



Task-Based Informatics Professional Services (TBIPS) – An Overview

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Public Works and Government Services Canada's (PWGSC's) listing of mandatory procurement mechanisms, eventually planned to cover 10 of the most commonly purchased goods and services (see <http://www.contractsCanada.gc.ca/en/so-newrules-e.htm>), has grown with the addition of two mandatory informatics professional services mechanisms. The Task-Based Informatics Professional Services (TBIPS)¹ (comprised of both a Standing Offer (SO) and Supply Arrangement (SA)) is one of the latest broad-based procurement vehicles issued by PWGSC, along with the even more newly released Solutions Based Informatics Professional Services (SBIPS). These Contracting vehicles are intended to support the majority of Informatics Services requirements for *all* Canadian Government Departments, Departmental Corporations or Agencies and any other party for which PWGSC has been authorized to act².

TBIPS was developed as part of the first wave of PWGSC's "The Way Forward" strategy. During the 2005 Federal Budget, Paul Martin's minority Liberal government needed the support of the NDP to pass the Liberal budget. What the Liberal government really needed was cash, and plenty of it, to fund social programs to appease their budget partner. Scott Brison, just over one year removed from having crossed the floor to join the Liberal Party from the newly constituted Conservative Party of Canada, and then Minister of PWGSC, boldly proclaimed to his new boss that PWGSC could offer up \$2.5 billion in total savings, and could deliver these savings over a five (5) year period.

Add to this the findings of the Lastewka report, whose government procurement review concluded (among other things) that the government might consider the practices of large private sector firms and leverage their immense buying capacity to achieve better prices from favoured suppliers, and the climate in general following the sponsorship scandal, and suddenly the impetus for large scale transformation is more evident.

And so it was against this backdrop that PWGSC introduced its proposed action plan, called The Way Forward, promising to deliver services smarter, faster and at a reduced cost. The numbers 10-10-50 became synonymous with The Way Forward, signifying:

- save 10% in the prices paid by government departments;
- save 10% of procurement costs through efficiencies; and
- reduce by 50% the time to complete procurement actions.

In November 2006, then Minister of PWGSC Michael Fortier conceded that the figure of \$2.5 billion in savings was not realistic, and that this target would be abandoned. The Way Forward, however, would survive, as would the general goals of achieving the 10-10-50 figures.

Task-Based Informatics Professional Services (TBIPS)

Changes to the way the GoC purchases goods and services under "The Way Forward" included the mandatory use of specific procurement vehicles for a variety of goods and services³.

Though TBIPS is but one of a multitude of mandatory procurement mecha-

nisms, given that the federal government spends over \$600 million annually on IT Professional services, TBIPS has the highest profile and is scrutinized most heavily.

TBIPS is divided into five major classifications of Informatics Services, each comprised of a list of resource categories and associated work descriptions, grouped as follows:

- Technology Services:
 - Applications Services -> 15 resource categories
 - Geomatics Services -> 7 resource categories
 - IM/IT Services -> 17 resource categories
- Business Services -> 14 resource categories
- Project Management Services -> 12 resource categories.

Categories of IT personnel represented on TBIPS are fairly generic. Each resource category has a description of the related responsibilities and possible technical specialties (ie. Technology Services -> Applications Services Sub-Class -> ERP Functional Analyst -> Oracle) and each resource category is available in three levels of expertise (1, 2, 3 – ranging from the least to most experienced). TBIPS is available across Canada, but has been organized into six regions in which Suppliers can provide services (Atlantic, Quebec, Ontario, National Capital Region, Western, and Pacific). Prior to the latest refresh of the mechanism (being undertaken currently) a total of 203 Suppliers are either SA or SO Holders.

TBIPS has been further divided into two different Contracting options: a Supply Arrangement (SA) and a Stand-

ing Offer (SO). At its inception, the TBIPS method of supply was a Supply Arrangement only. In response to industry concerns and on the recommendation of PWGSC legal counsel, TBIPS was amended to include a Standing Offer component. The main differences between the two options are the dollar value thresholds for the work and the steps necessary to place a Contract with a Supplier.

SOs and SAs are two types of non-binding agreements between the federal government and potential Suppliers for the supply of specified goods or services:

- A **Standing Offer (SO)** is **not** a Contract for the provision of services. The intent of a Standing Offer is to establish a framework to permit the expeditious processing of individual *Call-ups* which result in Contracts for services that fall within the scope of the SO.
- A **Supply Arrangement (SA)** allows Canada to solicit proposals from a pool of pre-qualified Suppliers. A Supply Arrangement is **not** a Contract for the provision of services. The intent of a Supply Arrangement is to establish a framework to permit the expeditious processing of individual *solicitations* which result in Contracts for services that fall within the scope of the SA.

