COMPUTER HARDWARE ENTERPRISE SOFTWARE AND SOLUTIONS (CHESS)

Defense Threat Reduction Agency Industry Education
How to Survive and Thrive in a Category Management Environment
15 August 2019
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CHESS

What is CHESS?

- **Army's designated Primary Source for commercial off-the-shelf (COTS) IT**

- **No-fee, flexible procurement strategy for COTS IT Hardware, Software and Services**

- **Online request for quote / proposal process**

DECENTRALIZED ORDERING ▪ NO CHESS FEE ▪ MANDATED AR 25-1 & AFARS 5139

ADMC-2 & CB	ITES-3H	ITES-3S	Wi-Fi Devices Contract	ITES-SW	Software Agreements	
Laptops	Servers/Workstations	IT Services & Support	Tablets:	IT Utility & Security	Adobe	Microsoft
Desktops	Networking Equipment	Program Management	• Wi-Fi only	Modeling & Simulation	VMware	Oracle
Monitors	Multifunctional Devices	Network Support	• No data/cellular	Multimedia & Design	Cisco	Symantec
Printers	VTC Equipment	Cloud Services	• Apple or Android OS	Program & Development	BMC	IBM
Audio Visual	Peripherals	Cyber Security	• MS Surface		CA	Red Hat TBD
					Java	…and more
7 ID/IQs	17 ID/IQs	135 ID/IQs	NASA SEWP	3 ID/IQs		
$6.545B Ceiling	$5B Ceiling	$12.1B Ceiling		$179M Ceiling	ESI	
					ELA	

Value of CHESS: Anything purchased through CHESS follows the DOD Applied Standards and Policies

CHESS Authority

CHESS is the mandatory source for commercial IT hardware and software purchases

"…Purchasers of commercial hardware and software must satisfy their IT requirements by utilizing the CHESS contracts and DoD Enterprise Software Initiative (ESI) agreements first, regardless of dollar value or appropriation…Any IT hardware or software purchase made outside of the CHESS contracts requires an Army Chief Information Officer (CIO)/G6 approved Information Technology Approval System (ITAS) Waiver."

AFARS 5139.101-90 (a)

CHESS is the primary source for purchases of COTS software, desktops, and notebook computers regardless of dollar value

"… Regardless of dollar value or financial appropriation, Army organizations must procure COTS IT software and hardware from CHESS, including desktop and notebook computers, video teleconferencing equipment, routers, servers, printers, and so forth."

AR 25-1 3-4 (a)(1)

"… CHESS, in conjunction with the Army Contracting Command's designated offices, will conduct semiannual consolidated buys (CBs) for desktop and notebook computers. Organizations shall use the CB to satisfy their desktop and notebook requirements to the maximum extent possible."

AR 25-1 3-4 (a)(3)

Contract Requirement: Compliance with DOD, Army and NETCOM Standards

- NETCOM Implementation Memorandum For Army End-User Computing Environment (TA)
- SHB-A (Army Implementation of Government Secure Host Baseline)
- Electronic Product Environmental Assessment Tool (EPEAT) / Energy Star
- GIG Technical Guidance Federation (Formerly DOD IT Standards Registry)
- Information Assurance (AR 25-2/DoD Information Network Approved Products List) (DoDIN APL)
- Internet Protocol Version 6 (IPv6)
- Army Information Management and Technology (AR 25-1)
- Section 508 (§1194.26 U.S. Rehabilitation Act)
- Smart Card Reader (CAC) (ISO 7816, FIPS 201, NIST IR 6887)
- Trusted Platform Module (TPM v2.0)
- Wireless Networking (DODD 8100.2 & AR 25-2)
- UID, RFID, etc.
- Hardware Requirement for FIPS 140-2 Certified Mode in Support of 802.11 Wireless Connection
- Secure BIOS/UEFI (NIST SP 800-147)
- Applicable DISA Security Technical Implementation Guides (STIGS)

Supply Chain Risk Management (SCRM)

What is it?

