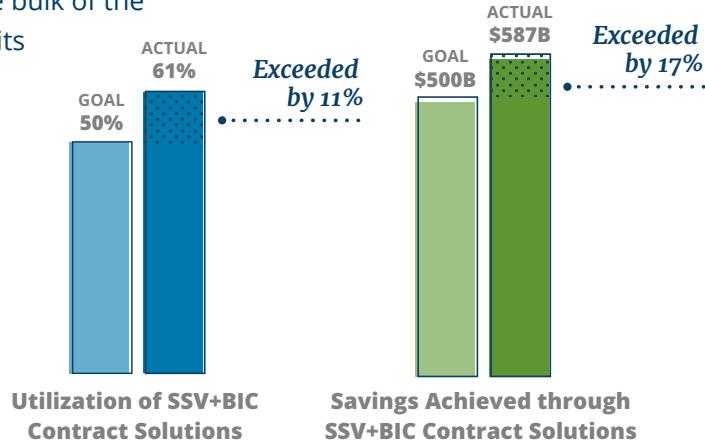
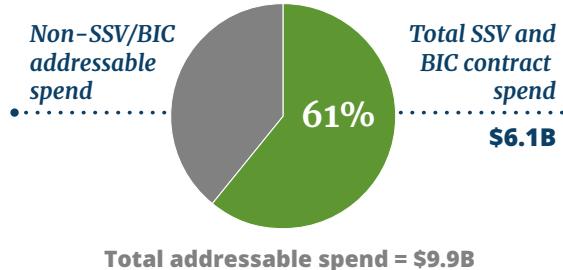
Trained **2,604** members of the DHS procurement community on how to apply category management and realize the greatest possible mission benefits.

Launched the first Category Management Day, held remotely on June 23, 2020, training more than **450** professionals, with **94%** of attendees ranking the event valuable or very valuable.

Conducted targeted Contracting Officer training with our procurement organizations.

## DHS Exceeded Utilization and Savings Goals in FY20

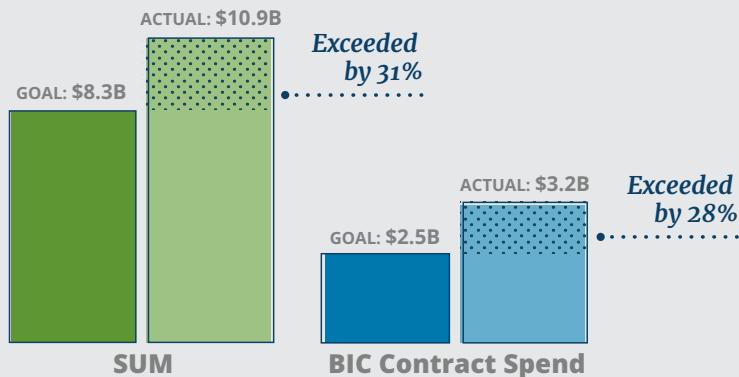
Due to these training and outreach efforts, the DHS procurement community translated this knowledge into impressive results. By capitalizing on the use of SSVs and Best-in-Class (BIC) contract solutions already in place to meet the bulk of the Department's needs, DHS was able to exceed its own utilization and savings goals.



## FY20 Category Management Key Performance Indicators

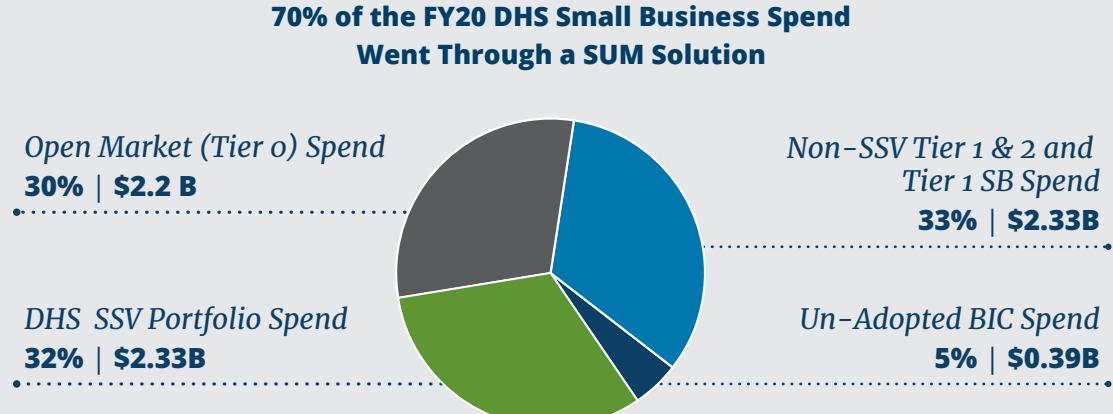
For the third year, DHS has surpassed its Government-wide SUM and BIC contract utilization goals, demonstrating its commitment and leadership on the use of effective Government-wide managed solutions rather than using stand-alone or duplicative contract solutions for common goods and services.

