

Procurement Innovation Lab

PIL

Fiscal Year 2018

YEARBOOK



Changing the DHS Procurement Culture Through Testing and Sharing: Our Stories from Fiscal Year 2018



**Homeland
Security**

U.S. Department of Homeland Security
Office of the Chief Procurement Officer
Procurement Innovation Lab

The PIL Mission

Foster a culture of procurement excellence
where smart risk-taking and innovation assure
DHS mission success.

At the U.S. Department of Homeland Security (DHS) Office of the Chief Procurement Officer (OCPO), we believe successful DHS acquisition professionals serve as innovative and flexible business advisors, delivering the right solutions to enable the DHS mission in a demanding and ever-changing threat environment.

Fostering this success is the idea behind the DHS Procurement Innovation Lab (PIL), created by the OCPO in March 2015. This Yearbook highlights our stories from Fiscal Year 2018.

A Letter to Fellow Innovators: Reflections from DHS Chief Procurement Officer Soraya Correa



Chief Procurement Officer Soraya Correa with members of the PIL Team after receiving an award.

Fiscal Year (FY) 2018 was eventful and exciting for the Procurement Innovation Lab (PIL). We even put some fun into our acquisition activity by approaching our business practices differently!

I personally witnessed excitement across the DHS acquisition community, and beyond, when trying new approaches to delivering mission capabilities. I firmly believe that real, enduring cultural change evolves from your good ideas, with strong and persistent support from senior leaders. I strive to support everyone who works to better enable the critical mission of DHS by trying new things, even if that involves accepting some risk. We can learn as much, or more, from our failures as from our successes.

This Yearbook highlights the key accomplishments of our acquisition community as they embraced innovation under the PIL framework in FY18. It

includes the real stories from actual procurement teams that tested new innovations and shared their lessons learned forward with our community through the PIL's signature framework of testing and sharing. This Yearbook is designed to share with you the knowledge we gained from PIL activity in FY18. I hope you find it to be an inspiring resource.

I invite you to join our growing community of innovators at DHS. Through a rigorous and continuous cycle of testing, feedback, sharing, and retesting, we are fostering a learning culture that will continue to steadily and rapidly improve our business processes. I challenge you to try something innovative on one of your current or upcoming procurements! While change may not be easy, in today's acquisition environment, change is essential to delivering better outcomes for our customers.



CPO Soraya Correa (right) and Acting Deputy CPO Nina Ferraro (left) say that it's "Game Over" for the old business culture at DHS.

I look forward to your continued success in adopting innovative techniques and improving the efficiency and effectiveness of our procurement actions in support of the DHS mission. I am eager to hear your innovation stories, and I remain strongly in your corner as you drive innovation forward in FY19!

A stylized blue ink signature of Soraya Correa.

Soraya Correa
Chief Procurement Officer



Table of Contents

The Innovation Club: We Experiment Together	5
Changing Our Procurement Culture—Highlights Through the Years.....	6
Projects Completed in Fiscal Year 2018	8
Champions of Change.....	10
How Does the PIL Measure Success?.....	11
PIL Digi-Badges.....	12
 The Testing Club: We Learn What Works and What Doesn't	13
Successfully Tested Techniques.....	14
 Procurement Project Highlights	
Science and Technology (S&T) Silicon Valley Innovation Program (SVIP) Awards Update	16
National Flood Insurance Program (NFIP) PIVOT Procurement.....	17
Facilities Operations Support Services (FOSS)	18
Financial Systems Modernization (FSM) Systems Deployment Agent (SDA).....	19
Grants Management Modernization (GMM) SPARC Program	20
Homeland Helium-3 Alternative Implementation Backpack (HAIBP)	21
Office of Leadership and Curriculum Development (OLCD) Instructional Systems Design, Curriculum Development, and Training Support Services	22
 Process Improvement Highlights	
Commercial Solutions Opening Pilot (CSOP) Program Authority Implementation Guidance.....	23
PIL Industry Tutorial on Submitting Video Proposals.....	24
 The Sharing Club: The Students Become the Teachers	25
PIL Webinars.....	26
PIL Boot Camps.....	30
At the Head of the Class.....	32
 Join the PIL Club: Get Connected!	35

**We
Experiment
Together**

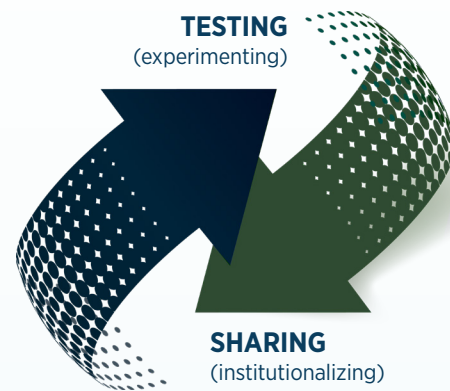
The Innovation Club

The PIL was launched to promote a learning culture, where the DHS acquisition community can safely test new ideas and share lessons learned. Creating a culture that embraces innovation is challenging, especially in a large organization, since it departs from business as usual.

By providing a safe space to experiment with innovative procurement techniques, the PIL drives a cycle of continuous learning by testing new ideas and sharing what works and what doesn't. Together, we are learning to better manage risks rather than avoid risks, so that we can collectively shape our vision of tomorrow's acquisition system, where the DHS acquisition process consistently delivers effective and timely mission outcomes.

Unlike a tiger team, which takes over a procurement and promises immediate results, a PIL procurement project leaves the organization's Contracting Officer in the driver's seat. The PIL supports and encourages the Contracting Officer and other members of the acquisition team as they conduct their own procurements.

In short, through the PIL, your procurement team will gain innovation capabilities that will keep yielding benefits over time!



Experimenting and Smart Risk-Taking—As a safe space to test and share new ideas, the PIL fosters cultural change, promoting innovation and managed risk-taking through a continuous feedback cycle.




Tomorrow's Acquisition System—Adapted from the Section 809 Panel Report, "Report of the Advisory Panel on Streamlining and Codifying Acquisition Regulations" (Volume 1 of 3, January 2018).


Changing Our Procurement Culture: Highlights Through the Years


Class of FY15

March 2015 PIL is established with a goal of providing a safe space for the DHS acquisition community to test new ideas, share lessons learned, and promote best practices.

★ **March 2015**—1st DHS solicitation utilizing confidence ratings instead of the traditional adjectival rating system for technical evaluation factors is released (USCIS-Joint Engineering Teams-Sustainment).

 **March 2015**—1st PIL Digi-Badge issued.

 **May 2015**—1st PIL Webinar: Overview of the Procurement Innovation Lab (67 attendees).


 **September 2015**—1st PIL Procurement Project awarded (USCIS-Joint Engineering Teams-Sustainment).


Class of FY16

March 2016 The Office of Management and Budget issues memo calling for agencies to identify Acquisition Innovation Advocates (AIA) and to establish acquisition innovation labs.

May 2016 DHS CPO launches internal DHS Acquisition Innovation Advocate (AIA) Council comprised of nine AIAs appointed by Heads of Contracting Activity to facilitate grassroots-level procurement innovations.


★ **January 2016**—Government Accountability Office Protest ruling on the USCIS-Joint Engineering Teams-Sustainment procurement opens the door for the use of interactive dialogue during oral presentations and the use of brief bullet points for streamlined technical evaluation reports (B-412163, Sapient, Jan. 4, 2016).


 **January 2016**—10th PIL Webinar: Effective Use of Oral Presentations and On-the-Spot Consensus Evaluation (113 attendees).

 **September 2016**—10th PIL Procurement Project awarded (TSA Agile Services).

Class of FY17


March 2017 DHS CPO Soraya Correa and Deputy Under Secretary for Management Chip Fulghum host the 26th PIL Webinar: Senior Management Perspectives on the Cost of Risk Taking (328 attendees). They speak directly to the frontline DHS acquisition community to promote senior leadership's support for procurement innovation through smart risk-taking and learning forward.

 **October 2016**—20th PIL Webinar: Using Technical Demonstrations or Programming Challenges in Evaluation—A Case Study (131 attendees).

 **December 2016**—10th PIL Digi-Badge issued.

★ **May 2017** To visibly demonstrate DHS policy is supportive of innovative procurement approaches, a new "Evaluation Practices" section is added to the Homeland Security Acquisition Manual (HSAM).

★ **May 2017** Due to numerous protests, the \$1.5 billion Flexible Agile Solutions for the Homeland (FLASH) procurement is canceled. Because DHS senior leadership visibly owns the failure and DHS CPO receives an Open Letter from Industry, DHS is encouraged to keep innovating!

 **June 2017** 30th PIL Webinar: Evaluating Experience as a Stand-Alone Factor (331 attendees).

Class of FY18

May 2018 The PIL expands its “sharing” model to include the PIL Boot Camp, a one-day, immersive workshop where the PIL coaches share the nine most successfully tested innovative procurement techniques.



December 2017 20th PIL Procurement Project awarded (OPO-Financial Systems Modernization-Systems Deployment Agent).



December 2017 25th Digi-Badge issued.



December 2017—First PIL Procurement Project to utilize a paperless proposal evaluation approach for a FAR subpart 15.3 service contract is awarded (FLETC-Facilities Operations Support Services).



February 2018—36th PIL Webinar: Conducting Product/Technical Demonstrations. This was the PIL's most highly attended webinar to date (708 attendees).



May 2018—PIL Boot Camps are launched, along with the companion *PIL Boot Camp Workbook*. Five workshops are held in FY18 for the DHS acquisition workforce.



May 2018—100th PIL Digi-Badge issued.



August 2018—Two Government wide Boot Camps are offered, with 135 attendees from 22 different agencies.



