Federal Tech Spending Amid Covid-19 & Economic Uncertainty

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Tech companies working with the government face a number of opportunities and challenges during the pandemic. We've outlined some of the most relevant considerations as well as current opportunities to support.

Many agencies are feeling immediate strain on their IT systems as part of the shift to telework and have received additional budget and procurement flexibility to modernize their systems. Given the speed at which agencies want to move in response to the pandemic, we recommend focusing on increasing scope with existing customers or leveraging existing relationships rather than trying to expand to new customers right now.

Key Considerations

Risks

Agencies are redirecting budgets and personnel to address Covid-19.
Current contracts may be delayed, and you may have trouble accessing or engaging with key stakeholders.

Government is teleworking.
Agencies are struggling to adapt to telework, and you may encounter some who are unable to work because of IT issues. Technical difficulties could impact you in unexpected ways if, for example, the contracting officer for your procurement is MIA or the finance person is out and you can't get paid.

Priority Tech Areas

1. Telework Infrastructure and Security

2. Data Collection, Sharing, Privacy, and Analytics

3. Vaccine and Treatment R&D

* We expect most relevant procurements to be made with existing vendors through traditional methods, but there are a number of solicitations and ongoing efforts, which we've highlighted below

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Opportunities to Help

Budget Increases
Many agencies are receiving significant supplemental budgets with broad latitude on how they spend.

Procurement Authority Changes
Agencies are getting broad authority to increase thresholds for procurement times and flexibility via the National Emergency declaration and Defense Production Act.

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Increased Procurement Flexibility

All agencies have received the authority to raise the following procurement thresholds. As of writing DoD, DHS, VA, GSA, and IRS have implemented these changes, and we expect others to follow suit.

Additional flexibilities are available to extend existing contracts depending on your situation. Click here to learn more.

- Micro-purchase (p-card) threshold increased from $10,000 to $20,000

- Simplified acquisitions threshold increased from $250,000 to $750,000

- SAT for commercial items increased from $7 million to $13 million

Relevant Agency Budget Increases for Covid-19-related IT

Of the three major bills passed so far, the majority of the $2 trillion is allocated to loans, grants, direct payments, and healthcare provision and reimbursement. However, many agency budgets received increases with broad latitude on how to spend, including modernizing IT systems for the massive increase in telework.

DoD received several billion in additional budget and broad latitude on how to spend it for "operations" across each department, OSD, the national guard, and the Defense Health Agency. In addition, some civilian budget increases, focused specifically on tech, **on the next page.**

Government Covid-19 Solicitations

- HHS/BARDA
- Air Force Covid-19 Direct to Phase 2 SBIR
- Medical CBRN OTA Consortium White Paper Call
- Army Medical Enterprise Technology OTA Consortium
- AFWERX Google Form RFI
- TSA Industry Assistance Request

Additional unfunded efforts and industry sharing portals:

- White House Open Data Challenge
- White House Covid-19 Research and Tech Task Force
- USAID Covid-19 Innovations Site

Reach out at covid-response@dcode.co if you have any questions or updates.

Agency	Budget	Tech/Area
Veterans Affairs	$2.1B	Information technology systems
Centers for Disease Control and Prevention	$500M	Public health data surveillance and analytics infrastructure modernization
Social Security Administration	$300M	Support telework and process retirement and disability workload
Coast Guard	$141M	Activate Coast Guard Reserve personnel, building capacity and capability for information technology systems, infrastructure for telework and remote access
Federal Emergency Management Agency	$45M	Expand information technology and communications capabilities and to build capacity in response coordination efforts
Cybersecurity and Infrastructure Security Agency	$9M	Supply chain and information analysis and for impacted critical infrastructure coordination
USDA Rural Utilities Service	$25M	'Distance Learning, Telemedicine, and Broadband Program'
Department of Justice	$55M	Information technology improvements and security needed for telework at the Department of Justice and sub-agencies
United States Agency for International Development	$95M	Operational needs including support for evacuations and ordered departures of overseas staff, surge support, increased technical support for remote functions
United States Army Corps of Engineers	$70M	Additional equipment, licenses, and IT support to improve teleworking capabilities and ensure secure remote access for Corps staff
United States Bureau of Reclamation	$20.6M	Additional equipment, licenses, and IT support to improve teleworking capabilities and secure remote access
Department of the Interior Bureau of Indian Affairs	$453M	Flexible response funds to include telework
Department of the Interior Bureau of Indian Education	$69M	Flexible response funds to include telework
Department of the Interior Office of the Secretary	$158.4M	Flexible response funds to include telework