TBIPS Standing Offer

Under the TBIPS SO, a Call-up for work up to a \$250,000 limit can be issued to the SO Holder with the lowest per diem rate for the required resource category(ies) and level(s) of expertise, who is able to respond within the time limit (usually 48 hours) with a qualified resource available to perform the work. There is no formal evaluation process *per se*, only a document defining the requirement and the Supplier's response indicating that it can meet the minimum qualifications stipulated by the Program/Branch Manager issuing the RFP. See **Table I** for a brief comparison of the SO and SA contracting options under TBIPS.

TBIPS Supply Arrangement

Based on the cumulative dollar value of a requirement, a requirement sourced via the TBIPS SA is categorized as a

Tier 1 or Tier 2 requirement. For Tier 1 requirements (requirements not exceeding \$2 million) the client department may act as Contracting Authority, provided it has received mandatory training on the TBIPS mechanism and that it has signed a user agreement with PWGSC. Tier 2 requirements (requirements valued at over \$2 million) are managed by PWGSC exclusively.

Like traditional Supply Arrangements, individual work requirements are competed among a subset of SA Holders, all of whom have qualified to provide resources qualified in the areas required. This competition must include at a minimum those SA Holders with the lowest per diem rates and may include additional Suppliers (see **Table I**). As all Suppliers have been pre-qualified, Respondents have a shortened timeframe in which to submit their responses (from 5 – 20 days depending on the dollar value of the requirement as described above) compared to one stage solicitations for similar dollar values on one-off Requests for Proposals (requiring solicitation periods of anywhere from 20 – 40 days depending on the type of service and the application of the trade agreements to the service being sought). Following the evaluation process, the highest ranked compliant Respondent (according to the selection criteria defined in the RFP) is selected to perform the work.

Best Fit Methodology

The final component to TBIPS is referred to as a "Best Fit Methodology", a process for which PWGSC acts exclusively as Contracting Authority. This is essentially a three-stage process (stage 1 was the original RFSA/SO process), with a pre-qualification process to establish a select (smaller) number of Suppliers off of the larger SA Holder list (stage 2). Future requirements will be then competed amongst the pre-qualified Suppliers (stage 3).

Tools

To support the use of this new Contracting mechanism, PWGSC is working to provide the following tools and training aids:

- **Selection Database**

- a database to allow Departmental Contracting Officers to search for Suppliers (for the SO and the SA) according to Region of Service Delivery and Resource Category/ Level of Expertise, which identifies Suppliers with the lowest combined per diem rate for the selection criteria.

- **Web-based Tool**

- PWGSC anticipates that the issue of Call-ups and Contracts will be handled through a web-based tool (not available at this time). Until this tool is available Call-ups/ Contracts will be awarded directly to Suppliers via e-mail or the Government Electronic Tendering System (GETS – as currently supplied by MERX).

- **TBIPS Informational Website**

- Although initially little more than a phone number and email address for the Informatics Methods of Supply (IMOS) Team responsible for supporting this mechanism [*who helpfully answered a lot of our questions when this mechanism first went into general use*], in the past year more information has been gradually added to the site (including the addition of the tools/templates listed below):
- See <http://www.tpsgc-pwgsc.gc.ca/app-acq/sptb-tbips/index-eng.html>

- **Tools and Templates**

- TBIPS Generic Security Requirements Checklists (SRCLs) (*accessible to federal government employees only*);
- TBIPS Categories of Personnel and Technical Requirements;
- TBIPS Qualified Suppliers List (*accessible to federal government employees only*);
- Sample Quarterly Usage Report (QUR)⁴;
- Model Task-Based Services Form (TBSF) (TBIPS-specific RFP template - *accessible to federal government employees only*); and
- Model Task Authorization (TA)⁵ form (*accessible to federal government employees only*).

- **Training**

- Client departmental training sessions were provided across the country;

- Weekly training sessions are scheduled for staff that were not able to receive training during the first wave; and
- Training sessions will continue to be held based on client department need.