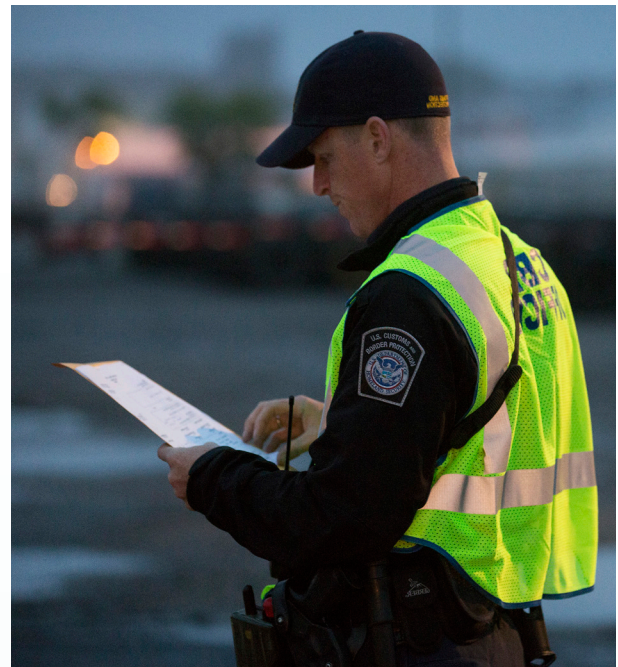
September 2018—Two industry PIL Boot Camps are offered for 80 industry participants representing 70 companies and associations.



September 2018—30th PIL Procurement Project awarded (FEMA-Grants Management Modernization Systems and Platform with Agile Releases and Consolidation).



September 2018—288th PIL Digi-Badge issued.



Highlighted Activities



PIL Projects enable procurement teams to experiment with innovative procurement approaches. The number of contracts awarded with PIL support continues to increase, indicating a growing appetite for innovation across the DHS acquisition community.



PIL Webinars feature members of actual DHS procurement teams that tested an innovative technique. In the first four years of the PIL, cumulative webinar attendance topped 8,000.



PIL Boot Camps, launched in FY18, are one-day, immersive workshops highlighting nine successfully used procurement innovation techniques.



PIL Digi-Badges serve as digital micro-credentials tied to an internal record of achievement in implementing and sharing innovative procurement approaches. We are using PIL Digi-Badges to highlight our innovators in contracting at DHS!



PIL Superlatives highlight notable accomplishments of various procurement and acquisition teams across DHS.

Acronym Key: **CPO**—Chief Procurement Officer • **FEMA**—Federal Emergency Management Agency • **FLETC**—Federal Law Enforcement Training Centers • **OPO**—DHS Headquarters Office of Procurement Operations • **TSA**—Transportation Security Administration • **UCSIS**—U.S. Citizenship and Immigration Services

Projects Completed in Fiscal Year 2018

PIL Procurements

ICE*

- Office of Leadership and Curriculum Development (OLCD) Instructional Systems Design, Curriculum Development and Training Support Services
- Visa Lifecycle Vetting Initiative (VLVI) Support Services

FLETC*

- Facilities Operations Support Services (FOSS)

FEMA*

- Grants Management Modernization (GMM) Systems & Platform Using Agile Releases and Consolidation (SPARC) Program
- Resource & Capability Transportation Support during Disasters (RCTSD) in Puerto Rico and the Virgin Islands
- Enterprise-Wide Program and Project Management Support Services for FEMA
- National Flood Insurance Program (NFIP) PIVOT Procurement

OPO[^]

- Homeland Helium-3 Alternative Implementation Backpack (HAIBP)
- Homeland Security Acquisition Institute Program Management Support Services
- Financial Systems Modernization (FSM)—Systems Deployment Agent (SDA)
- Services for Enabling Agile Delivery (SEAD)

CBP

- Polygraph Examinations Contract (CBP FY18)

USSS*

- 5.56 x 45 mm Rifles
- Human Resources Staffing
- Enterprise Financial Systems

TSA

- Federal Air Marshals Role Players Support Services
- Reduced Size Explosive Detection Systems (RSEDS) High Speed Throughput Stand-Alone (HTSA) Recapitalization

* Newly Participating DHS Contracting Activities in FY18!

[^] Supports DHS Headquarters Directorates and Offices, U.S. Citizenship and Immigration Services and the Federal Protective Service.

PIL Process Improvements

1. Border Technology Security Consortium Webinar and Pitchman
2. Streamlined Long-Range Broad Agency Announcement
3. USSS School Safety and Security Report
4. PIL Industry Tutorial on Submitting Video Proposals
5. Buy American Act Waivers Reporting Tool
6. Commercial Solutions Opening Pilot (CSOP) Program Authority Implementation Guidance (NDAA FY 2017 Sec 880)












PIL Webinars

- **Webinar #33:** Flexible Agile Solutions for the Homeland (FLASH) Procurement Team Retrospective (OPO)
- **Webinar #34:** Streamlining FAR Subpart 8.4—A Case Study on Maximizing Procurement Efficiencies by Staying in Your Lane (OPO)
- **Webinar #35:** Experience as a Stand-Alone Factor
- **Webinar #36:** PIL Case Study: Conducting Product and Technical Demonstrations (OPO & CBP)
- **Webinar #37:** Paperless Proposals: Shorter Procurement Lead Times for Commercial Services—A FLETC Case Study (FLETC)
- **Webinar #38:** Homeland Advanced Recognition Technology (HART) Innovations and Government Accountability Office Protest Outcomes (OPO)
- **Webinar #39:** National Flood Insurance Program (NFIP) PIVOT System—Innovating Procurement Teams (FEMA)



Acronym Key: **CBP**—Customs and Border Protection • **FEMA**—Federal Emergency Management Agency • **FLETC**—Federal Law Enforcement Training Centers • **ICE**—Immigration and Customs Enforcement • **OPO**—DHS Headquarters Office of Procurement Operations • **TSA**—Transportation Security Administration • **USSS**—U.S. Secret Service

PIL At-A-Glance

	FY18	Cumulative
TESTING		
 Procurement Projects Awarded	17	35
 Process Improvements Implemented	6	16
SHARING		
 Webinar Attendees	3,195	8,290
 Webinars Conducted	7	39
 Average Number of Webinar Attendees	456	230
 Average Webinar Satisfaction (out of 5.0)	4.4	4.4
 Boot Camps	9	9
 Average Boot Camp Satisfaction (out of 5.0)	4.7	4.7
 Digi-Badges Awarded	255 Level 1: 250 Level 2: 5 Level 3: 0	288 Level 1: 276 Level 2: 11 Level 3: 1

Champions of Change



Known as the “Father of the PIL,” **Eric Cho** established the PIL in 2015 as a team of one. Due to his vision and persistent leadership, the PIL has grown from an idea to an institutionalized framework that is changing the procurement culture at DHS and, indeed, across the Federal acquisition workforce. A true champion of change, Eric’s impact is magnified by the PIL’s continuous learning framework that encourages procurement teams to share their own stories with their colleagues, creating a coaching community of procurement innovators that extends beyond the reach of any one person. Thank you, Eric, for creating a mission-focused community out of an idea!



Innovation and managed risk-taking are only possible with the strong support of leadership. As Deputy Under Secretary for Management since the PIL’s inception in 2015, **Chip Fulghum**’s strong and vocal support for the PIL encourages procurement teams to put their toe on the line. Chip’s agenda for the PIL is clear—recognizing that we must respect the lines of our laws and regulations, he charges us to keep our toes on those lines, and push them hard, because the acquisition process needs to ensure not only quality contracts, but also timely contracts, for the DHS mission. Chip’s strong advocacy for the PIL ensures that procurement teams have faith that leadership has their backs. For that, and so much more, thank you, Chip!

How Does the PIL Measure Success?

An important part of the PIL's continuous cycle of testing and sharing is getting feedback and using it to iterate and improve. This cycle fosters a learning culture, enabling the DHS acquisition community to steadily become more responsive and flexible in meeting mission needs in a constantly changing environment.

Metrics of Efficiency and Effectiveness



Professor Thomas Kull from Arizona State University leads PIL procurement culture assessment.

The PIL measures success and gathers feedback in three ways: quantitative metrics, qualitative feedback, and an annual organization culture assessment.

- **Quantitative metrics.** We capture five Procurement Administrative Lead Time dates: initial consultation,

solicitation issuance, offer receipt, completion of technical evaluation, and award. There is no value judgment. Over time and with increased sample size, we expect to see trends where these numbers improve.

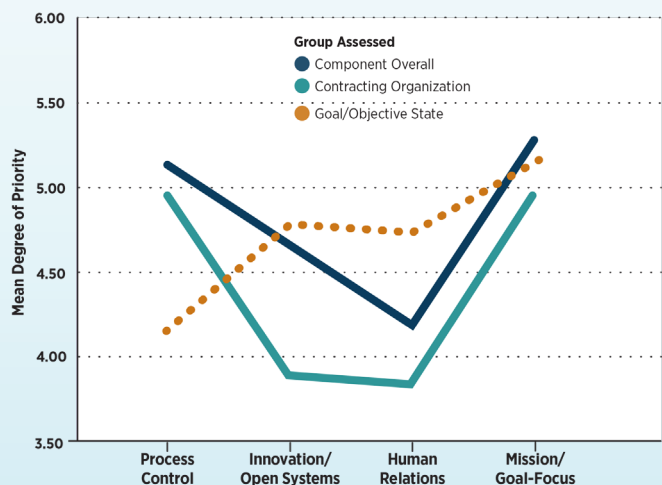
- **Qualitative metrics.** Through a post-award interview, we get customer feedback on the effectiveness of PIL techniques in leading to award. Then, in a one-year performance interview, we get feedback on whether the contractor selected has tended to perform well. Over time, we want the procurement team to view their job as not only awarding contracts efficiently, but also ensuring award to a contractor that will be successful.
- **Organization culture assessment.** Through annual assessments, we measure trends in the procurement culture across the DHS acquisition workforce (13,000 personnel). The Competing Values Framework (CVF) survey assesses how the workforce prioritizes certain values. Over time, we expect a changing pattern where workforce members see themselves as innovative and flexible business advisors.