Consequently, our Contracting Officers and Specialists are equipped to focus on more complex and unique procurement needs while supporting the Government-wide effort to buy smarter and save money for taxpayers.



# >> Small Businesses Are a Key Consideration in DHS's Category Management Activities

Whether we develop or adopt an SSV, SSO collaborates with the Office of Small and Disadvantaged Business Utilization (OSDBU) to analyze socioeconomic representation in pursuit of maximizing small business opportunities in SSVs. Through ongoing collaboration with OSDBU, DHS continues to demonstrate consistent growth in small business category management spend.



Our success is due in part to our focus on effective supplier relationship strategies—a key tenet of category management—with the small business community. Consequently, several SSVs in our portfolio are either full or partial small business set-asides, most notably the FirstSource II (FSII) SSV. In FY20, 41% of the DHS information technology (IT) spend went to small businesses; this success is largely attributable to the FSII SSV that DHS relies on for the acquisition of IT equipment and services.

## Laying the Groundwork for FirstSource III

Due to the success of FSII, DHS believes it is imperative to continue capitalizing on the expertise and agility gained through the SSV. Specifically, the SSV was able to deliver relevant and up-to-date solutions to the Department because of the relationships built over time with the small business community. The supplier relationship management strategies employed during the development of each of our initiatives help DHS stay abreast of emerging trends in the marketplace to meet current and future mission needs.



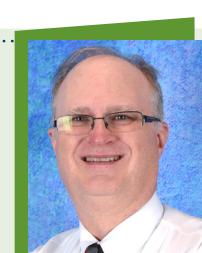
With FSII expiring, SSO, in collaboration with OPO and OSDBU, is working closely with suppliers to identify best practices and strategies to inform the development of the next-generation contract. For example, the team reaped market intelligence through a July 2020 Industry Day and two sets of industry roundtables that gathered feedback and harnessed the expertise of the small business community. Given the fast-evolving nature of IT, the team is focused on creating a flexible vehicle that not only delivers the latest technology solution, but also enables vendors to update their offerings over the planned 10-year period of performance.

***"We've been able to procure nearly all our IT items through FirstSource. In almost every case, we've gotten better pricing than open market pricing."***

— **Chuck Cunningham**, Mobility and Desktop Technology Branch, Office of Information Technology

***"Creating an effective small business vehicle, like FirstSource III, is all about building partnerships and engaging industry. It takes a tremendous team effort."***

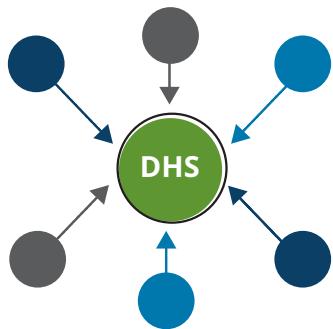
— **Darlene Bullock**, Executive Director of the Office of Small and Disadvantaged Business Utilization, U.S. Department of Homeland Security



## ▼ CASE STUDY: Achieving Efficiency through Reverse Auctions

### SITUATION

With a reverse auction, bidders continually offer lower prices to win a procurement. But DHS Components lacked a simple, standardized way to use reverse auctions.



### SOLUTION



The recently awarded Reverse Auction BPA provides Components with a single web-based platform—the DHS Reverse Auction Marketplace—to use reverse auctions linked to existing contract solutions.

### IMPACT



In FY20, **1,558** buys made through the DHS Reverse Auction Marketplace achieved a **16%** cost avoidance, with **91%** of the actions awarded to small businesses. The tool also streamlines purchasing to ensure compliance with DHS's category management policies and practices.

#### EXAMPLE

In one success, the U.S. Coast Guard used the DHS Reverse Auction Marketplace to identify small business vendors available to support its Shore Infrastructure Logistics Center (SILC) Base in Ketchikan, Alaska, which had difficulty finding local vendors or vendors willing to ship to Alaska. Through the use of the DHS Reverse Auction Marketplace, the Coast Guard expanded the pool of vendors and delivered 13.5% in cost savings per action.