It is fair to suggest that the TBIPS mechanism did not hit the ground running following SO/SA awards, and has only slowly been gaining inertia. Initially, there was very little information publicly available regarding the mechanism. PWGSC provided a training course on how to use TBIPS. Taking the training and signing a User Agreement with PWGSC were prerequisites to Departmental Contracting Officers making use of this mechanism.

However, this still left most Program Managers - responsible for defining their own requirement - confused regarding how TBIPS worked, how the SO differed from the SA, why one would be used instead of the other, what resource categories were available, and the anticipated timelines for completion of a procurement action for both the SO and SA processes. A website is now available with information to help Program Managers answer these questions, but this site did not exist for at least the first six months in which TBIPS was operational, further adding to the frustration being felt by client departments (it should be noted here that the IMOS Team proved to be an invaluable resource, answering questions promptly). The web-based tool for the administration of Call-ups and Contracts [only accessible by federal government employees] is apparently not yet available for use.

The Road to Improvement

While the TBIPS informational website has gone into operation (including the tools as described above) many of its pages have been made accessible solely to federal government employees. This reality seems to be at odds with the idea of openness and transparency in relation to GoC contracting that the TBIPS mechanism is supposed to embody. In comparison, a similar government-wide mandatory contracting mechanism (specific to the delivery of informatics secu-

rity services) the Cyber Protection SA (see <http://www.tpsgc-pwgsc.gc.ca/app-acq/amac-cpsa/index-eng.html>) provides separate User Guides written for both Procurement Officers and Business Managers [via the GoC *intranet*], as well as a very detailed publicly available website that includes information such as:

- a RFP template;
- a Notice of Proposed Procurement (NPP) template (for announcing the request on GETS);
- sample Statements of work;
- detailed descriptions of the pre-approved Security Requirements Checklists (SRCLs); and
- information for each of the four service streams concerning which Supplier(s) are qualified to provide the various resource categories available, and at what seniority levels.

Why the CPSA's information should be considered less sensitive than TBIPS' is anyone's guess. It seems ironic that the mechanism for informatics security services is more publicly accessible than TBIPS, especially when some of the components currently blocked from public access (such as the TBSE, which is the TBIPS RFP template) were made available within the original RFSA when it was posted on GETS.

As we understand it, it is possible to search the TBIPS Supplier database to locate SA (and SO) Holders who have a particular Resource Category and Seniority level (e.g. ERP Functional Analyst) in a specific region of delivery (e.g. NCR). The issue we've encountered is how to identify which SA/SO Holders have what skills in relation to specific technical abilities/technologies. For example, when a Program Manager has a requirement for either a fairly rare, newly emerging technology (i.e. Oracle version 12), or just needs to know whether a Supplier has resources qualified to provide ERP Functional services in support of an *Oracle* rather than an *SAP* installation, there is not currently a way to search the TBIPS database for Suppliers with experience in a specific technology or skill set. Ideally, there should be some way to focus and narrow the list of SA Holders invited to respond to a specific requirement down to only those who have previous experience with

the desired technology and who are more likely to respond. This could be done through Supplier self-identification to reduce PWGSC's burden in maintaining this type of information.

One example of a Government-wide mechanism that allows this is the Professional Services (PS) Online (an electronic tool used for services valued at below the NAFTA threshold [currently \$76,500.00], including services also covered by TBIPS). The PS Online offers a method for Searching according to Skill Groups. Using TBIPS there is very little available information to assist in determining which of the Suppliers returned by the database search actually have the particular skill set, short of contacting them directly and asking or trying to find this information on the individual Suppliers' websites. Indeed, a client recently had to search the PS Online database for a rather unique skill set (HP AssetCenter) to help narrow down what to call a resource with this skill set (to match the TBIPS' list of resource category names) and try and cross reference any Suppliers with this skill set working in the NCR who were also available on TBIPS (as the project was too high valued to be sourced under PS Online).

In an effort to work around this shortcoming, clients have been advised to invite as many as double the minimum number of SA Holders required by the process in order to increase the likelihood of receiving a compliant (technically qualified) response. By voluntarily casting a wider net, the chances of finding a Supplier with a resource that possesses that elusive skill set is increased. There is, however, a risk of unintentional consequences. More bids received means more time spent evaluating bids, something that Program Managers are keen to avoid, particularly given the promises of increased efficiencies in procurement process lead-time. The unintended consequence of this shortcoming of the mechanism may be incumbent bias - how else can a busy Program Manager know a Supplier has resources with the skills to do the job, unless they have already done something similar for that Program/Branch/Department in the past?