In order to understand the current procurement culture at DHS, and to determine if the PIL framework supports

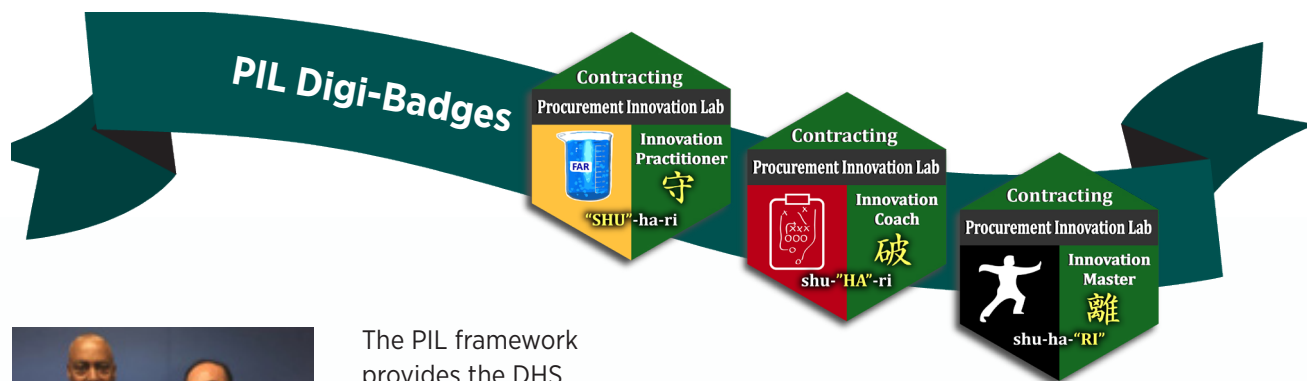
the intended culture change, the PIL partnered with Arizona State University through the DHS Center for Excellence: Center for Accelerating Operational Efficiency (CAOE). We identified an assessment instrument, the *Competing Values Framework*,¹ which aligned with the cultural areas the PIL framework sought to influence.

A June 2018 baseline of our culture is displayed in the graph below. We currently prioritize **process control** and **mission** more than we prioritize **innovation** and **human relations**. The graph also shows our goal or objective state. We want to elevate **innovation** and **human relations** (collaborative, empowered) above **process control**, while maintaining our focus on **mission** as our priority. An annual assessment using the CVF instrument will help us determine if our work in the PIL is changing our DHS culture to one that manages risk rather than avoids it and supports an empowered and innovative workforce that focuses on timely mission delivery.

DHS Baseline (FY18) for Organization Culture Assessment Utilizing the Competing Values Framework



¹ Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework*. John Wiley & Sons.



Terrence Jones (left) of the Office of Procurement Operations receives the 100th PIL Digi-Badge from Eric Cho (right).

The PIL framework provides the DHS acquisition community with opportunities to develop new capabilities as innovative business advisors. The PIL Digi-Badge micro-credentialing program provides an opportunity to recognize the achievements of DHS

procurement innovators and capture the professional growth of our acquisition community. Borrowing from the martial arts concept of “shuhari,” Digi-Badges are “micro-credentials” that trace a path to mastering innovation skills. The three skill levels—“shu” (beginner), “ha” (expert), and “ri” (master)—recognize specific competencies.

Digi-Badges are an opportunity for DHS’s exceptional acquisition professionals to:




- Show off innovation skills in contracting
- Incentivize knowledge sharing
- Recognize and value learning and applying innovative techniques
- Coach the coaches

Chief Procurement Officer Soraya Correa presents Deputy Under Secretary for Management Chip Fulghum with a Digi-Badge.



By the end of FY18, 288 members of the DHS acquisition workforce earned PIL Digi-Badges. Congratulations to OPO for having the most PIL Digi-Badge holders at the end of FY18. **One of our goals for FY19 is to provide further opportunities to develop our community of coaches and innovators at the grassroots level. Stay tuned!**

PIL Digi-Badge Holders by DHS Contracting Activity

	 Level I	 Level II	 Level III	Total
CBP	65	0	0	65
FEMA	12	0	0	12
FLETC	0	0	0	0
ICE	75	0	0	75
OPO	75	10	1	86
OSA	4	1	0	5
TSA	18	0	0	18
USCG	20	0	0	20
USSS	7	0	0	7
Total	276	11	1	288

Cumulative through FY18 end

Acronym Key: **CBP**—Customs and Border Protection • **FEMA**—Federal Emergency Management Agency • **FLETC**—Federal Law Enforcement Training Centers • **ICE**—Immigration and Customs Enforcement • **OPO**—DHS Headquarters Office of Procurement Operations • **OSA**—Office of Selective Acquisitions • **TSA**—Transportation Security Administration • **USCG**—U.S. Coast Guard • **USSS**—U.S. Secret Service

**We
Learn What
Works and
What Doesn't**

The Testing Club



The PIL provides a framework for DHS procurement teams to test innovative procurement techniques directly through the actual DHS procurement process.

Experimenting and managed risk-taking are at the heart of learning through the PIL. We capture lessons learned from each project regardless of the outcome.

If projects are successful, the PIL highlights the team's success and shares proven techniques.

While the PIL framework is intended to help guide procurement teams to success, sometimes a good idea does not work as intended. Senior leadership recognizes that a great innovative idea may fail, and will own the failure, a true measure of an innovative, learning organization.

In addition to PIL Procurement Projects, sometimes a team or a champion brings forward an idea that is designed to support streamlined or improved processes within the DHS acquisition environment. With strong engagement from the idea champion, the PIL framework also supports these process improvements.

PIL Procurement Projects Awarded

Contracting Activity	FY15	FY16	FY17	FY18	Total
CBP			5	1	6
FEMA				4	4
FLETC				1	1
ICE				2	2
OPO	1	5	5	3	14
OSA	1				1
TSA		1		3	4
USCG					0
USSS				3	3
Total	2	6	10	17	35

Cumulative through FY18 end

Acronym Key: **CBP**—Customs and Border Protection • **FEMA**—Federal Emergency Management Agency • **FLETC**—Federal Law Enforcement Training Centers • **ICE**—Immigration and Customs Enforcement • **OPO**—DHS Headquarters Office of Procurement Operations • **OSA**—Office of Selective Acquisitions • **TSA**—Transportation Security Administration • **USCG**—U.S. Coast Guard • **USSS**—U.S. Secret Service

LOWERING ENTRY BARRIERS



NEW

Follow-on Production

Authority Clause—If you use competitive procedures to award a contract under Other Transaction Authority, consider a clause that provides notice of a possible follow-on production contract that may be awarded without further competition.

Leveraging Use of Prototypes

Prototypes provide access to innovative technologies and solutions for the mission's most challenging problems.

Find New Technologies That Strengthen

National Security—Consider Challenges, Prizes, or Other Transactions to attract firms that are not familiar with the traditional acquisition process.

Multi-Phased Evaluations—Narrow down the number of offerors to evaluate. PIL suggests 2-3 offers for every anticipated award in order to maximize each offeror's Probability of Win (pWin).

Advisory Down-Select—Notify low-rated offerors that they have little chance to receive an award before they submit detailed technical and price proposals. If those non-competitive offerors self-select out of the competition, they have no standing to file a protest.

ENCOURAGING COMPETITION



NEW

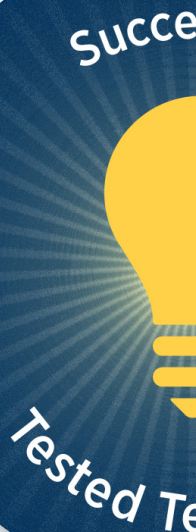
Evaluate Innovation—Incentivize industry to incorporate innovation into its proposed product or service by asking questions relevant to innovation during proposal submission, and ensuring innovation is included in the evaluation factors so industry knows they will receive credit for their ideas.

Qualified Bidders List—Tired of receiving unqualified proposals? Use this FAR subpart 9.2 technique.

Real Industry Communication—Release draft RFPs with Sections B, C, L, M to get early feedback, communicate desired objectives, and maintain communication throughout your acquisition!

Group Oral Debriefings—Too many offerors to give oral debriefings? Don't give up. Consider group oral debriefing(s) in addition to individual written debriefings. OMB's "Myth-busting 3" memo highlights this DHS approach!

Mission-Focused Evaluation Criteria—Make sure your evaluation criteria focus on specific mission outcomes and challenging areas of performance, including innovation—this really differentiates among the offerors.



SHORTENING TIME TO AWARD



Phased Prototyping—Use options to prototype and test a solution. If the solution proves successful, exercise an option for a low rate of initial production, and even one for the full rate of production items. User feedback during prototyping and testing with awardees is crucial to this innovation.

Video Proposals—Have the offeror use a smartphone to record a quick 10-minute video of themselves talking about one technical factor and then have them upload it to YouTube for the Government to evaluate. It saves time and is great for down-selects!

Skip Adjectival Ratings—Stay in the correct FAR lane and document accordingly. Where appropriate, skip adjectival ratings, and document the comparative evaluation.

Risk-Based Contract Administration—Prioritize resources to high-risk activities and explore ways to manage low-risk activities.

Confidence Ratings—Substitute the traditional adjectival ratings with confidence ratings to make your evaluation more than a counting exercise and to provide technical evaluators more flexibility.

Streamlined Documentation—Use of good consensus facilitation skills can allow you to skip formal individual evaluation reports and document only consensus findings and decisions.

