

Client Enrichment Series (CES) RWA Protocols – Q & A



Topic: New RWA Protocols for 2017

Date of Presentation: February 16, 2017

Link to Series Information: www.gsa.gov/ces

- 1. Question: Will we receive copies of the slide deck?**

Answer: All registrants should have received a copy of the slides prior to today's presentation. We will also be posting a copy of the slide deck on the Client Enrichment Series website - www.gsa.gov/ces

- 2. Question: When is the RWA deadline this year?**

Answer: Thursday, August 31, 2017. A formal message will be sent out in early spring.

- 3. Question: Can we modify scope on F-Type RWAs (add locations) during the current year?**

Answer: No, the locations must be included on the initial (accepted) RWA.

- 4. Question: Since the RWA has 5 years to complete the scope - what happens when the contractor changes his rates for work during that time? How does the customer control the cost escalation?**

Answer: Cost changes are negotiated by GSA, and a new/amended RWA is required from the customer.

- 5. Question: What happens if GSA does not pay all of the invoices for a project before the end of the 5 year period and the funds are deobligated?**

Answer: For RWAs approaching the end of the five year liquidation period GSA typically begins making contingency plans with the customer agency and the vendor(s) in advance to either ensure all work and all invoices will be paid OR works with the customer agency to potentially secure new funding (e.g. FY18) to cover work that will NOT be successfully finished before the end of the 5 year liquidation period.

- 6. Question: Is it true that the limit on overages allowed on an RWA is \$500 for RWAs with authorized amounts equal to, or greater than, \$5,000, and 10 percent for RWAs less than \$5,000?**

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Answer: An RWA amendment is not required for overages within this limit. These overages will be reconciled and billed to the client agency at the time the RWA is closed.

Yes that is the “10% or \$500 rule” that permits GSA to exceed the original authorized amount without needing a newly signed RWA since the cost to sign new RWAs outweighs the small amount exceeded. However, if a customer’s internal policy dictates that a new amended, signed RWA is needed for any amount (even \$0.01) then GSA should comply and sign an amended RWA despite our more flexible “10% or \$500 rule.”

7. **Question: What happens if the actual estimate exceeds the GSA Cost Estimate or IGE on which the RWA was submitted?**

Answer: All costs are negotiated prior to project execution. If the actual estimate exceeds the original GSA Cost Estimate or IGE, then the customer will be required to submit an amended RWA reflecting the increased amount, and will be billed accordingly.

8. **Question: What happens when you pay for a design that exceeds the budget - i.e, you have \$5M to build and the design comes back in at \$6M.**

Answer: In a firm fixed contract, cost overages are not expected. Otherwise, any cost overrun will require the customer to provide additional funding via an RWA amendment.

9. **Question: Is the customer agency responsible for additional funds if all funds were provided upfront, the project was complete well in advance of funds expiration, but GSA did not pay the invoices timely?**

Answer: No. In such a circumstance, pursuant to the Prompt Payment Act, GSA, rather than the customer agency, would be responsible for any late payments.

10. **Question: Must an RWA modification request (aka RWA amendment) also be submitted into RETA within 5-business days from GSA acceptance signature, or does that not apply since the original RWA was already accepted?**

Answer: It applies to RWA amendments as well.

11. **Question: If a customer is moving into a building and that space has asbestos, is GSA responsible for the abatement?**

Answer:

If it is known during the requirements development phase that asbestos must be removed, then the abatement will be in the cost estimate which the customer will fund.

*If asbestos was **not known** during project planning and is found during project execution, then this is considered an antecedent liability, or an unforeseen within-scope change to the RWA. Customers must fund antecedent liabilities using an amendment to the original RWA. In other words, GSA will provide the abatement service, and the customer is responsible for the increased*

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costs.

- 12. Question: If we pay GSA to manage the A/E design to come in, at, or under budget and the design comes back in over budget, what options does the customer have? Must the customer pay the GSA fee again and the fee for the A/E to redesign?**

Answer: It depends on what caused the A/E design cost to exceed the budget. Normally, an A/E contract is only awarded after project planning and requirements development have been completed and the design firm is given a definitive budget. If the design firm requires more funding to complete its work, the firm will renegotiate requirements. If the A/E costs increase because of increases in scope, materials, and/or labor, then an RWA amendment which includes all applicable GSA fees is required.

