EDITOR’S NOTE: SPRING CLEANING FOR CONTRACTORS
Victoria Prussen Spears

GSA MOVES FORWARD WITH PLAN TO CONSOLIDATE THE FEDERAL SUPPLY SCHEDULE PROGRAM
Kristen E. Ittig, Stuart W. Turner, Amanda J. Sherwood, and Alexandra Barbee-Garrett

TRUMP’S NEW EXECUTIVE ORDER REQUIRES ADDITIONAL BUY AMERICAN PREFERENCES FOR INFRASTRUCTURE PROJECTS
E. Sanderson Hoe, Michael Wagner, and Peter Terenzio

WHAT CAN BE LEARNED FROM THE DOJ’S 2018 FALSE CLAIMS ACT RECOVERIES?
Suzanne Jaffe Bloom, Benjamin Sokoly, and Cristina I. Calvar

DOJ MOVES TO DISMISS 10 KICKBACK-RELATED FALSE CLAIMS ACT COMPLAINTS AGAINST PHARMACEUTICAL COMPANIES
William S.W. Chang, Laura M. Kidd Cordova, and Spencer Churchill

NEW DECISIONS CLARIFY SMALL BUSINESS MINORITY SHAREHOLDER PROTECTIONS
Damien C. Specht, James A. Tucker, Steven Cave, and Victoria Dalcourt Angle

OF HUMAN BONDAGE AND CHRISTIAN DOCTRINE
James A. Tucker
Editor’s Note: Spring Cleaning for Contractors
Victoria Prussen Spears 101

GSA Moves Forward with Plan to Consolidate the Federal Supply Schedule Program
Kristen E. Ittig, Stuart W. Turner, Amanda J. Sherwood, and Alexandra Barbee-Garrett 104

Trump’s New Executive Order Requires Additional Buy American Preferences for Infrastructure Projects
E. Sanderson Hoe, Michael Wagner, and Peter Terenzio 108

Of Human Bondage and Christian Doctrine
James A. Tucker 113

What Can Be Learned from the DOJ’s 2018 False Claims Act Recoveries?
Suzanne Jaffe Bloom, Benjamin Sokoly, and Cristina I. Calvar 116

DOJ Moves to Dismiss 10 Kickback-Related False Claims Act Complaints Against Pharmaceutical Companies
William S.W. Chang, Laura M. Kidd Cordova, and Spencer Churchill 126

New Decisions Clarify Small Business Minority Shareholder Protections
Damien C. Specht, James A. Tucker, Steven Cave, and Victoria Dalcourt Angle 130
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GSA Moves Forward with Plan to Consolidate the Federal Supply Schedule Program

*By Kristen E. Ittig, Stuart W. Turner, Amanda J. Sherwood, and Alexandra Barbee-Garrett*

The General Services Administration announced that it will consolidate all 24 Multiple Award Schedules into a single schedule. The authors of this article discuss the consolidation, which will impact all contractors with this type of schedule contract and will dramatically alter the process by which contractors apply for and government stakeholders purchase from the schedules.

The General Services Administration (“GSA”) currently operates 24 Multiple Award Schedules (“MAS”), under which it awards largely pre-negotiated contracts on largely commercial-item terms for a dizzying array of products and services. The current schedules are organized by industry or type of service, with individual schedules covering areas both broad (Schedule 70, IT procurement), narrow (Schedule 78, sports equipment, signs and trophies), and potentially duplicative (Schedule 71, furniture/Schedule 72, furnishings and floor coverings).

**CONSOLIDATION**

The GSA recently announced that it will abolish this fractured landscape. Rather than maintain its current 24 MAS rubrics as separate entities, GSA announced it will consolidate all 24 into a single schedule. Stephanie Shutt, the Director of GSA’s MAS Program Management Office, described this change as part of a “mass reform project” to “ensure MAS is easy, efficient, and modern.”

This announcement impacts all contractors with this type of schedule contract and will dramatically alter the process by which contractors apply for and government stakeholders purchase from GSA schedules.

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2. [https://vimeo.com/gsavisualcommunications/review/30304538/72603a37b0](https://vimeo.com/gsavisualcommunications/review/30304538/72603a37b0).
GSA utilizes MAS to establish long-term, government-wide contracts with private companies offering a variety of commercial items for sale to government parties. More than 10 million products currently appear on GSA schedules. Federal, state, and local agencies may place orders for listed products directly with schedule contractors or through GSA’s online shopping system (GSA Advantage!), using the simplified acquisition procedures of Federal Acquisition Regulation (“FAR”) subpart 8.4. The GSA MAS program represents a large and active marketplace, and a critical point of entry for small businesses and non-traditional commercial contractors to sell to the federal government. The GSA reports that approximately $31 billion is spent through its MAS contracts each year.