On-the-Spot Consensus—Don't wait days or weeks to document your evaluation of an offeror. Do it right away—"on-the-spot"!

INCREASING SUCCESSFUL OUTCOMES



Interactive Dialogue—The FAR states that "oral presentations provide an opportunity for dialogue among the parties." Interactive dialogue between an offeror and the government that is relevant to the oral presentation and is part of the oral presentation itself should not constitute discussions.



Select Best-Suited, then Negotiate—After evaluations are complete and the apparent awardee is selected (but not awarded), consider negotiating solely with the apparent awardee to address any remaining issues, including technical and price matters, to finalize the award. Note that this technique is not applicable for source selections conducted under FAR subpart 15.3.

Technical Demonstrations—"Show Me, Don't Tell Me"—let an offeror prove its product by having evaluators actually see and test the product.

Technical Challenges—Evaluate how an offeror powers through a real world exercise. How does the team interact?

Enhanced Contract Type Conversion—Build flexibility into your solicitation to allow for future conversion from one contract type to another, such as from time-and-materials to firm-fixed-price.

Oral Presentations—Substitute all or portions of a written proposal. Try it with on-the-spot questions. Plus, it's less to read. Oral presentations can be performed in-person or over the phone!

Procurement Project Highlight

Science and Technology (S&T) Silicon Valley Innovation Program (SVIP) Awards Update | OPO

DESCRIPTION: Recognizing the need to structure a solicitation that would be attractive to companies with the cutting edge technologies that the DHS mission sought, the SVIP team, supported by the DHS Office of Procurement Operations (OPO), transformed the paper-based Broad Agency Announcement (BAA) and Other Transaction (OT) award process in FY16. They developed a streamlined, interactive, real-time decision-making process with phased awards that are based on performance to limit risk exposure, modeled on venture capitalist financing approaches. The four phases consist of: 1) Proof-of-Concept Demo, 2) Demo Pilot-Ready Prototype, 3) Pilot-Test Prototype in Operation, and 4) Test in Various Operational Scenarios. This procurement approach continues to bring new innovation to the DHS mission.

INNOVATION: SVIP bridges the technology development gap between DHS S&T, startups and small businesses, and DHS operational components. Through SVIP, startups and other small technology businesses can access non-dilutive funding, guidance from subject matter experts, direct access to operational end-users during prototype testing, and a legacy federal partnership to draw in future investors, providing them a unique experience and resource in the development of their products. For DHS S&T, sought-after commercial products can be provided to DHS operational components and end-users at a rapid pace that matches the rapid development of threats and challenges to the homeland security mission.



PIL Techniques Used

- ✓ Streamlined Application Process
- ✓ Oral Pitches
- ✓ Rapid Award Decision
- ✓ Phased Award Structure

RESULT: In FY18, SVIP portfolio companies entered into transition stages via commercialization, open source, and initial component acquisitions. Over the course of FY18, 27 pitches were held, and initial awards were made to 12 new portfolio companies from around the country, including California, Delaware, Idaho, Massachusetts, Texas, and Washington. Awards provided needed capabilities to the DHS mission focused on Small Unmanned Aircraft Systems, airport passenger processing, financial services cyber security active defense, counting and measuring, energy harvesting fabrics, and wayfinding. Additionally, a new Other Transaction Solicitation (OTS) topic call was released in FY18 on Object Recognition and Adaptive Algorithms in Passenger Property Screening, which seeks enhancements to security capabilities for the screening of civil aviation passengers and their carry-on belongings.

	Phase 1	Phase 2	Phase 3	Phase 4	Totals
FY16 SVIP OTAs	6	0	0	0	6
FY17 SVIP OTAs	18	14	4	0	36
FY18 SVIP OTAs	12	5	8	3	28
Total SVIP OTAs through end of FY18	36	19	12	3	70



“SVIP is the most efficient and effective government program I’ve ever worked with. SVIP is great because they really understand what a small innovative company like Planck Aerosystems needs: quick contracting, direct customer engagement, excellent communication, and they move very quickly.”

—Dave Twining, CEO of Planck Aerosystems, an S&T SVIP Performer

National Flood Insurance Program (NFIP) PIVOT Procurement | FEMA

DESCRIPTION: The Federal Emergency Management Agency's (FEMA) National Flood Insurance Program (NFIP) PIVOT procurement was a critical procurement focused on obtaining agile development services to modernize the NFIP IT system, which includes large, legacy solutions with a significant number of interfaces and large data stores. The NFIP PIVOT acquisition was identified as one of five agile pilot projects by the DHS Under Secretary for Management and the Office of the Chief Information Officer. The NFIP PIVOT task order was competed under DHS strategic sourcing vehicle Enterprise Acquisition Gateway for Leading-Edge Solutions II (EAGLE II) as an 8(a) set-aside.

INNOVATION: The solicitation for the NFIP PIVOT procurement included: 1) release of a draft solicitation for industry feedback; 2) use of a phased procurement utilizing an advisory recommendation, allowing companies that were not highly rated, after a light but meaningful Phase 1 evaluation, to make their own corporate decisions to participate in Phase 2 or not; 3) submission of a short video during Phase 1 wherein offerors detailed their prior experience; and 4) use of oral presentations during Phase 2 structured around scenario-based questions provided the day of the oral presentation. In-person oral debriefings were provided to the Phase 2 quoters. Beyond the "show me, don't tell me" evaluation model, the key to this

procurement's success was the team's commitment to daily communications and team-based decision-making throughout the procurement process. The strong collaboration between the contracting officer, program office, procurement attorney, and the offerors resulted in a timely award for this critical requirement.

RESULT: The \$17.7 million task order was awarded in just four months with no protests, notwithstanding the attention the procurement team needed to divert for hurricane response efforts after Hurricane Maria!



PIL Techniques Used

- ✓ Multi-Phased Evaluations
- ✓ Advisory Down-Select
 - ✓ Video Proposals
 - ✓ Oral Presentations
- ✓ On-the-Spot Consensus
- ✓ Confidence Ratings
- ✓ Streamlined Documentation



"The PIL provided meaningful and innovative ideas and considerations for this major acquisition. The PIL team is patient and has the heart to coach and teach Contracting Officers and program teams throughout the entire pre-award phase. The customer service experience with regard to technical expertise, response time, availability, and short notice consultation is above par."

—Nicole Smith, FEMA NFIP PIVOT Contracting Officer

**Procurement
Project
Highlight**

Facilities Operations Support Services (FOSS) | FLETC

DESCRIPTION: This \$29 million, single-award indefinite-delivery indefinite-quantity (IDIQ) contract was for Federal Law Enforcement Training Centers (FLETC) Cheltenham, Maryland facility to cover all facilities operations and related support services. The FLETC team was challenged with limited staff on-site with limited availability for evaluations, a heavy dependence on a high level of contractor performance, the fact that training operations never stop at FLETC, and the fact that the incumbent's six-month extension had maxed out. A robust evaluation was needed to ensure a strong performer was awarded this important contract, but the contract needed to be in place quickly!

INNOVATION: The solicitation outlined an advisory down-select evaluation model with videos and oral presentations accounting for the technical evaluation. The team successfully applied a suite of best practices, culminating in a process labeled "Paperless Proposal Process." This process included a two-phase approach (Phase 1—YouTube video submission of experience and Phase 2—Oral Presentation) including an advisory down-select approach after Phase 1. Additionally, other best practices included evaluating experience separately from past performance, confidence-level rating scheme, and consensus-only evaluation documentation. The paperless submission for the technical proposal was groundbreaking for FLETC.

RESULT: This single-award IDIQ was awarded in 70 days while saving over \$9 million, compared to the previous procurement which took six months to award and required over 200 pages per proposal in three separate volumes. The team also presented at a PIL Webinar titled, "Paperless Proposals—a FLETC Case Study."



PIL Techniques Used

- ✓ Multi-Phased Evaluations
- ✓ Advisory Down-Select
 - ✓ Video Proposals
 - ✓ Oral Presentations
- ✓ On-the-Spot Consensus
- ✓ Confidence Ratings
 - ✓ Streamlined Documentation



"The significantly reduced time to solicit and award a major contract for the Center, and the benefit of reducing the burden on Government evaluators, was very effective and helpful. I could never go back to doing it the old way."

—**Adriana Di Rocco** (left), FLETC Contract Compliance Specialist, and **Sandra Oliver Schmidt** (right), FLETC Contracting Officer, inside one of seven indoor firearms ranges at the FLETC Cheltenham Center in Cheltenham, MD.

Financial Systems Modernization (FSM) Systems Deployment Agent (SDA) | OPO

DESCRIPTION: This procurement, conducted by the DHS Office of Procurement Operations (OPO), was for a system deployment agent for financial systems modernization efforts for three DHS components. The scope of these services included Discovery, Transition, and Implementation of financial, asset management, and procurement data for three DHS components: the Domestic Nuclear Detection Office (now Countering Weapons of Mass Destruction Office), the Transportation Security Administration (TSA), and the United States Coast Guard (USCG). This complex \$82.5 million, competitive task order was awarded under the DHS Enterprise Acquisition Gateway for Leading-Edge Solutions II (EAGLE II) multiple-award indefinite-delivery indefinite-quantity (IDIQ) contract vehicle.

INNOVATION: The team focused on reducing time to award to deliver capability to the mission faster, and developed a streamlined evaluation approach that required in-person, team-based evaluation and consensus documentation, and included in-process support and reviews by policy and legal counsel, as well as ongoing communication with the selection official. The quality of the evaluation outcome was also supported through the use of oral presentations with offerors focused on scenario-based questions relevant

to the technical and management approaches to successfully meet or exceed the objectives set forth by DHS.