Supply Chain Risk means the risk that an adversary may sabotage, maliciously introduce unwanted function, or otherwise subvert the design, integrity, manufacturing, production, distribution, installation, operation, or maintenance of a national security system so as to surveil, deny, disrupt, or otherwise degrade the function, use, or operation of such system. SCRM refers to the systematic process for managing supply chain risk by: (1) identifying susceptibilities, vulnerabilities, and threats throughout the DoD's supply chain, (2) developing mitigation strategies to combat those threats.

Who are we working with?

CHESS is actively involved in the HQDA G-3/5/7-led Working Group. We are also engaged with NIST, MITRE, Gartner and others.

CHESS Contract Standard Requirements

| SCRM DFARS clause 806 / 2339a authority to DoD	Software RMF - CON - DoD APL - NSA NIAP	Trade Agreements Act (TAA) Compliant
Government has authority to remove a source that fails to meet qualification standards established within the clause.	Software must be certified through the Risk Management Framework (RMF) or be listed on another approved DoD program.	TAA requires that the U.S. Government may acquire only "U.S. made or designated country end products". This excludes companies like China, Iran , or other U.S. adversaries.
Letters of Supply / Authorization/ Counterfeit Prohibited	**SECURE ACT 2018**	**Refurbished Equipment**
Authorized reseller (verified with OEM) provides LOS or LOA for products. Providing counterfeit products is prohibited under any CHESS contract.	Grants authority for Federal Government to restrict products and manufactures of all IT. Applies to ALL IT as defined in "Covered Article" definition across the Federal Government	All contracts require only new equipment be provided by default and some contracts vary on allowing the use of used or refurbished equipment.

*Please check the SOW of each contract for clarification.

- **Army CIO/G-6 & ARCYBER are the designated IT Category Managers for the Army**
  - Putting new emphasis on the importance of this effort
- OMB Category Management Initiative
  - **CHESS' ADMC-2 hardware contract is the DoD's *only* OMB-designated Best in Class contract for IT Category Management**
  - Comprises a series of policy memos designed to improve the acquisition, management, and savings of common IT supplies & services Federal-wide
  - First policy memo applies to realizing cost savings and efficiency in the procurement of laptops and desktops, focusing on three immediate:
    1. Standardizing configurations for common requirements
    2. Reducing and consolidating contracts for laptops/desktops
    3. Optimizing price and performance
- CHESS meeting OMB goals for the Army
  - CHESS Consolidated Buy (CB) has long met OMB's laptop/desktop goals
  - Compliant with OMB's Government-wide Strategic Solutions (GSS) laptop/desktop categories

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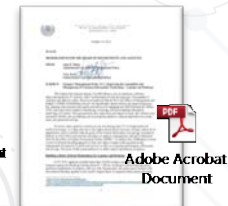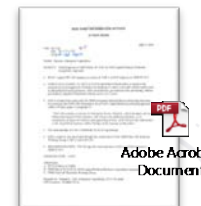
CHESS Category Management

OMB Category Management Policy	CHESS
Standard configurations for common requirements	✓
Reduce & consolidate contracts for laptops/desktops	✓
Optimize price and performance	✓
Open for all DoD and Federal customers with no fee	✓
Army mandated use of CHESS contracts	✓

- ✓ Meet all DOD Applied Standards & Policies
- ✓ Windows 10 compliant
- ✓ Compliant with GSS configurations

Current CHESS IDIQ Contracts

– Hardware:
  - Army Desktop and Mobile Computing – 2 (ADMC-2)
  - Information Technology Enterprise Solutions – 3 Hardware (ITES-3H)

– Services:
  - Information Technology Enterprise Solutions – 3 Services (ITES-3S)

– Software:
  - Information Technology Enterprise Solutions – Software (ITES-SW)

Upcoming CHESS IDIQ Contracts

– Hardware:
  - Army Desktop and Mobile Computing – 3 (ADMC-3) – Follow-on for ADMC-2; **Awarded 26 Jul 2019**
  - Information Technology Enterprise Solutions – 4 Hardware (ITES-4H); **ITES-3H expires in Feb 2021; planning for follow-on ITES-4H contract has began**

– Software:
  - Information Technology Enterprise Solutions – Software 2 (ITES-SW2) – Follow-on for ITES-SW; **anticipated Solicitation release August FY19**