TBIPS has been divided into an SO

and a SA. Use of the SO does not require competition, being based on a Right-of-first-refusal. Starting with the highest ranked Supplier (based on lowest per diem rate for that category, or if multiple, the combined rate for the resource categories selected), the SO Holder has 48 hours to respond with a Proposal. Otherwise the Supplier must indicate that it cannot respond so that the request can be passed to the SO Holder with the next lowest price, continuing in this way until the issuer receives a technically qualified Proposal that satisfies the requirement as defined. In theory, this seems like a fairly straightforward process with a fairly high dollar value limit (up to \$250,000), allowing relatively simple requirements to be sourced quickly and without having to constitute an Evaluation Committee (composed of 2-3 people) to review multiple Proposals.

On the surface the SO seems like a flexible mechanism, whereas in practice it is really somewhat restrictive. One of the chief concerns noted at a recent Canadian Institute for Procurement and Material Management “Morning Briefing” (held on January 14, 2009) on the “Merit of Task Based IT Professional Services” was that for senior-level resources, or those with exotic skill-sets, the lowest priced SO Holders rarely have available resources willing to work at the SO’s quoted rates, which delays the SO process. Audience comments at the Briefing suggested that for these reasons it is preferable to use the SA instead.

Similar to the SO, client departments and agencies are experiencing longer than expected timeframes to complete TBIPS procurements. Any requirement valued at above \$2 million falls within Tier 2 and must be procured through PWGSC. High transactional volume combined with a more involved internal approval process for high dollar value projects has resulted in a protracted procurement timeline. Anecdotal evidence from Clients suggests that Tier 2 requirements take close to a year to complete, **after** the Client develops a draft of the Statement of Work and the criteria against which the Proposals will be evaluated. This particularly affects the

smaller departments/agencies who rely on PWGSC as their Contracting Authority for both Tier 1 and Tier 2 requirements. After having submitted a Statement of Work and Evaluation Criteria for a relatively small project with one or two resources (falling in Tier 1, valued at below \$400,000) a Client reported waiting months for it to be incorporated into the TBIPS RFP template.

Is TBIPS the panacea for Informatics Services Contracting that it was originally promised to be (i.e. contracting smarter, faster and at a reduced cost)? Probably not, but this vehicle does have certain inherent strengths. The benefits of TBIPS include a short posting period and short timeline to completion (for awards below \$2 million). TBIPS seems to work best where there are a small number of resources/resource categories required, for a relatively straightforward set of tasks, and for a relatively low dollar value. As long as the requirement plays to the strengths of this mechanism, TBIPS can deliver on its promise.

Putting Things into Perspective

The decision to restrict access to most of the information pertaining to this mechanism to GoC intranet seems contrary to the notion of transparency in contracting. Per diem rates and other sensitive Supplier costing information *should never* be publicly displayed, but other information about the SA/SO Holders only serves to encourage openness within the IT Professional Services marketplace.

The ability to perform a more detailed search seems like a useful enhancement to add to the TBIPS contracting process, to help Program Managers/Contracting Officers identify SA/SO Holders with resources that have familiarity in the technologies specific to their IM/IT environment, without having to perform arcane feats of research to locate them.

The completion of additional web tools, increasing familiarity with the overall process, and an abatement of the volume of requests to the IMOS Team (as some of the initial crush to use the mechanism drops off) should help some of the time to completion issues work themselves out. However TBIPS will

always be an immensely active contracting vehicle since most (if not all) GoC Departments and Agencies make use of contracted IT professionals to augment internal skills and resource levels. Any change to the way in which TBIPS is operated for the purposes of improving functionality or efficiency (for instance the addition of an improved search function for identifying Suppliers with particular skills) would in effect require a change to the original terms of the RFSA, affecting all SO/SA Holders. Any such change would not be something that could be affected immediately.

What the Future Holds

The Solutions Based Informatics Professional Services (SBIPS) SA has just been awarded and made available for use. Its main differences from TBIPS are the lack of an SO option, and the idea that SA Holders will be proposing entire solutions rather than piecemeal work, with the ability to offer fixed price cost proposals. Having had the chance to work within the TBIPS methodology, use its tools and see what works and what may need some tweaking (from a viewpoint somewhere between that of a Supplier trying to get on the SA/SO and a GoC official trying to use it) it will be interesting in more than an academic sense to see if SBIPS shares TBIPS’ strengths and weaknesses.