RESULT: The task order was awarded in 57 days (from solicitation issuance to award), saving \$47.3 million from the government estimate in the process.



PIL Techniques Used

- ✓ Multi-Phased Evaluations
- ✓ Advisory Down-Select
- ✓ Oral Presentations
- ✓ On-the-Spot Consensus
- ✓ Confidence Ratings
- ✓ Streamlined Documentation



“The entire process of streamlining the evaluation—particularly skipping the individual evaluation and going right into consensus meetings—was tremendously valuable to me personally as a CO because it gave me insight into how to accomplish this streamlining in the future. The PIL approaches were valuable to the overall procurement because they kept the evaluators focused on evaluating according to the stated RFP evaluation criteria and facilitated award in a very compressed timeframe.”

—Cynthia Aki, OPO FSM SDA Contracting Officer

Grants Management Modernization (GMM) SPARC Program | FEMA

DESCRIPTION: This procurement supported a single-award Blanket Purchase Agreement (BPA) for the Federal Emergency Management Agency (FEMA) Grants Management Modernization (GMM) Systems and Platform using Agile Releases and Consolidation (SPARC) requirement. The GMM SPARC requirement is focused on consolidation of 10 legacy grants IT systems into a single grants management IT platform. Aligned to the President's Management Agenda (PMA) IT modernization goal, GMM SPARC was identified as one of five agile pilot projects by the DHS Under Secretary for Management and the Office of the Chief Information Officer. The GMM SPARC procurement was an unrestricted competition under General Services Administration (GSA) Federal Supply Schedule (FSS) 70, General Purpose Commercial Information Technology Equipment, Software, and Services.

INNOVATION: This procurement team focused on the “show me, don't tell me” evaluation model, and utilized a two-phased advisory down-select process permitting more focus on evaluating those quotes most highly rated in the initial phase. Phase 1 evaluated a working prototype of a web-based application which quoter developed based on a standard form utilized in grants applications. This working prototype was developed by quoter based on user stories provided within the solicitation, and quoter were requested to provide an overview of the agile methodology that was utilized in the development of the working prototype in a video submission. An advisory down-select effectively narrowed the pool of quoter for Phase 2, which consisted of oral presentations focused on the quoter proposed GMM target solution. The key innovation in the oral presentations was the opportunity for interactive

dialogue between the quoter and the government. Following a one-hour presentation, the quoter and government participated in an additional hour of interactive dialogue related to the information the quoter presented during the first hour of the oral presentation, thereby permitting the government to fully understand the quoter's proposed GMM target solution.

RESULT: The \$80 million BPA for this complex IT modernization effort was awarded within six months (from solicitation issuance to award), notwithstanding the attention the procurement team needed to divert for hurricane response efforts after Hurricane Maria. The technical evaluators strongly preferred the evaluation of the video submission and web-based prototype over written quotes, and the program manager referred to the use of interactive dialogue during oral presentations as a “game changer,” which provided the detail necessary to fully understand the value of each quoter's approach for the GMM target solution and rate each quote accordingly.



PIL Techniques Used

- ✓ Multi-Phased Evaluations
- ✓ Advisory Down-Select
- ✓ Video Proposals
- ✓ Interactive Dialogue
- ✓ On-the-Spot Consensus
- ✓ Streamlined Documentation



“The team felt interactive dialogue during oral presentations would provide a better understanding of the value proposition for the vendor's proposed solution. Recognizing the benefit to the government to be gained from the additional insight such dialogue would afford, I supported interactive dialogue during oral presentations—provided evaluators understood that appropriate questions were bounded by what was presented by the vendor during its oral presentation. The Federal Acquisition Regulation encourages interactive dialogue during oral presentations, provided you execute the procurement and evaluation in a manner that is fair for all bidders.”

—Jeffrey Webb, FEMA GMM SPARC Attorney/Advisor

Homeland Helium-3 Alternative Implementation Backpack (HAIBP) | OPO

DESCRIPTION: This procurement, conducted by the DHS Office of Procurement Operations (OPO), was for non-Helium-3 solutions (compatible with the DHS Special Notice Regarding Future Use of Helium-3 Gas for Neutron Detection) to expand area-wide search and detection capabilities of the Domestic Nuclear Detection Office's current backpack solutions for radionuclide identification and data transfer. This change in requirement was done in part because of the phase-out of Helium-3 in accordance with the special notice.

INNOVATION: The solicitation was structured to award up to four development contracts using FAR subpart 15.3, under which initial awards were for Phase 1—Initial Article (IA) Delivery and Testing. This nine-month, Firm-Fixed-Price award would result in execution of an optional Contract Line Item Number (CLIN) for Phase 2—Low-Rate Initial Production (LRIP) Delivery and Testing for those vendors that delivered the top performing systems under Phase 1 (initial awards). Based on test results under Phase 2, the Government can execute Phase 3—Full-Rate Production (FRP), and finally, CLINs can be executed for Phase 4—Deployment and Post Implementation Reviews for those fielded systems to cover a five-year deployment of the HAIBP systems delivered under Phase 3. The solicitation structured a two-phased evaluation approach utilizing an advisory down-select after evaluation of HAIBP concept papers and past

performance in Step 1. Step 2 consisted of a business/price volume and oral presentations, which required offerors to present on a set of pre-released questions as well as questions provided the day of oral presentations focusing on technical, management, and innovation questions relevant to the HAIBP program. Streamlining approaches included use of confidence ratings as well as on-the-spot consensus evaluation for technical factors.

RESULT: Award of four development contracts valued at approximately \$1.1 million per contract were made approximately four months after solicitation release, significantly faster than anticipated, to both traditional and non-traditional contractors. The program office was extremely satisfied with the outcome, and the ability to work within the Federal Acquisition Regulation to achieve these results.



PIL Techniques Used

- ✓ Multi-Phased Evaluations
- ✓ Advisory Down-Select
 - ✓ Oral Presentations
 - ✓ Confidence Ratings
- ✓ On-the-Spot Consensus
- ✓ Phased Prototyping



"I would like to thank the PIL for the valuable assistance in helping the Helium-3 Alternative Implementation Backpack team identify opportunities to be innovative, and for providing best practices, guidance, and assistance in both the planning and execution phases of the acquisition to enable our success."

—Karin Clarkson, HAIBP Program Manager

**Procurement
Project
Highlight**

Office of Leadership and Curriculum Development (OLCD) Instructional Systems Design, Curriculum Development, and Training Support Services | ICE

DESCRIPTION: The overall goal of this effort was to provide high-quality and professionally produced training to both Immigration and Customs Enforcement (ICE) law enforcement and non-law enforcement audiences. This includes ensuring that Federal Law Enforcement Training Accreditation (FLETA) programs retain status through curriculum maintenance and that selected programs achieve initial FLETA through a five-phased instructional systems design model and other FLETA standards. As a result of the training development process, the targeted audience will be better prepared to fulfill its job requirements.

INNOVATION: The team used several innovative techniques to identify the best contractor and streamline their procurement including: 1) a two-phase mandatory down-select, 2) concise bid submissions (5- and 7-page submissions in Phase 1), 3) an oral presentation to include interactive dialogue in the question and answer portion, 4) confidence level ratings, 5) consensus-only evaluation, and 6) exchanges with the best-suited contractor. This team focused on interactions over paper documentation.

RESULT: Combining these techniques assisted the team in awarding this almost \$10 million task order in under 50 days (from solicitation issuance to task order award). The vendors appreciated the brief documentation and the opportunity for the oral presentations, while the evaluators found great value in streamlining the evaluation and documentation process.



PIL Techniques Used

- ✓ Multi-Phased Evaluations
 - ✓ Down-Select
- ✓ Interactive Dialogue
- ✓ Confidence Ratings
- ✓ Streamlined Documentation
 - ✓ Select Best-Suited, then Negotiate



“The PIL innovative techniques delivered on their intent. The Integrated Product Team and I were empowered to push and adapt our procurement approach beyond our typical modus operandi; and it resulted in a win-win for the program office and industry. Additionally, tapping the expertise of the PIL staff was essential to the team’s success.”

—Sarah West, Contracting Officer

Commercial Solutions Opening Pilot (CSOP) Program Authority Implementation Guidance | NDAF Fiscal Year 2017, Title VIII, Sec. 880

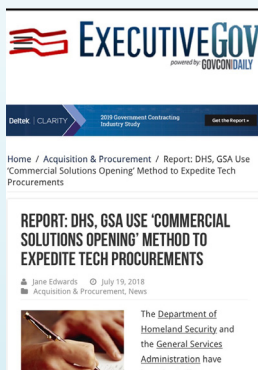
Process Improvement Highlight

DESCRIPTION: Congress recently provided the Department of Homeland Security (DHS) (along with GSA and DoD) a new authority to encourage use of nontraditional processes to contract for innovative commercial items and technologies. The National Defense Authorization Act for Fiscal Year 2017, Title VIII, §880 (Pub. L. 114-328), Pilot Programs for Authority to Acquire Innovative Commercial Items Using General Solicitation Competitive Procedures, authorizes DHS to carry out a “commercial solutions opening pilot program” (CSOP). Contracts entered into under this pilot program may not exceed \$10 million. The CSOP program requires DHS to issue implementing guidance as well as provide a report to Congress on the activities carried out under the pilot program. The authority to enter into a contract under this pilot program terminates on September 30, 2022.