Ketchikan, Alaska

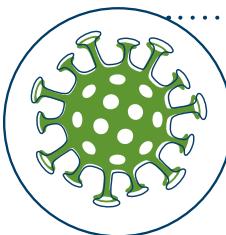


# Category Managers Apply Their Collective Expertise to Solve Procurement Problems

Through category management, Government agencies work together to leverage their buying power to acquire common goods and services and improve acquisition efficiencies. The idea is straightforward, yet execution is highly complex. Category management also requires forging partnerships with various members of the procurement community and building supplier relationships with a wide array of industries.

## **Supporting CPO-Led Efforts During the COVID-19 Crisis**

The Personal Protective Equipment (PPE) Supply Team, composed of members from SSO, was one of many teams created by the Chief Procurement Officer to support the Department in responding to Components' needs vis-à-vis COVID-19. Yet, faced with a flood of vendor inquiries, referrals, and email offerings, how could acquisition professionals properly vet offers and identify viable vendors? SSO stepped up to the challenge, creating a team to conduct in-depth market research that provides Components with informed guidance and reduces duplicative supplier vetting. Their **500** hours of conversations with more than **1,300** vendors freed individual Components from validating solutions and suppliers themselves.



**Industry Liaison Team**  
Assess vendor inquiries and refer to appropriate team

**PPE Supply Team**  
Review and verify PPE offerings

**Non-PPE Supply Team**  
Focus on products matched to FEMA needs

**Procurement & Acquisition Innovation Response (PAIR) Team**  
Focus on innovative solutions



### Detection Equipment Commodity Council (DECC)

*Chaired by Science & Technology, Countering Weapons of Mass Destruction Office, Transportation Security Administration, and OCPO*



### Uniforms Commodity Council (UCC)

*Chaired by Customs and Border Protection and OCPO*



### Weapons and Ammunition Commodity Council (WACC)

*Chaired by Office of the Chief Readiness Support Officer and OCPO*

## Commodity Councils Advance Cross-Component Collaboration Through Supplier Relationships.

The DECC team created opportunities for vendors to engage directly with DHS to promote their equipment, ask questions, and gather information about the needs of the Government. This activity allowed DHS to build relationships and enhance the procurement experience for both vendors and end-users.

With nationwide disruptions caused by COVID-19, the UCC team stepped in to discuss supply chain shortages, understand impacts across the Department, and find resolutions. For example, one solution was to provide letters identifying organizations as essential businesses, so vendors could continue supporting our frontline operators during the pandemic.

The Government has historically relied on large businesses to provide weapons and ammunition solutions. However, the WACC team has been cultivating relationships with small businesses to provide opportunities for them to successfully compete in this arena. In FY20, three contract awards for law enforcement equipment were made to small businesses.

***"I can't advocate strongly enough that this is the right way to go. Category management and Commodity Councils are a driving force to save money and better serve our customers."***

— **Rick Travis**, Contracting Officer, Customs and Border Protection



*“Digitizing records delivers impressive cost savings. But the real value is making our mission-critical information rapidly accessible and searchable.”*

— Brian Wilson, ECSF Program Manager



## The Right Solutions at the Right Time

By collaborating with our procurement organizations to get the right solutions, at the right time, SSO helps DHS to respond to ever-evolving challenges. Several SSVs were pivotal to the timely rollout of multiple DHS-wide initiatives and solutions in FY20.



USCG provided access to essential health care services during the COVID-19 pandemic by quickly ramping up telehealth options, including specialized care like mental health treatment. USCG did this by accessing a pool of IT services vendors through the **CIO-SP3 Small Business SSV** under the **EAGLE Next Gen** portfolio. USCG employees now benefit from reduced travel burdens and potential exposures to other illnesses while gaining work-life flexibility.



USCIS, USSS, CBP, ICE, and FEMA rolled out programs under the **Storage, Transformation, and Optimization of Records Management Solutions (STORMS)** contract vehicle to give employees seamless access to files while working remotely. OPO is also using STORMS to free up thousands of square feet of Washington, D.C., real estate and is looking for potential applications of artificial intelligence and machine learning to unlock even more value from the scanned files.



OCPO capitalized on the **Electronic Contract Filing System (ECFS)** contract vehicle to onboard more than 1,400 users amid the pandemic through 100% virtual training sessions. The timing of the rollout was ideal, as the virtual work environment accelerated the move away from paper-based processes.

## ▼ CASE STUDY: Harnessing Geospatial IT for Coordinated COVID-19 Response



### SITUATION

Geospatial data is a valuable asset. By tagging data with location, time, and activity, Government agencies can create maps that take their decision making and intelligence to a new level. FEMA has been a pioneer in using geospatial information systems (GIS), beginning with developing the first flood risk maps in 1992. It was no surprise, then, that FEMA immediately capitalized on the SSV in place to use GIS to help guide its COVID-19 response.

