

**First Source III  
DRAFT Sample Pricing Model  
Solicitation Sections B, L, and M Pricing Language**

**Section B.3 Pricing**

Offerors may submit proposals for one or both Functional Categories and some, one or all of the small business Socio-Economic tracks under the Functional Categories for which they are certified based on small business program requirements, their capabilities, and their established size standards. Because there are opportunities for multiple proposal submissions, the contractor shall submit a separate proposal for each functional category.

For the Information Technology Value Added Reseller (ITVAR) Functional Category please see the pricing proposal instructions located at Section L – Instructions, Conditions, and Notices to Offers or Respondents and solicitation Attachment 1 – ITVAR (NAICS 541519, footnote 18) Functional Category Pricing Schedule.

For the Software Publishing Functional Category please see the pricing proposal instructions located at Section L – Instructions, Conditions, and Notices to Offers or Respondents and solicitation Attachment 2 – Software Publishing (NAICS 511210, footnote 20) Functional Category Pricing Schedule.

The ITVAR and Software Publishing Functional Category Pricing Schedules include hardware and software solutions which represent a cross section of the Department's recent historical procurements.

This sample represents established Information Technology infrastructure which has been purchased historically under the FirstSource Program and is supported by Department-wide policy and procedure and includes recent procurements made by the Department of Homeland Security (DHS). It is not an exhaustive list of what DHS currently buys or intends to buy in the future. The mix of brand name and general requirements represents historic purchases and does not indicate a preference for a particular brand or product going forward or a commitment to purchase a particular brand name item. This is a sample for pricing purposes only. The quantities presented are estimates only and shall be used for the purpose of establishing a total evaluated price.

Task Order level requirements may include brand name or brand name or equal products/services that will be defined at the Task Order level after the FirstSource III indefinite-delivery, indefinite-quantity (IDIQ) contract is awarded. The inclusion of brand name items in the IDIQ contract Pricing Schedules does not authorize brand name procurements at the Task Order level absent the appropriate justification required by Federal Acquisition Regulation and Agency Policy.

Proposed unit prices shall be based on commercially available pricing to include contractor provided discounts. The FirstSource III contractor proposed unit prices shall become a part of the FirstSource III award, Section B, and will be binding for the period of time represented within

the Pricing Schedule for the applicable supply and service. Therefore, Task Order level unit prices for these items shall be provided that are at or below those unit prices included within the awarded FirstSource III contractor's Pricing Schedule response. In accordance with Section C - Statement of Work, the FirstSource III awarded contractor shall be responsible for introducing new equipment (both hardware and software) to the DHS community as soon as it is commercially available from the original equipment manufacturer (OEM(s)). DHS will also, as a part of the Federal Acquisition Regulation (FAR) 52.217-19 Option to Extend the Term of the Contract procedures, require awarded FirstSource III contractors to refresh their sample pricing models for FirstSource III Optional Ordering Periods One and Two.

Additional Pricing Schedule instructions are included within solicitation, Section L – Instructions, Conditions, and Notices to Offers or Respondents and solicitation Pricing Schedule Attachments 1 and 2.

#### **Section L.7.1 Factor 4 - Price**

The Price Volume, Phase II, Volume III, shall be clearly organized and presented in order to allow an effective and efficient evaluation by the Government. Unit pricing proposed in the Pricing Schedule for the sample hardware and software solutions and quantities shall be consistent with proposed technical volume responses. Inconsistency between the two, if unexplained, raises a fundamental issue regarding the Offeror's understanding of the solicitation, as well as of the Offeror's ability to meet the requirements contained within it.

A complete and accurate Pricing Schedule is required within an Offeror's Phase II, Volume III response for the responding Offeror to be considered for award.

Failure to use the Pricing Schedule (Attachments 1 and 2) as provided for the correct FC for which they are proposing will be considered non-compliant and the vendor will be removed from consideration. Adding columns or manipulating the Excel sheet other than to provide information in the areas specifically designated for responses will be viewed as non-compliant and the Offeror will be removed from further consideration. Offerors are strongly encouraged to provide discounts against commercially available pricing and to fully exercise pricing methodologies that will result in economically beneficial solutions to the Government. As represented immediately above, the Offeror shall NOT deviate in any way from what is represented within the Pricing Schedule (Attachments 1 and 2) to this solicitation.

#### **Section M.3.2 Phase II Evaluation**

##### **Factor 5 – Price**

Through its evaluation of Factor 5, the Government will determine whether Offerors' proposed prices are fair and reasonable. The Government will establish a total evaluated price based on the sum of all prices proposed within the solicitation's Pricing Schedule attachments. ONLY optional periods for labor included within the ITVAR Functional Category Pricing Schedule (Attachment 1) will be evaluated and awarded IAW FAR 52.212-2. The evaluation of options does not obligate the Government to exercise such evaluated options. The total evaluated price

will be evaluated for price reasonableness through comparison with other proposed prices and may include other price analysis techniques in accordance with FAR and agency policy.

In accordance with FAR 52.217-8, the option to extend services for an additional six months will be included within this FirstSource III solicitation. A six-month extension is considered to be within the total project scope of this solicitation. For purposes of evaluation of this extension, the Government shall use the Offeror's Pricing Schedule response for the last year of the Base Ordering Period of the ITVAR Functional Category Pricing Schedule (Attachment 1) Supplies and Services tabs and the last year of the Base Ordering Period of the Software Publishing Functional Category Pricing Schedule (Attachment 2) Software Packages tab.

Total evaluated price is defined in the following manner:

**ITVAR Functional Category Total Evaluated Price**

- Sum of ITVAR Supplies tab and ITVAR Services tab as represented in the ITVAR Functional Category Pricing Schedule (Attachment 1) ITVAR Sample Pricing Total tab.

**Software Publishing Functional Category Total Evaluated Price**

- Sum of Software Packages tab as represented in the Software Publishing Functional Category Pricing Schedule (Attachment 2) Software Sample Pricing Total tab.

Further, the price evaluation conducted will assess accuracy, completeness, and reasonableness. This process involves verification that information presented is accurate and complete, prices are included for all requirements, prices are consistent with commercial, publicly available vendor catalogs, and that discounts are included, figures are correctly calculated, and prices are presented in the prescribed format.

A complete and accurate Pricing Schedule for the appropriate FC, ITVAR or Software Publishing, is required in order for an Offeror's Phase II, Volume III response to be considered for award.