INNOVATION: The CSOP authority has two key features: 1) a general solicitation (rather than a specific, FAR-based solicitation) followed by 2) a peer review selection process (rather than a FAR-based source selection process). A general solicitation may be similar to a broad agency announcement (BAA)-type document. From the general solicitation, a peer review process allows for selection of one or more proposals on their individual merits, and the Government has considerable latitude in determining which of the submitted proposals it will fund. Because the resulting

contracts are not based in the FAR, they need not contain provisions or clauses prescribed by the FAR and the FAR’s procedural rules do not apply. Thus, nontraditional Government contractors (including start-ups) might be willing to sell to the Government more so than in the past. The authority applies to innovative commercial items. Within the meaning of this authority, “innovative” means any new technology, process, or method, including research and development, or any new application of an existing technology, process, or method. In addition to making Government contracting more attractive to nontraditional Government contractors, the CSOP authority will provide for more robust competition, improve DHS access to emerging technologies, and make the contracting process faster.

RESULT: In June 2018, DHS released implementing guidance on the use of the CSOP program and provided a notice to industry informing them of the new authority and the implementing guidance. Specific DHS CSOP opportunities will be posted on any venue typically used by the commercial marketplace of interest, and may be posted on FedBizOpps (<https://www.fbo.gov>). Classified DHS CSOP opportunities shall be posted on the appropriate government portal. DHS anticipates several opportunities that may utilize the DHS CSOP program authority in Fiscal Year 2019.



PIL Industry Tutorial on Submitting Video Proposals

Process Improvement Highlight

DESCRIPTION: During Fiscal Year 2018, several DHS procurement teams that conducted their procurements through the PIL utilized video proposals as part of multi-phased evaluations. The objectives of moving from paper-based proposal submissions to video proposal submissions are to 1) allow the government technical evaluation team more visibility into the company and project teams that submit bids, 2) reduce bid and proposal costs for offerors, and 3) decrease evaluation time for the government. Guidance in the solicitations reflected the government's intention for offerors to keep production costs minimal. However, the production quality of video proposal submissions varied significantly across the procurements supported by the PIL in FY18, and feedback from the offerors during post-award interviews conducted by PIL staff as part of the PIL testing and sharing framework found that offerors faced a lot of internal challenges in trying to submit smartphone-quality video proposals. Industry also had a lot of uncertainty about whether or not the government was evaluating video proposal production quality.

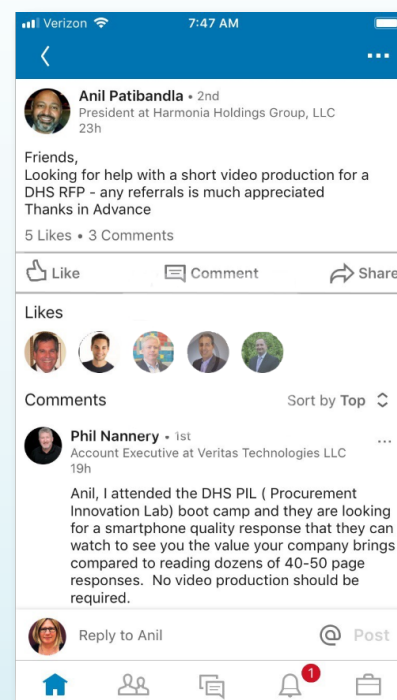
INNOVATION: The PIL seeks to ensure that companies who do business with DHS are conservative with taxpayer resources, and strives to ensure that the innovative procurement techniques that are tested through the PIL focus on lowering entry barriers and encouraging competition, which includes identifying ways to minimize bid and proposal costs where possible. Based on visibility into the video proposal submissions,

discussion with the government technical evaluation teams and contracting officers, and feedback from the offerors during PIL post-procurement interviews, it was evident that there was a need for further instruction and direction to the DHS contractor community to better help them meet the objectives of video proposal submissions. *The instructions about video proposals needed to reinforce that the government technical evaluation teams evaluate the content of the videos and not the video production quality.* To ensure that the instructions were clear and consistent, the PIL produced an industry tutorial on submitting video proposals and uploaded the video to the PIL YouTube channel.

RESULT: The PIL industry tutorial on submitting video proposals is now being incorporated as a link in many DHS solicitations. Industry is gaining an improved understanding that the content, and not the quality of the video proposals, is what matters. PIL procurement teams continue to experiment with additional approaches to ensure that video proposal submissions are developed as intended and detailed in the solicitation.

"We actually had that debate [about whether or not to hire a production company and go all out on the video], but we didn't have the budget or time. We made it about content and addressing the evaluation factors. It wasn't fancy. The video was made using our own camera and company resources. We actually liked it! It was probably not the prettiest video, but the content was there."

—Successful Offeror, FY18 DHS Procurement



The Students Become the Teachers

The Sharing Club

Once an innovative procurement technique is tested through the PIL, it's ready to be shared with the whole DHS acquisition community. Our goal is to make learning fun, easy, and convenient. An organization that learns together steadily and rapidly improves. Based on the response to PIL Webinars and our new PIL Boot Camps in FY18, acquisition professionals across DHS are seeing the value in procurement innovation.



In this section, we not only highlight the events offered and topics covered in FY18, we also offer a “peek behind the curtain” at how we conduct PIL Webinars and PIL Boot Camps. We hope these tips are helpful if you decide to do similar training events in your organization.

Voices from the PIL Community

“PIL Boot Camp is an excellent example of knowledge management and the sharing of best practices between Government agencies that I personally would like to see a lot more of across the acquisition community.”

—Attendee of Government-wide PIL Boot Camp, FY18

“The techniques can very well be applied to current and future contract solicitations in which I am involved. What was discussed added to my arsenal of tools to make the evaluation process effective and efficient.”

—Attendee of PIL Webinar, FY18

“Having the actual CO and Program Manager do the presentation and answer questions made it ‘real,’ not textbook.”

—Attendee of PIL Webinar, FY18

“That was hands down the most encouraging and energizing federal training event in which I’ve had the benefit of participating. The approach you’re taking of enabling your acquisition workforce through a combination of training, coaching, and providing the critical level of top cover is spot on, and the more recognition you can get the line folks for their successes, the better.”

—Attendee of Industry PIL Boot Camp, FY18

PIL Webinars

Our 1.5-hour PIL Webinars allow us to immediately share the results of tested procurement techniques with the DHS acquisition community. PIL Webinars feature an actual DHS procurement team who utilized the PIL for a recent procurement. Through a radio talk-show style format that is highly interactive, the team shares the story of their procurement, the innovative techniques used, and their perspectives and lessons learned. Embedded within the webinar are actual documents

from the featured procurement that can be immediately downloaded, borrowed, and iterated upon by other procurement teams. The webinars are recorded and made available on our internal DHS website for immediate on-demand viewing. These webinars are extremely popular. Hearing from the procurement team promotes creativity and a learning mindset that motivates other teams to innovate their procurements too!

FY18 PIL Webinars



Webinar #33: Flexible Agile Solutions for the Homeland (FLASH) Procurement Team Retrospective (OPO)



Webinar #34: Streamlining FAR Subpart 8.4—A Case Study on Maximizing Procurement Efficiencies by Staying in Your Lane (OPO)



Webinar #35: Experience as a Stand-Alone Factor



Webinar #36: PIL Case Study: Conducting Product and Technical Demonstrations (OPO & CBP)



Webinar #37: Paperless Proposals: Shorter Procurement Lead Times for Commercial Services—A FLETC Case Study (FLETC)



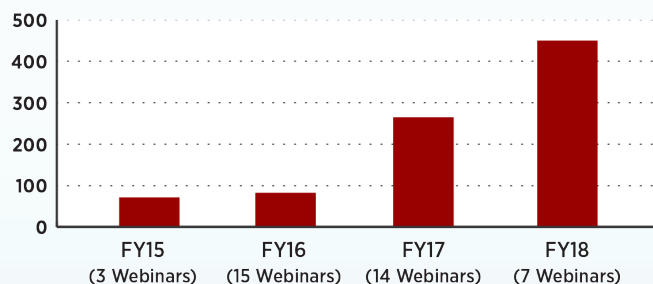
Webinar #38: Homeland Advanced Recognition Technology (HART) Innovations and Government Accountability Office Protest Outcomes (OPO)



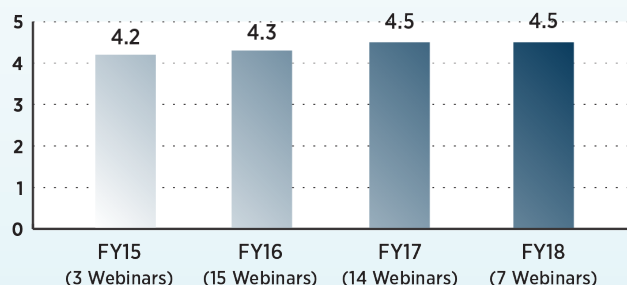
Webinar #39: National Flood Insurance Program (NFIP) PIVOT System—Innovating Procurement Teams (FEMA)

In the first four years of the PIL, total attendance at PIL Webinars reached 8,290. We were gratified to see that, even though we did fewer webinars in FY18, average attendance per webinar reached a new high point of 456. Our customer satisfaction rating for PIL Webinars has averaged 4.5 out of 5.0 over the last two years.

Average Attendance



Average Customer Satisfaction Rating



“I loved hearing about the process and how they came to their own conclusions.”

— Attendee of PIL Webinar, FY18

“I liked the examples provided and the details used to present the lessons learned.”

— Attendee of PIL Webinar, FY18

Webinar Highlight

Streamlining FAR Subpart 8.4—A Case Study on Maximizing Procurement Efficiencies by Staying in Your Lane | PIL Webinar #34

SUMMARY: FAR part 8 offers more flexibilities than FAR part 15, but FAR part 15 is often unnecessarily applied when using FAR part 8 procedures. This negates the purpose of the streamlined procedures and flexibilities available under FAR subpart 8.4, which is intended to reduce burden and shorten time to award, thereby providing better and faster outcomes for the mission. Demonstrating just how impactful procurement innovation can be, the Office of Procurement Operations (OPO) Contracting Officer (CO) and Contract Specialist (CS) stayed in their lane and utilized flexibilities in FAR subpart 8.4 to conduct a focused, streamlined, two-phase evaluation utilizing “comparative analysis” (no adjectival ratings), which resulted in an award for a complex information technology acquisition in just 42 days, saving \$13 million in the process.