The focus of each of the 24 MAS contracts on a particular subject matter means that vendors selling different products or services under multiple schedules must comply with different terms and conditions for each. The division of items between schedules can likewise lack logic—for example, agencies can purchase certain telecommunications items from Schedule 70, but others from Schedule 58—and can cause frustrations when contractors wish to sell services and products in unison.

A SINGLE, COMPREHENSIVE MAS

GSA’s proposed consolidation will eliminate the sector-specific contracts and replace them with a single, comprehensive MAS covering all items from logistics, to staplers, to computer products. GSA has not yet issued the timeline for this consolidation, but has indicated it anticipates taking a phased approach lasting approximately two years. At an Industry Day event held on December 12, 2018, Ms. Shutt explained that during the first phase, to be completed in fiscal year 2019, existing contractors will continue to sell through their existing contracts, while new contracts will be established on the new consolidated schedule. In the second phase, scheduled for 2020, GSA will move existing schedule contractors onto the new, consolidated schedule by means of a mass modification, so that the same contract number remains in place. This means

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7 Id.
that while current GSA contractors can rest assured their contracts will not change immediately, these contractors should pay careful attention as GSA sets up the new consolidated contract and experiments with new contractors. In a third phase, also to be completed in 2020, GSA will consolidate contracts for the approximately 1,500 contractors holding multiple schedule contracts.\(^8\)

MAS contracts and purchases are intended to be more efficient than other forms of federal contracting. GSA explained that it is making this change to further that efficiency, and make the MAS system more user-friendly for companies and federal purchasers alike. GSA’s Federal Acquisition Service Commissioner, Alan Thomas, explained that, from the government’s point of view, “[a] single schedule for products and services will make it easier for customers to find and purchase the solutions they need to meet their respective missions.”\(^9\) GSA Administrator, Emily Murphy, quipped “You shouldn’t need a Ph.D. in GSA to find the solution you want.”\(^10\) As for MAS sellers, providing a single entry point to MAS will “save vendors from the burden of managing contracts on multiple schedules.”\(^11\) Ms. Murphy added: “Reforming our schedules will improve customer service, make it easier for small businesses to access the schedules program, reduce duplication for all our vendors, and allows GSA’s workforce to focus on delivering solutions.”\(^12\)

The consolidation is not unexpected. At a June 2018 Industry Day discussing e-commerce portals, Commissioner Thomas stated that a team at GSA was studying consolidation.\(^13\) He said that the multi-schedule approach was an “artificial construct,” and cited “consistency issues” facing “companies who are managing multiple schedules.” But, as always, the devil is in the details, many of which have yet to be revealed.

While GSA addressed several important issues at its December 12, 2018 Industry Day, many questions of potentially critical importance to current and prospective schedule holders linger:

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\(^8\) Id.


\(^13\) Transcript of GSA June 21 Industry Day at 16–17, transcript available at https://interact.gsa.gov/sites/default/files/Public%20Meeting%20Transcript%20062108_0.pdf.
PLAN TO CONSOLIDATE THE FEDERAL SUPPLY SCHEDULE PROGRAM

- During “Phase 1” of the consolidation, GSA has stated it will review every term and condition in existing schedule contracts to determine which should carry over to the new contracts. But, where terms and conditions differ between schedules, which will prevail in the consolidated version?
- Will the new contracts be reset as new 20-year contracts, or will expiration dates remain the same?
- Will companies be required to recertify small or disadvantaged business status to obtain one of the new contracts?
- Will GSA seek to “weed out” inactive or otherwise improper contracts as it consolidates, or simply assign new consolidated contracts to every current nominal schedule holder?
- The Veteran’s Administration (“VA”) is authorized by GSA to operate nine schedules of its own, and many contractors hold MAS contracts with both the GSA and VA. The GSA’s consolidation action is not planned to affect the VA’s MAS program, but will VA follow suit?
- While GSA has stated it does not anticipate the contracting officer for contractors with single contracts will change as a result of the consolidation, if a contractor deals with multiple COs across multiple schedules, how will GSA assign COs to the single new contracts?
- And many more.

CONCLUSION

It remains to be seen what benefits in efficiency and ease of use these reforms will actually add to the schedule contracting process. What is clear is that GSA’s reform effort seeks to lessen the perception of the GSA schedule system as unnecessarily byzantine, consistent with a government-wide effort to attract nontraditional contractors to the government market.

15 Id.