

Making Sense of Federal Procurement Options



Easy Purchasing, Proven Results

There are many different buying options within the Federal Government, each with their own set of requirements and lots of acronyms and terminology to understand. We made this guide to help you understand common buying methods available within the Government, so you can make educated decisions for how best to support your purchasing needs.

Procurement Methods: Government's Path to Purchase

The Federal Acquisition Regulations (FAR) is the rule book for Federal Government purchases. There is a wide array of options available, and the Contracting Officer has discretion to decide the best approach for their Agency.

Considerations include:

- Order Value
- Urgency of fulfilling the order
- Time required to contract
- Price
- Availability of items under existing Government contracts

Pre-Approved Contracts vs. Open Market

The benefits of using existing Government contracts are expansive. But the right approach depends on the requirements of your project. Pre-approved and vetted government contracts include [GSA Schedule contracts](#), Energy Savings Performance Contracts (ESPC), [Blanket Purchase Agreements \(BPA\)](#), and more. If your project requirements cannot be satisfied with an existing contract vehicle, you may choose to do an "Open Market" procurement. Open Market simply means a purchase of goods or services outside of existing pre-approved Government contracts. This chart summarizes each buying option and provides pros/cons for each.

Trane's Contract Offerings

Trane offers many pre-approved contract vehicles to help achieve your goals quickly and efficiently.

As a Federal Contractor, Trane has delivered over \$1 Billion under pre-approved Federal contracts including ESPCs, UESCs, and GSA Schedule orders. Contact our team today to learn what Federal procurement option is best suited to meet your team's requirements.

Procurement	FAR Reference	Description	Average Days to Place Order	Value of Order	Speed to Procure	Pre-Approved Terms	Pricing	Competition Requirements (Micro = \$10,000) (SAT = \$250,000)
GSA Schedule BPA Order	FAR Subpart 8.405-3	Procedure for placing orders against BPAs under the GSA schedule contract	Immediate	No min, No max	Best	Yes	Pre-Approved GSA Price (can discount)	None
GSA Schedule Buy	FAR Subpart 8.4	Procedure for placing orders against GSA schedule contract	15 - 30 days	No min, No max	Better	Yes	Pre-Approved GSA Price (can discount)	If > SAT = solicitation post only If Micro - SAT = survey 3 contractors If < Micro = None
Simplified Acquisition (Open Market)	FAR Part 13	Procedure for open market acquisitions below the SAT	30 - 200 days	< \$250,000	Good	No	Any (must prove fair & reasonable)	If > Micro = 3 bids If < Micro = None
Contract by Negotiation (Open Market)	FAR Part 15	Procedure for open market acquisitions exceeding the SAT	200+ days	> \$250,000	Longest	No	Any (must prove fair & reasonable)	3 bids

Procurement Vehicle	Description	Trane Contract Offering	Best Used For
Multiple Award Schedule (MAS)	Administered by the GSA, the MAS program is a governmentwide contract vehicle for commercial products, services, and solutions. Also known as "GSA Schedule Contracts" or "Federal Supply Schedule," MAS contracts are long-term IDIQ contracts that streamline the buying process by using pre-negotiated prices, delivery terms, warranties, and other terms and conditions.	GSA Schedule IDIQ Contract #47QSWA20D002A Term: 12/9/2039	The simplest solution for ordering Trane's suite of offerings, which include Equipment, Contracting, Service T&M, Service Agreements, Parts, Rentals, Training, and more. Expedite the ordering process with pre-negotiated terms and pricing in conjunction with a government approval master schedule.
Blanket Purchase Agreement (BPA)	A BPA is an agreement established by a government buyer with a GSA Schedule contract holder to fill repetitive needs for supplies or services. This further simplifies the buying process since scope, pricing, and terms are negotiated and establish to create a truly customized agreement. The agency sets the desired term and a not-to-exceed contract value, which buyers then place individual orders against.	Established per agency	The fastest way to provide immediate access to Trane's GSA Schedule offerings when time, repetitive orders, and ease of use are critical. Ideal for emergency service work, parts replacement, or any HVAC upgrade/repair needs. This agreement is completely customizable to meet the needs of the agency, and there is no obligation of funds until individual orders are placed.
Energy Savings Performance Contracts (ESPC)	ESPC is administrated by the Dept. of Energy (DOE) and allows federal agencies to procure energy savings and facility improvements with no upfront capital costs or special appropriations.	DOE ESPC IDIQ Contract #DE-EE0008048 Term: 10/26/2023	Ideal for implementing new equipment, controls, and facility upgrades with no upfront cash required from the Federal Government Customer. Project payback is completed from verified energy savings.
Multiple Award Task Orders Contracts (MATOC)	MATOC is simply a special type of Indefinite Delivery Indefinite Quantity (IDIQ) contract that includes multiple awardees. Under a MATOC, multiple awardees are chosen to provide services within a pre-defined dollar amount. Awardees consist of a pool of contractors who compete for subsequent task or delivery orders.	ARMY Corp ESPC MATOC Contract #W912DY-15-D-0052 Term: 04/03/2024	Ideal for implementing new equipment, controls, and facility upgrades with no upfront cash required from Army installations or other Federal Government Customers served by the U.S. Army Corps of Engineers. Project payback is completed from verified energy savings.
Utility Energy Service Contract (UESC)	UESC is an energy management service contract between a federal agency and its franchises. It's used for the purpose of producing measurable energy or water reductions, or measurable amounts of demand reduction.	Established per Agency / Utility	Another method for implementing new equipment, controls, and facility upgrades, with no upfront cash required from the Federal Government Customer. Financed by the utility, project payback is completed from verified energy savings. Some UESCs have reduced measurement and verification requirements, as well as a related cost reduction due to less intensive M&V verification.

For More Information Visit

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