In August 2017, OPO awarded a \$58 million task order under General Services Administration (GSA) Federal Supply IT Schedule 70 for Service Management Tool (SMT) support for the DHS Management Directorate to migrate current SMTs from the DHS data center to the cloud and implement a Software as a Service (SaaS) commercial tool.

Utilizing the flexibilities available under the ordering procedures in FAR subpart 8.4 and with advice from legal counsel, the procurement team stated in the solicitation that they would use “comparative analysis” to streamline evaluation and conducted the evaluation exactly as they announced. One quoter stated after the award: “The Government meeting these short turnaround milestones is amazing, we were very pleasantly surprised.”



“It was rewarding to share with my colleagues not only how we procured a quality solution for our customer, but how we were able to use the flexibilities in our regulation to deliver the solution very quickly.”

—**Scott Simpson**, Contracting Officer, Information Technology Acquisition Center, Office of Procurement Operations

In this webinar, the OPO contracting team shared how the key to their success was a focus on staying in their lane and maintaining the flexibilities of FAR subpart 8.405. They detailed their procurement decision process, shared documentation, and addressed questions about their decisions and approaches with a focus on how audience members might apply the approaches to their own procurements. Government Accountability Office decisions and relevant regulation and policy were also shared during the webinar. This webinar provided an opportunity to hear firsthand how a model GSA Schedule buy was executed.

PRESENTERS:

Greg Ruderman, Associate Director, Information Technology Acquisition Center, Office of Procurement Operations

Scott Simpson, Contracting Officer, Information Technology Acquisition Center, Office of Procurement Operations

tone from the top:

Laura Auletta, Executive Director, Policy and Acquisition Workforce, Office of the Chief Procurement Officer

PARTICIPANTS: 436

OVERALL SATISFACTION: 4.4 out of 5.0

DATE OF RECORDING: 12/07/2017

PIL Case Study: Conducting Product and Technical Demonstrations | **PIL Webinar #36**

SUMMARY: Imagine you are crafting an acquisition strategy to buy handheld devices to detect the presence of concealed objects hidden within larger objects. Or, imagine you are procuring an electronic contract filing system to allow for document storage, workflow management, secure digital signature, and records management.

What is the best way for you to pick the right product or system? Do you want to read 100-page technical proposals from several companies? Or, would you rather watch company engineers and subject matter experts as they demonstrate their technical approach, explain their prior experience, and actually show you models or mock-ups of their solutions? Written proposals are expensive and time-consuming for offerors to prepare and burdensome for government evaluators to read. Oral presentations are a great way to substitute for the written proposal and develop a better understanding of the company’s proposed technical solutions—expanding an oral presentation into a product or technical demonstration allows you to physically hold and test the product or see the system in full operation.

Product, technical, or capability demonstrations are a great way for you to better understand an offeror’s capability while saving time and burden. Demonstrations allow you to see, feel, and test the item you are buying to get an intimate understanding that would not have been possible in a written proposal or oral presentation. During this webinar, participants heard from two

teams that successfully utilized product and technical demonstrations. The program managers from Customs and Border Protection (Non-Intrusive Inspection Density Meters) and the Office of the Chief Procurement Officer (Electronic Contract Filing System) each explained why they decided to do the demonstrations and how they each developed and structured the demonstrations.

.....

PRESENTERS:

Jared Anable, Program Manager, CBP NII Density Meters

Brian Wilson, Program Manager, Electronic Contract Filing System Procurement, Office of the Chief Procurement Officer

tone from the top:

Ann Van Houten, Executive Director, Oversight, Systems and Support Division, Office of the Chief Procurement Officer

PARTICIPANTS: 708

OVERALL SATISFACTION: 4.3 out of 5.0

DATE OF RECORDING: 2/15/2018



“It was a humbling and satisfying experience to share my knowledge, expertise and experiences with others. There was a community of professionals that CHOSE to listen to what I had to share; it’s one of the biggest rewards of my career to date.”

—**Brian Wilson**, Program Manager, Electronic Contract Filing System Procurement



BEHIND THE CURTAIN

How we conduct PIL Webinars

PIL Webinars pack a lot of information into just 1.5 hours—and participants walk away with 1.5 continuous learning points (CLPs). Preparing for each of these brief, power-packed events typically involves about 20 hours over the course of a month and includes scheduling the procurement team to provide the webinar, announcing the webinar to the acquisition workforce, obtaining a senior leader to provide the Tone from the Top, preparing content and slides, setting up the webinar (we use Adobe), and conducting dry-runs with the procurement team. On average, webinars reach over 450 attendees. They are a key part of real-time sharing to the DHS acquisition community to foster cultural change at the grassroots level and build our learning organization.

Here are highlights of how we keep PIL Webinars relevant and engaging—and keep participants coming back for more.

PREPARE

- We find topics based on real DHS procurement projects.
- We highlight actual teams and share their stories.
- Each webinar features a “Tone from the Top” speaker to show real DHS leadership support for that team.

EXECUTE

- We use a radio talk-show format. Presenters talk no more than 30 seconds at a time.
- We use fun music and high-quality sound.
- We connect with the participants, using poll questions and a chat pod.

SHARE

- We post recordings to our internal PIL site on DHS Connect, so DHS employees can watch the webinars on-demand.
- Recordings include relevant links and actual documents for downloading, borrowing, and iterating.

- See the actual team!
- Download real documents!
- Chat with us!



We invite feedback from participants to learn what they value and what we can improve. Comments often highlight the energy of the speakers and the value of the information presented.

“Their voices sounded engaged and collaborative.”

“I loved hearing about the process and how they came to their conclusions.”

“I liked the professionalism and enthusiasm of the presenters.”

“I liked the examples provided and the details used to present the lessons learned.”

“I liked the honesty.”

PIL Boot Camps

Last year, we piloted a new way of sharing innovative techniques by launching the PIL Boot Camp. By the end of FY18, we held a total of nine sessions that attracted 421 attendees. These sessions included two that were offered government-wide, with representatives from 22 different agencies, as well as two for industry, with representatives from over 70 companies and associations.

On average, attendees gave the FY18 PIL Boot Camps a 4.7 out of 5.0 rating on “overall satisfaction.” After the government-wide PIL Boot Camp, one participant

shared that the session “was an excellent example of knowledge management and the sharing of best practices between government agencies that I personally would like to see more of.”

Given this positive reception, we plan to expand PIL Boot Camp offerings in FY19!

FY18 PIL Boot Camps



May 2018
3 sessions—DHS, Washington, DC:
172 attendees



July 2018
1 session—ICE, Dallas, TX: 24 attendees



August 2018
2 sessions—Government-wide,
Washington, DC: 135 attendees



August 2018
1 session—ICE, Washington, DC: 10 attendees
(procurement attorneys)



September 2018
2 sessions—Industry, Washington, DC:
80 attendees



Strong senior leadership support is one of the keys to success for PIL Boot Camps.

“...the nine innovative procurement techniques presented were exceptionally well thought out and presented. [They] are of direct relevance to me and my organization in a major IT procurement that I am currently leading.”

—Attendee of Government-wide PIL Boot Camp, FY18



BEHIND THE CURTAIN

How we conduct PIL Boot Camps

Our PIL Webinars were very popular, but feedback from our community suggested that some live, in-person training could enhance the experience. In response, we developed the PIL Boot Camp workshop using innovative techniques that differentiate it from a traditional training course. To encourage sharing—and solutions—across the enterprise, the PIL Boot Camp seems to work best when participants include a mix of contracting professionals, program managers, and attorneys—all busy people! So how do we structure a full-day PIL Boot Camp in a way that works for them?

We respect participants' time and responsibilities while making the sessions engaging and valuable. Here are specifics of how we make that happen.



How we respect participants' time and responsibilities

- We schedule hourly breaks so people can monitor their urgent responsibilities.
- Staying on time is important—we call it time-boxing. We make small adjustments, but overall we stay on time.
- We don't waste time arguing with participants. We don't force anyone to agree with us or to use these techniques. We want to share them and encourage others to apply their own innovations.



How we make sessions engaging and valuable

- We squeeze a lot into one day. Like Goldilocks, we want it to be just right.
- We often have a special speaker at 8:00 am or 1:00 pm, usually the DHS Chief Procurement Officer or the Deputy Under Secretary for Management.
- Presenters are PIL staff, experienced and enthusiastic GS-1102s (contract specialists) who believe in the Chief Procurement Officer's vision for making our acquisitions easier, faster, and smarter.
- We play two videos that feature DHS senior executives encouraging adoption of innovative practices in our business environment. It is important that participants see leadership supporting them in implementing the techniques they learn.
- Every technique we share has been tested multiple times in actual DHS procurements. We share tested concepts, not just theoretical ones.
- For each technique, the PIL Boot Camp Workbook contains explanatory text, suggested text from previous solicitations, citations from GAO bid protest cases, and other helpful information.
- We want each participant have enough confidence to try at least one of these techniques in an upcoming acquisition.
- We conclude each Boot Camp by practicing the new skills in four real-world exercises. The class then votes to decide which team best employed the nine innovation techniques to solve specific challenges.

A Day in PIL Boot Camp

8:00 am	Welcome
9:00 am	Technique 1—Oral Presentation Technique 2—Product or Technical Demo
Break	
10:00 am	Technique 3—Confidence Ratings Technique 4—Down-Select
Break	
11:00 am	Technique 5—Comparative Evaluation Technique 6—Select-Best-Suited, then Negotiate
Break	
1:00 pm	Technique 7—On-the-Spot Consensus Evaluation Technique 8—Streamlined Documentation Technique 9—Oral Debriefings and Group Debriefings
Break	
2:00 pm	Innovation Exercises Overview and Preparations
Break	
3:00 pm	Innovation Exercises Presentations Graduation



“An innovative mindset helps us focus first on outcomes so that we can improve the procurement process to better enable our mission!”