### SOLUTION



Through Environmental Systems Research Institute (ESRI) III, a DHS-wide SSV, FEMA rapidly established an extended license agreement for ESRI software, using it to create the COVID-19 Geospatial Resource Center.



### IMPACT

By designating the pandemic as an incident of national significance, FEMA was able to share the software at no cost with state, local, tribal, non-governmental organization (NGO), and interagency partners, who have used the hub to share information and carry out integrated, efficient responses to COVID-19.

*“As more DHS missions get on board with geospatial information technology, our ability to prepare for future events will skyrocket.”*

— **Chris Vaughan**, Geospatial Information Officer, Federal Emergency Management Agency





# DHS Leads Government-Wide Security & Protection Category

Successful category management depends on an in-depth understanding of how Government needs, technologies, and marketplaces are evolving. Often, knowledge management means gathering market intelligence firsthand and building on-the-ground supplier relationships. An example is the January 2020 trip to the Working Dog Industry Event at the Ramstein Air Base in Germany.

As the Government-wide Security & Protection (S&P) category manager, OCPD has focused on ways to improve the acquisition of working dogs for Government agencies with patrol and detection missions. In the face of strong worldwide demand, securing a reliable supply of high-quality dogs can be extremely challenging. This industry event yielded market intelligence on how to increase the success rates of dogs evaluated, as well as on national planning to ensure a supply of working dogs trained for emergency response situations.



## Tactical Communication Equipment and Services (TacCom II) Update

Last year, DHS developed TacCom II in partnership with several other agencies. The Government-wide BIC solution streamlines access to tactical communication equipment and services and provided great value to the Federal Government in its first year.



Four Federal agencies, including DHS, issued orders under TacCom II valued at \$166M



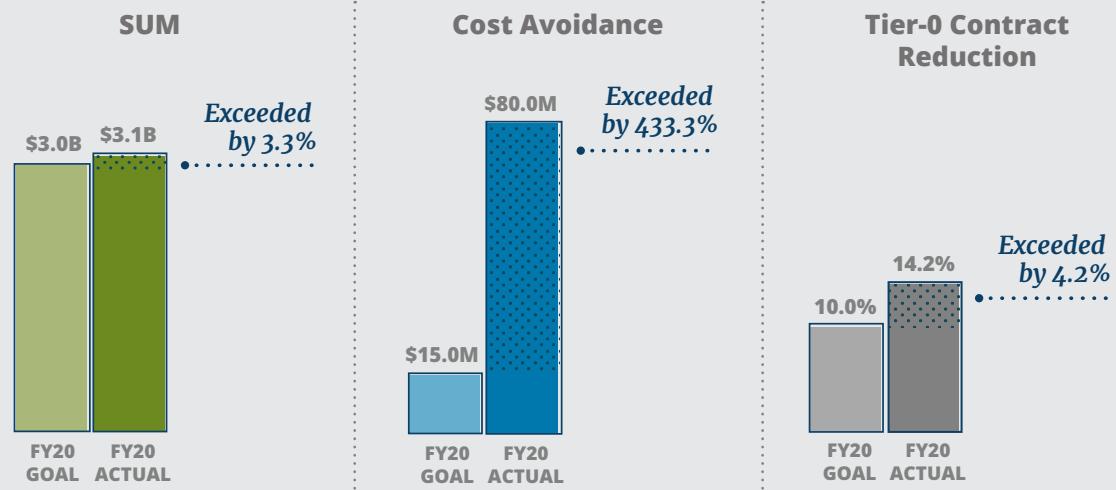
32% of all awards under TacCom II were awarded to small businesses



Orders resulted in a combined total savings of \$77.4M

By working with other agencies to develop TacCom II, DHS was able to implement a solution to immediately meet agency needs, resulting in a considerable increase in cost avoidance in FY20.

### FY20 Government-wide Security & Protection Key Performance Indicators



## Component Acronyms

**USCIS:** U.S. Citizenship and Immigration Services

**USCG:** United States Coast Guard

**CBP:** United States Customs and Border Protection (CBP)

**CISA:** Cybersecurity and Infrastructure Security Agency

**FEMA:** Federal Emergency Management Agency

**FLETC:** Federal Law Enforcement Training Center

**ICE:** United States Immigration and Customs Enforcement

**USSS:** United States Secret Service

**TSA:** Transportation Security Administration

# O C P O

**Office of the Chief Procurement Officer**

Strategic Programs Division

Strategic Solutions Office

Connect with us at [SSO@HQ.DHS.GOV](mailto:SSO@HQ.DHS.GOV)



**Homeland  
Security**