Contract Vehicles

ADMC-2/Consolidated Buy (CB)

ADMC-2 Contract Overview

Seven (7) Indefinite Delivery/Indefinite Quantity (ID/IQ) Contracts

- Period of Performance: 24 APR 2006 to 23 APR 2020
- Open to Army, DOD, and Federal agencies
- Program Maximum: $6.545 Billion across all contracts for life of contracts (including all options)
- Decentralized Ordering
  - IT e-mart Request for Quote (RFQ) Tool preferred
  - Contracting Officers have the option to negotiate the proposed delivery order pricing
- No CHESS fee
- No protests allowed on orders under $25M for DoD and Civilian Agencies
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ADMC-2 Contract Scope

- Commodity purchases of commercial off-the-shelf desktops, notebooks, ruggedized and semi-ruggedized devices, slates/tablets, printers, scanners, power supplies, displays, video teleconferencing equipment (VTC), digital cameras, transit cases and related accessories and upgrades. Limited services include: installation, asset tagging, imaging, site survey, system configuration. Related services: installation, site survey, system configuration, integration, imaging, asset tagging and distribution
- Base contract for desktop and notebook Consolidated Buys (CBs)
- Includes technology refreshment, replacement and new technology provisions

ADMC-3 Contract Overview

Eight (8) Indefinite Delivery/Indefinite Quantity (ID/IQ) Contracts

- Period of Performance: 26 JUL 2019 to 25 JUL 2029
- Open to Army, DOD, and Federal agencies
- Program Maximum: $5 Billion across all contracts for life of contracts (including all options)
- Decentralized Ordering
  - IT e-mart Request for Quote (RFQ) Tool preferred
  - Contracting Officers have the option to negotiate the proposed delivery order pricing
- No CHESS fee
- No protests allowed on orders under $25M for DoD and Civilian Agencies

ADMC-3 Contract Scope

- Commodity purchases of commercial off-the-shelf IT desktops, notebooks, tablets, printers, multifunction devices and warranty, electronic displays, and related accessories and upgrades. Limited Services include: installation, asset tagging, imaging, site survey, and system configuration throughout CONUS and OCOUNS locations, including warzone areas.
- Base contract for desktop and notebook Consolidated Buys (CBs)
- Includes technology refreshment, replacement and new technology provisions
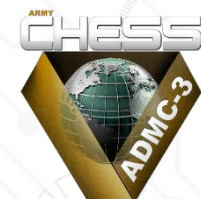
Consolidated Buy Overview

– The CB objective is to reduce Army costs and standardize IT enterprise

- **Considerations**
  - Cost, technical, OEM flexibility, schedule, O&M
  - NETCOM Army enterprise desktop standardization

- **Contracting Process**
  - NETCOM Army enterprise desktop standardization
  - Online Process – IT e-mart
  - Customer compares technology, prices, support features
  - Decentralized ordering by customer's contracting activity

- **CHESS Advantages**
  - No CHESS fee
  - Already standards/policy compliant (ADMC-2)
  - Windows 10 AGM load at factory

- **Exception Process**
  - Mission critical, non-conforming specs and host country agreement

CB Compare Tool Screenshot

Information Technology Enterprise Solutions-3 Hardware (ITES-3H)

ITES-3H Contract Overview

- Seventeen (17) Indefinite Delivery/Indefinite Quantity (ID/IQ) Contracts (7 small businesses, 10 large)
- Period of Performance: 25 APR 2016 to 21 FEB 2021
- Open to Army, DOD, and Federal Agencies
- Program Maximum: $5 Billion across all contracts for life of contracts (including all options)
- Decentralized Ordering
  - IT e-mart Request for Quote (RFQ) Tool
  - Contracting Officers have the option to negotiate the proposed delivery order pricing
- Ability for Small Business set asides
- No CHESS fee
- No protests allowed on orders under $25M for DoD and Civilian Agencies