- 13. Question: Is GSA aware that clients are billed more than the RWA amount?**

Answer: GSA bills according to the work and services it provides to customers. If there are any issues regarding billing, we encourage you to visit the “Billing & Payment” page (<https://gsa.gov/portal/content/101483>) or the “Training and FAQs” page (<https://gsa.gov/portal/content/187751>) on the Reimbursable Services National Website (gsa.gov/rwa), which includes information on billing and whom to contact with questions.

- 14. Question: What should I do if I feel I am receiving incorrect information from GSA associates regarding RWA funding?**

Answer: If you feel you are receiving incorrect information, you have two options: 1) escalate it to the [RWA Program Manager](#) in each GSA region (they are RWA experts for their region - their names can be found at www.gsa.gov/rwa) OR 2) log in and view your RWA information and associated documents in real time in eRETA(www.gsa.gov/ereta) .

- 15. Question: Why does it take GSA so long to de-obligate RWA funds after contract closeout?**

Answer: Financial closeout entails waiting on any/all final invoices to satisfy all known financial obligations prior to de-obligating any remaining funds

- 16. Question: Under a continuing resolution, are RWAs amended to include additional funds through each extension?**

Answer: RWAs must be fully funded upfront. Even if we are in a continuing resolution, a customer cannot give GSA a portion of the funding to complete a scope of work with the hope that the additional funding may be available later in the fiscal year.

- 17. Question: In the example for Antecedent Liability, if we need to provide current year funds to a prior year RWA and complete the Statement of Further Written Assurance, does the agency need a new RWA for the current year or will the current year funds be added to the prior year RWA?**

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*Answer: The agency does not need a new RWA, but it does need an **amendment** to the original RWA. If prior-year funds (funds available when the RWA was accepted) are not available, the agency may provide current year funds with a signed Statement of Further Written Assurance indicating that funds from the time in which the initial RWA was accepted are no longer available.*

- 18. Question: Can we do an in-house agreement for things like painting walls and replacing carpet or redoing modular furniture?**

Answer: Customers may directly procure projects and services in GSA managed facilities if the project/service is below the [Micropurchase threshold](#) and if the GSA Building/Property Manager provides approval for the customer to do so.

- 19. Question: Will pen and ink signatures still be accepted?**

Answer: Yes, we will still accept pen and ink signatures from customer agencies. Please note that all GSA signatures will be electronic. We highly encourage our customers to use the new digital signature functionality in eRETA.

- 20. Question: On the subject of pen & ink signatures, will pen & ink corrections still be allowed for things like FPDS codes, service dates, etc.?**

Answer: Yes, corrections to FPDS codes, service dates, etc. are considered "administrative" and can be changed without needing to re-sign an RWA. In fact, customer agencies will be able to enter their own RWA information directly into our eRETA system later this year (2017) and can make these administrative changes directly in our systems.

- 21. Question: Does GSA accept overtime utility RWAs that indicate they are "subject to availability of FYXX" funds?**

Answer: We cannot accept an RWA that says "subject to availability of funds."

- 22. Question: From the time we have the Tenant Improvement (TI) cost, how much time do we have to conduct value engineering/descoping to reduce cost?**

Answer: TI is as an allowance from which the the final TI is deducted. If negative, the agency must pay the difference via RWA. RWAs for above-standard TI (ie: TI that exceeds the allowance) must be provided prior to lease award and include all known costs.

- 23. Question: Is there GSA policy that explains at what point in time (ie: 30 days prior to lease award, 120 days prior to lease award, etc.) an agency must submit an RWA to GSA for above-standard TI costs for a new lease? If so, where can that policy be found?**

Answer: RWAs must be provided prior to lease award and include all known costs. The exact point in time will vary depending on the situation.

- 24. Question: For overtime utilities under a continuing resolution (CR), should the RWA be**

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amended to include additional funds through each extension?