TBIPS and SBIPS are meant to be long term, continuously renewable mechanisms with no stipulated end dates. Ideally, these mechanisms should evolve over time (possibly during the yearly Refresh), incorporating lessons learned and adding new/improved functionality, to achieve the best (fastest, most economical, and fair) delivery of services possible.

Given that the TBIPS SA/SO is one of PWGSC’s mandatory contracting mechanisms, brought forth in support of the GoC’s “Way Forward” Business Transformation Initiative, to bring industry’s Suppliers and the GoC’s departments and agencies into a viable contracting arrangement, some of TBIPS’ process works and some really doesn’t.

So has TBIPS been a success? It’s hard to say. The Informatics industry still has

TABLE I**Brief Comparison of the SO and SA Contracting Options available under TBIPS****Standing Offer (SO)****Call-Up Limitation**

Requirements up to and including \$250K

Process

Right of first refusal based on lowest per diem rate

Response Period

Two (2) days recommended

Contracting Authority

Authorized Client Departments or PWGSC

Supply Arrangement (SA)

Tier	Requirement Limitation	Process	Response Period	Contracting Authority
1	Below or equal to \$250K	Min. of three (3) Suppliers (1 of top 3 ranked and 1 random)	Min. five (5) calendar days	Authorized Client Dept. or PWGSC
1	Above \$250K up to \$1M	Min. of three (3) Suppliers (1 of top 3 ranked and 1 random)	Min. ten (10) calendar days	Authorized Client Dept. or PWGSC
1	Above \$1M up to \$2M	Min. of five (5) Suppliers (2 of top 3 ranked and 2 random)	Min. twenty (20) calendar days	Authorized Client Dept. or PWGSC
2	Above \$2M	All Tier 2 SA Holders invited	Min. twenty (20) calendar days	Requisitions sent to PWGSC (AB)

concerns but TBIPS is now the mandatory contracting vehicle for these services, and that's not going to change any time soon. Both the Program Managers and the Contracting Officers who use it on a regular basis are becoming more accustomed to using it, with a better understanding of how to use the mechanism to result in a favourable outcome (i.e. a qualified Supplier to do the work).

As it is a new mechanism there are few metrics available on the volume and breakdown of work sourced via TBIPS since it went into use last spring. Beginning in calendar year 2006, departments were required to provide separate data on Call-Ups against Standing Offers and Supply Arrangements established by PWGSC by completing a Standing Offer or Supply Arrangement Business Volume Report at the end of each fiscal year⁶. The goal for the collection of this data was to assist in determining the extent of usage of standing offers and supply arrangements established by PWGSC. This annual procurement reporting exercise has been kept separate from the quarterly requirement to disclose all procurement contracts over \$10,000. However, beginning in calen-

dar year 2011 (to be reported in 2012), departments are requested to report on individual Call-Ups instead of an entire Standing Offer Agreement⁷. This change in the way in which the data is collected should provide the metrics needed to assess how well TBIPS is meeting the goals originally defined by the Way Forward – reducing costs and maximizing efficiencies. ♣

Notes and References

1. TBIPS - <http://www.tpsgc-pwgsc.gc.ca/app-acq/sptb-tbps/index-eng.html>
2. As identified in Schedules I, I.1, II, III, IV or V of the *Financial Administration Act*, see <http://www.tbs-sct.gc.ca/gov-gouv/tools-outils/org-eng.asp>

3. Policy Notification 70: Mandatory Standing Offers (2005), see <http://www.tpsgc-pwgsc.gc.ca/app-acq/arp-pns/ap70-pn70-eng.html> and Policy Notice: Business Transformation Initiative - The Way Forward (2005) http://www.tbs-sct.gc.ca/pubs_pol/dcg-pubs/ContPolNotices/2005/04-eng.asp
4. For an example of a QUR refer to the **Technical, Engineering and Maintenance Services Supply Arrangement (TEMS SA)** - <http://www.tpsgc-pwgsc.gc.ca/app-acq/aa-sa/documents/annexed-annexd-eng.pdf>
5. For an example of a TA form refer to the **Cyber Protection Supply Arrangement (CPSA)** website - <http://www.tpsgc-pwgsc.gc.ca/app-acq/amac-cpsa/dp-rfp-20-eng.html>
6. Contracting Policy Notice 2007-1 - see http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/contpolnotices/2007/0125-eng.asp
7. Contracting Policy Notice: 2009-2 - see http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/ContPolNotices/2009/03-27-eng.asp

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