ITES-3H Contract Scope

- IT hardware solutions of commercial off-the-shelf RISC/EPIC servers, Windows based servers, workstations, thin clients, desktop and notebooks (as part of a total solution), storage systems, networking equipment, network printers, cables, connectors, cabinets, video teleconferencing equipment (VTC), power supplies and related ancillaries.
- Related Fixed Prices Services include: system configuration and integration, physical site analysis, installation and relocation, high availability configuration and legacy equipment warranty/maintenance.
- Includes desktops and notebooks for the fielding of a complete system or part of total solution
- Includes Technology Refresh and New Technology Provisions

Information Technology Enterprise Solutions – 3 Service (ITES-3S)

ITES-3S Contract Overview

- 135 Indefinite Delivery/Indefinite Quantity (ID/IQ) Contracts
  - 85 Small Business, 50 Large Business
- Period of Performance: 25 SEP 2018 to 24 SEP 2027
- Open to Army, DOD, and Federal agencies
- Program Maximum: $12.1 Billion across all contracts for life of contracts (including all options)
- Firm fixed price, time and materials, cost plus
- Decentralized Ordering
  - IT e-mart Request for Proposal (RFP) Tool required for Task Order Requests (TORs)
  - Contracting Officers have the option to negotiate the proposed task order pricing
- No CHESS fee
- CONUS, OCONUS, & REMOTE OCONUS
- No protests allowed on orders under $25M for DoD and Civilian Agencies

85 Small Business

- 12 8(a)
- 4 HubZone
- 14 Service Disabled Veteran Owned Business
- 30 Women Owned Small Business (WOSB)

ITES-3S Contract Scope

- A full range of services and solutions necessary for the Army to satisfy its support of Army net centric goals with Information Technology (IT) services worldwide
- The IT services solutions are categorized in the following task areas:

Business Process Reengineering (BPR)knowledge management	Program/ Project Management	Independent Verification & Validation (IV&V)
Information Systems Security	Systems Operations and Maintenance	IT Supply Chain Management
Information Assurance	Network support	Migration/Integration IT Services
Information Technology Services	Cloud Hosting Services	Telecommunications/Systems Operation and Maintenance Services
Enterprise Design, Integration, and Consolidation	Cyber Security Services	
Education/ Training	Electronic Product Environmental Assessment Tool (EPEAT)	Warranty and Maintenance

ACCENT Contract Overview

- Period of Performance: BOAs - 3 years; TOs - up to 5 years
  - Expiration Date: 26 Feb 2020
- 85 Vendors
- Open to Army and DOD
- Program Maximum: $248.7 million ($204 million hosting and $44 million transition/modernization).
- Decentralized Ordering
  - IT e-mart Request for Proposal (RFP) Tool required for Task Order Requests (TORs)
  - Contracting Officers have the option to negotiate the proposed task order pricing
- No CHESS fee
- All ordering on ACCENT must be through CHESS

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ACCENT Contract Scope

- Services and solutions necessary for the Army to satisfy the requirement to migrate Army enterprise systems/applications to commercial cloud service providers and/or AEHFs. Commercial cloud services will be acquired based on approved Cloud Service Provider (CSO) Cloud Service Offerings (CSOs) (i.e., those with a DoD Provisional Authorization). ACCENT will also enable capability owners to modernize and transition applications to CSP/CSOs and/or AEHFs, and facilitate the acquisition of modular or mobile hosting facilities.
  - Cloud Hosting
 - Transition Support
  - Modernization

ITES-SW Contract Overview

– Three (3) Indefinite Delivery/Indefinite Quantity (ID/IQ) Contracts

– Period of Performance: 11 FEB 2015 to 11 FEB 2020

– Open to Ordering contracting officers within the Army

– Program Maximum: $179 Million across all contracts for life of contracts (including all options)

– Decentralized Ordering

    – IT e-mart Request for Quote (RFQ) Tool

– No CHESS fee

– No protests allowed on orders under $25M for DoD and Civilian Agencies

ITES-SW Contract Scope

- COTS software products and related services that have obtained a full Certificate of Networthiness (CoN) applicable under the following categories:

    – IT Utility & Security

    – Modeling & Simulation

    – Multimedia & Design

    – Program & Development
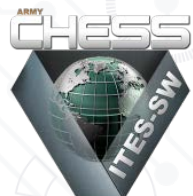
ITES-SW vs ITES-SW2