—Polly Hall, PIL Strategy & Planning Lead

At the Head of the Class



DHS Procurement Innovators Regularly Receive Recognition



The annual **DHS Management Directorate Awards for Excellence** recognized Management Directorate employees and DHS partners for their hard work, collaboration, and innovative spirit. During the 2018 Management Directorate Awards for Excellence, the **Financial Systems Modernization (FSM) System Deployment Agent (SDA) Team** received a DHS Partnership Award for their efforts on a complex IT systems acquisition for the Domestic Nuclear Detection Office (now the Countering Weapons of Mass Destruction Office), the Transportation Security Administration, and the United States Coast Guard.



The Federal Acquisition Institute's **2018 Team Award for Acquisition Excellence** was awarded to Contracting Officer **Nathan Briggs** and Program Manager **Jared Anable**. The award was presented by Lesley Field, Acting Administrator for the Office of Federal Procurement Policy, and Tony Scott, former Federal Chief Information Officer. Nathan and Jared led an acquisition approach critical to mission support focusing on a “show me, don’t tell me” model for procuring a density meter technology. The acquisition utilized many innovative procurement techniques and ultimately led to a PIL Webinar that was attended by over 700 people.



Nicole Smith, Contracting Officer, Federal Emergency Management Agency (FEMA), was awarded the **Coalition for Government Procurement’s 2018 Excellence in Partnership Award for Increasing Competition**. The award was presented to an organization or individual for pursuing best-value solutions through enhanced competition. Nicole received this award for her support of the National Flood Insurance Program’s PIVOT procurement, and for her application of other innovative procurement methods designed to increase competition and best-value solutions, such as interactive dialogue during oral presentations.



John Baumert, Contracting Officer, U.S. Secret Service (USSS), received the **Coalition for Government Procurement’s 2018 Excellence in Partnership Contract Streamlining Award**. The award was presented to an organization or individual for efficiently using/creating resources that simplify processes or systems in the procurement and contracting environment. John’s efforts integrated a contract award for four major programs within the USSS Office of the Chief Financial Officer.

Thank you

**to Our Fiscal Year 2018
Acquisition Innovation Advocates (AIAs)**

In support of our procurement innovation objectives, these dedicated Component-based Acquisition Innovation Advocates championed change across the DHS operational contracting activities where innovation meets mission.



Denise Morales,
FEMA AIA



Brenda Peterson,
OPO AIA



Zenobia Wilson,
CBP AIA



CDR Thomas "Andy"
Howell, USCG AIA



Jason Bailey,
ICE AIA



Cathy Smith,
OSA/USSS AIA



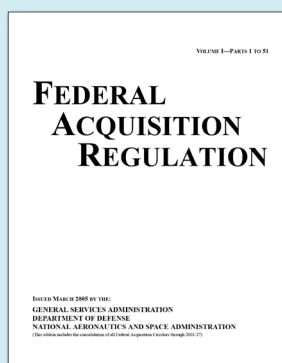
Richard Braendel,
TSA AIA



LeeAnn Conway,
FLETC AIA

Driving Innovation Forward

The PIL's guiding principles come directly from the Federal Acquisition Regulation (FAR). PIL innovation ideas are not just compliant with the FAR, they are encouraged in the FAR! In fact, FAR 1.102 *Statement of Guiding Principles for the Federal Acquisition System* specifically states:



“Participants in the acquisition process should work together as a team and should be **empowered** to make decisions within their area of responsibility.”

“The role of each member of the Acquisition Team is to **exercise personal initiative** and sound business judgment in providing the best value product or service to meet the customer’s needs.”

“The System should also, however, **encourage innovation**, and local adaptation where uniformity is not essential.”

“To achieve efficient operations, the System must shift its focus from ‘risk avoidance’ to one of **‘risk management.’**”

“If a policy or procedure, or a particular strategy or practice, is in the best interest of the Government and is not specifically addressed in the FAR, nor prohibited by law ... Government members of the Team should not assume it is prohibited. Rather, absence of direction should be interpreted as permitting the Team to innovate and **use sound business judgment.**”

Change Advocate



“OFPP strongly encourages the acquisition workforce to test new and innovative ways for acquiring goods and services so we can collectively modernize how we do business. The PIL clearly demonstrates the value of a more agile, responsive, and modern acquisition system using authorities and flexibilities that are available today. We commend DHS’s senior leadership for developing this groundbreaking model that all agencies can use to test acquisition flexibilities, try new processes, communicate results so others can learn, and leverage industry partnerships to deliver the very best value to American taxpayers. We look forward to working with the PIL in the years to come to expand the reach of their great success.”

—**Lesley Field**, Acting Administrator, Office of Federal Procurement Policy (OFPP), Office of Management and Budget, Executive Office of the President



Change Advocate



“Innovation is key to meeting the challenges and risks of a continuously evolving marketplace. Managing risk by ignoring pitfalls only places a procurement at risk of a successful challenge. The best way to manage risk is to engage and challenge the unknown with rational analysis, affirmative decision-making, and good judgment. An innovation lab is the perfect place to combine these elements. Happy to see the PIL take on the challenge.”

—**Kenneth Patton**, Managing Associate General Counsel for Procurement Law, U.S. Government Accountability Office



Join the PIL Club: Get Connected!



Email

PIL@hq.dhs.gov

Internal DHS Audience

DHS Connect: PIL

- Upcoming Webinars and Boot Camps
- How to Apply for Digi-Badges
- Intro Video
- PIL Blog
- Past PIL Webinars

External Audiences

www.dhs.gov/PIL



For more on the PIL's Concept of Operations and activities in FY17, download our FY17 Annual Report at DHS Connect: PIL and at our website www.dhs.gov/PIL

We hope you'll see the PIL as an ideal chance to innovate on an upcoming procurement, as well as the place to come to learn and share new ideas. Get connected to become part of our FY19 story!

Our priorities and objectives for FY19 include:

- Providing consistent quality coaching support to expanded procurement teams across DHS.
- Expanding PIL Boot Camp offerings within DHS, including to field acquisition offices, as well as for Government-wide and industry audiences.
- Developing our PIL Digi-Badge Level 2—Innovation Coach—Community, including launching PIL Coaching Clinics.
- Ensuring we appropriately support Component Heads of Contracting Activities (HCAs) and the Component Acquisition Innovation Advocates as they develop Component Procurement Innovation Plans.
- Improving how we capture outcome measures to ensure the PIL is best able to share our cohesive story of what we do and why.

PIL Resources for Innovators on DHS Connect

The screenshot shows the PIL website interface with several callouts pointing to specific features:

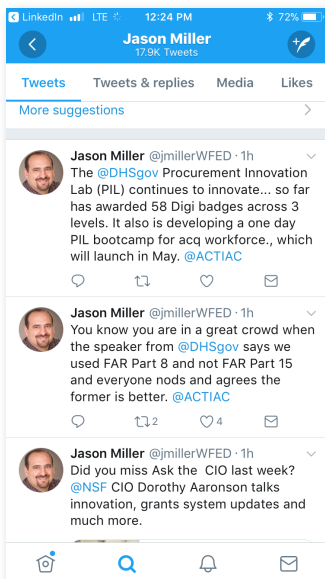
- PIL Intro Video:** A video player showing a person speaking.
- PIL BLOG:** A section titled "Let's Talk About It!" with a list of blog posts.
- Component AIAs (Acquisition Innovation Advocates):** A list of individuals and their roles, including Project Lead, Strategy and Planning Lead, Senior Coach, Testing and Reengineering Lead, and Marketing and Communications Lead.
- Submit Your Idea:** A button labeled "Submit Your Idea" with a note: "Anyone in DHS can submit innovative ideas for testing."
- Past Recorded PIL Webinars:** A section titled "Learn about: The PIL Framework" with a link to "Click Here to View the First Ever PIL Annual Report".
- Apply for Digi-Badges:** A section titled "PIL Digi-Badges" with a link to "Click Here to View the First Ever PIL Annual Report".
- Upcoming PIL Webinars & Boot Camps:** A table listing upcoming events.

Course ID	Title	Location	Start Date	End Date	Category
FCL-DHS-8552-0001	PIL Boot Camp	MSA Washington, DC	10/19/2018 8:00 AM	10/19/2018 4:00 PM	Learning Cafe Event
FCL-DHS-8552-0002	PIL Boot Camp	MSA Washington, DC	10/22/2018 8:00 AM	10/22/2018 4:00 PM	Learning Cafe Event
FCL-DHS-8552-0003	PIL Boot Camp	MSA Washington, DC	10/24/2018 8:00 AM	10/24/2018 4:00 PM	Learning Cafe Event
FCL-DHS-8552-0004	PIL Boot Camp	Arlington, VA	11/28/2018 8:00 AM	11/28/2018 4:00 PM	Learning Cafe Event



In Fiscal Year 2018, the **PIL NEWS NETWORK** or PNN (not a real news network...) traveled across the Washington, D.C. Metro area to interview DHS leaders in procurement, getting their thoughts on innovation and smart risk-taking. These videos were shown to PIL Boot Camp attendees.

The PIL was also covered by real news outlets and thought leaders! Here are a few of our headlines.



Procurement Innovation in DHS—A Progress Report

By Soraya Correa,
Chief Procurement Officer, DHS



2 DHS procurements show how innovation is happening in government

EXCLUSIVE

How DHS' innovation lab is helping other acquisition offices get into shape