Answer: Yes. As a CR is extended (or a full year budget finally passed), we typically add the additional funds via an RWA amendment and extend the "completion date" out to the new CR ending date (or some other date before then).

Follow up question: In relation to my previous question, for overtime utilities CR extension, is extending the completion date considered a "new scope"?

Follow up answer: No, extending the overtime utilities within that fiscal year would be considered within-scope.

25. Question: What if the agency signs the RWA but doesn't send it to GSA as soon as they sign it? Is the date signed by the agency still used?

Answer: Yes the customer signature date is what we capture now. However, this will change once customers are able to digitally sign their RWAs from within eRETA (version 7.7 coming Summer 2017)!

26. Question: How are RWA numbers issued? Will all the numbers be in some type of order for each agency or are they generated from your internal software?

Answer: RWA numbers are generated by GSA's RETA system in sequential fashion.

27. Question: What is the cost for an RWA?

Answer: The total cost of an RWA includes the direct costs of the project/service along with the indirect costs (project management fee and overhead fee).

Follow up question: I heard there was a flat fee of 3% of the total cost.

Follow up answer: The project management fee for RWAs is 4% of the direct costs of the RWA. The sliding scale fee is then assessed based on the sum of the RWA's direct costs and 4% fee.

28. Question: Does GSA accept any bona fide scope of work with RWAs, or do your contracting and PM teams reach capacity and become unable to accept them?

Answer: Like all agencies, GSA has limited resources. However, GSA will not "reject" an RWA due to limited resources. We encourage frequent communication between the customer and GSA associates to ensure requirements are developed accurately and efficiently.

29. Question: Slide 16 (Reimbursable Services RWA Managers Map)- Are these the same contacts for overtime utilities?

Answer: The [RWA Program Manager](#) in each region has a wealth of RWA-related information, including whom you should contact for overtime utility-related concerns.

30. Question: What is needed to initiate an RWA? Is it only a Scope of Work?

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Answer: A customer need (bona fide need) is required to initiate planning for an RWA. Based on that need, GSA and the customer will develop requirements including a scope of work, cost estimates, schedules, etc.

- 31. Question: When you have a modification to an RWA, do you need to submit all documents again?**

Answer: An amendment to an RWA should include a new RWA Form 2957 along with the revised estimates, scope of work, schedules, etc. Furthermore, it is advised that you include the original RWA (and supporting documentation) with the amendment package.

- 32. Question: When amending funding for prior years, our accounting folks sometimes require GSA certifying that GSA WILL accept prior year funds. Is this case by case, or does GSA have a boiler plate memo that can be sent?**

Answer: GSA will only accept prior year funds for antecedent liabilities. We encourage customers to work with the [RWA Program Manager](#) (see gsa.gov/rwa for contact info) in their respective region when these situations arise.

- 33. Question: Does eRETA allow the fields that never change to stay the same or do you have to fill them out every time? For instance, if the form is available electronically, will the form only load the screens that need to be answered?**

Answer: All required fields are marked with red asterisks, and the system will not allow you to submit work requests, RWAs or amendments without completing these required fields.

- 34. Question: Does GSA handle COR responsibilities once a project is awarded?**

Answer: Depending upon the project's complexities, GSA's Contracting Officers may delegate one or more CORs and/or delegate the PM to perform COR functions.

- 35. Question; For RWA amendments, how should Sections 8 and 12 of the RWA 2957 Form be completed?**

Answer: Amendments should total the newest authorized amount. In effect, the latest signed RWA 2957 Form replaces the previous signed form, so GSA needs all of the original information plus the changes. Furthermore, instructions can be found on page 4 of the form. For assistance, please contact the [RWA Program Manager](#) in your region.

- 36. Question: What are the best ways to retrieve unused funds when the project actuals are less than the project estimates? Does GSA have a form or process to retrieve unused funds if the project is completed in a quick and timely manner?**

Answer: Once the project is financially closed, GSA will send the customer a closeout letter indicating how much the customer may deobligate (due to unused project funds).

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37. Question: What is the prospectus threshold in GSA owned vs. leased space?

Answer: The prospectus threshold in owned space is \$2.89 million, and in leased space it is \$1.25 million.