Topic Area	Current ITES-SW	Future ITES-SW 2
Ordering open to	Army Only	All Federal
Categories	4 Software Categories	14 Software Categories
Requirement	CoN Products Only	*All Products
Related Service Threshold	Cap on Services of $10K	**No cap on Services
Related Hardware Requirement	Out of scope	In scope; **No cap on Hardware
Intent	Primarily less than $150k software buys	Satisfy all dollar value software buys
POP	5 Years	10 Years
Ceiling	$49M Initial – $179M Current	$13B
Terms & Conditions	Supplemental	Base + Supplemental

*The CoN process expired on 02 JUL 18 and was replaced with RMF Assess Only. These processes cannot be initiated by the vendor and the previous requirement limited competition and increased SoNAs/ITAS waivers. The Government will require Contractors to indicate which products do have legacy CoNs, have been through RMF, or are listed on other DoD approved programs. The onus will be on Customers to ensure they follow their respective agency policies when purchasing and installing products on their networks.

* *Related hardware and services will be directly related to the ITES-SW 2 software requirement. There is no cap on the amount of related hardware or services that may be purchased at the delivery order level, however, the software requirement must be the primary requirement.

CHESS IT e-mart

IT e-mart Features:

- Contract Information, Modifications and Lists of Products
- Request For Quote (RFQ)/Request For Proposal (RFP)/Request For Information (RFI) Tool *
- Reverse Auction Capability*
- Statements of Non-Availability (SoNA) Request Tool *
- CHESS License Tracker for Software (LTS)*
- Consolidated Buy Compare Tool
- Request for Training Tool *
- CHESS Tutorials, Ordering Guides & FAQs
- CHESS Events Calendar
- Software Agreements for ELAs and ESIs **
- "Report a Bug" for Feedback *
- Link to CIO/G-6 ITAS Waiver
- Government Employee Purchase Program
- Supply Chain Risk Management

https://chess.army.mil

*Must be logged in
**Must be CAC logged in
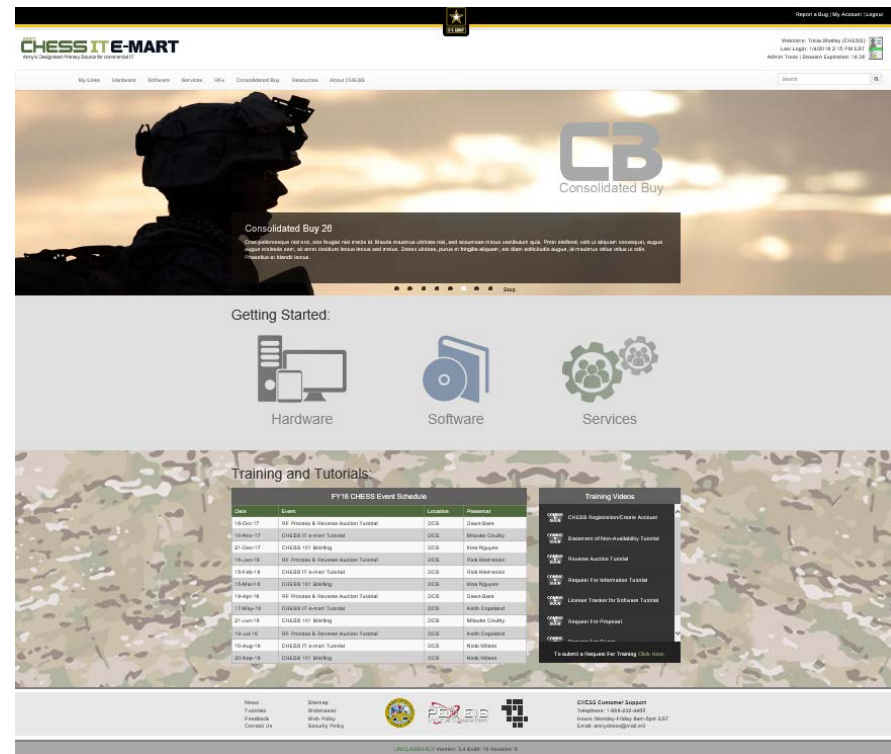
CHESS is a small business friendly environment and is always willing to meet with prospective small business vendors

- Close to half (44.17 percent) of all vendors on CHESS ID/IQ contracts are small businesses.
- **ITES-3S** is very small business friendly.
  - Out of the 135 contract awardees, 85 are small businesses
  - Small business set-asides by social economic status
    - No direct awards allowed for small business social economic status, this is a full and open multiple award ID/IQ contract
    - This is up from the current 2 small businesses out of 16 vendors on ITES-2S
- **ADMC-3** was awarded 26 Jul 2019.
  - 8 awards with 5 reserved for small businesses
- **ADMC-2** has 7 contracts with 4 small business.
- **ITES-3H** has 7 small business out of 17 vendors.
  - Success stories of a small business on ITES-2H graduating to a large on ITES-3H
  - Small business set-asides at the prime level
  - 23% min Small Business participation goal
- **ITES-SW** has 3 contracts with 1 small business.
  - SW2 RFP to be released this month (August) on FedBizzOps
  - Anticipate small businesses to compete

However, there are still opportunities for small businesses to sub to primes on CHESS contracts Consider subcontracting with a current prime on any of our contracts

Helpful Hints for SB

- **Understand your company's niche or environment.**
  - Your small business can't do everything and compete with everyone. That's why finding a niche is so crucial to your business success.

- **Use FPDS (Federal Procurement Data System) for market research.**
  - Do your research to see who is buying what, when , where, and why

- **Know the organizations needs and requirement that are competing for.**

- **Recognize and understand small business goals.**
  - Not just for your company but know your primes SB goals as well.

- **Utilize teaming opportunities.**
  - Teaming allows business to pool resources, management abilities, and technical knowledge all of which help make small business more competitive.

- **Actively monitor your past performance of previous acquisitions.**
  - Most agencies award contracts to businesses with past performances, making prior experience the second most important selection criteria after price.

- **Have a valid reason for protesting an award**.

Contact Us

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Backup Slides

In order to utilize the RF Tool to submit Request for Quotes (RFQs), Request for Proposals (RFPs), Requests for Information (RFI), or to start a Reverse Auction (RA) you must be logged into the CHESS IT e-mart at https://chess.army.mil

(Once you are logged in to the CHESS IT e-mart click "RFx" on the Main Menu bar to access the RF Tool)

- **Request for Quote (RFQ)** – Utilize when procuring Hardware & Software from ADMC-2, ITES-3H, Mobility Services and ITES-SW contract vehicles.

- **Request for Proposal (RFP)** – Utilize when procuring Services from ITES-3S contract vehicle.

- **Request for Information (RFI)** – Utilize when conducting market research to request information from any of the vendors listed on any CHESS contract.

- **Reverse Auction (RA)** – Utilize when soliciting vendors to successively bid prices down against other vendors. Only available for ADMC-2, ITES-3H and ITES-SW.

IMPORTANT NOTE: Contracting Officers have the option to negotiate proposed delivery/task order pricing

FY20 Training Calendar

Date:	Training:	Location:	Presenter:
21-Nov-19	CHESS 101 Briefing	DCS	Gerry Lebel
16-Jan-20	CHESS 101 Briefing	DCS	Rick Klemencic
19-Mar-20	CHESS 101 Briefing	DCS	Mitsuko Coulby
21-May-20	CHESS 101 Briefing	DCS	Jon Smith
16-Jul-20	CHESS 101 Briefing	DCS	Andrea Zalasky
17-Sep-20	CHESS 101 Briefing	DCS	Nicki Wilson

- The CHESS 101 Briefing provides a program overview including detailed information about our Hardware, Software, and Services contracts. Get additional information about the License Tracker for Software (LTS), the RF Process, Statements of Non-Availability, and much more! Learn how to streamline IT procurement by logging into our Bi-monthly Teleconference Sessions.

- Contact Tricia Shelley at tricia.a.shelley.ctr@mail.mil to request a specialized Briefing/Training for your command!