

Utah Procurement Symposium, Oct 20th 2015

Government Contracting for Small Business: Leveraging your Small Business Capabilities for Government Contracting

**Procurement Technical Assistance Center
Government Procurement Basics - PTAC 101**

The Customer



- The U.S. government:
 - Is the largest buyer in the world
 - Federal agencies buy just about every category of commodity and service available
 - Spends billions

Government Market Place: Overview

Largest Contract Awardees in U.S. FY 15 (as of 10/12/15)

LARGEST AWARDEES IN U.S. - FY 2015 AS OF 10/12/2015

1. LOCKHEED MARTIN CORPORATION	\$28,983,096,777	6. Northrop Grumman Corporation	\$6,503,410,597
2. THE BOEING COMPANY	\$13,227,083,953	7. UNITED TECHNOLOGIES CORPORATION	\$5,844,907,760
3. GENERAL DYNAMICS CORPORATION	\$11,735,774,541	8. BECHTEL GROUP INC.	\$4,494,526,436
4. RAYTHEON COMPANY	\$11,031,620,121	9. L-3 COMMUNICATIONS HOLDINGS INC.	\$4,398,278,535
5. MCKESSON CORPORATION	\$6,892,301,384	10. BAE SYSTEMS PLC	\$3,253,735,363

SOURCE: usaspending.gov

Government Market Place: Overview of Most Funds Awarded by Agency – FY 2015 (as of 9/4/2015)

MOST FUNDS AWARDED BY AGENCY - FY 2015

Agency	Funds Awarded
1. Department of Health and Human Services	\$814,937,108,342
2. Social Security Administration	\$783,017,954,105
3. Department of Defense	\$175,933,060,382
4. Department of Veterans Affairs	\$137,217,356,022
5. Department of Education	\$66,231,669,448
6. Department of Transportation	\$42,582,696,749
7. Department of Agriculture	\$39,642,063,028
8. Department of Energy	\$25,052,614,295
9. Department of Homeland Security	\$18,216,289,674
10. National Aeronautics and Space Administration	\$15,786,008,190

SOURCE: usaspending.gov

Overview of Awards 2008-2015 FY

(as of 10/12/15)

Fiscal Year	Contracts	Grants	Loans	Other Financial Assistance*	Total
2016	\$2,924,610,607	\$14,047,336	\$0	\$5,307,224	\$2,943,965,167
2015	\$356,387,280,079	\$587,530,989,136	\$4,565,146,889	\$1,456,628,644,222	\$2,405,112,060,325
2014	\$445,449,195,654	\$603,526,858,284	\$6,593,083,281	\$1,708,381,105,808	\$2,763,950,243,027
2013	\$463,197,031,011	\$523,375,995,451	\$2,173,926,208	\$1,928,794,173,440	\$2,917,541,126,110
2012	\$518,986,231,182	\$543,902,978,955	\$106,914,873	\$2,644,808,230,273	\$3,707,804,355,282
2011	\$539,883,157,662	\$571,629,680,113	\$2,465,266,519	\$2,177,481,522,883	\$3,291,459,627,177
2010	\$540,121,175,124	\$623,110,650,662	\$2,828,055,527	\$1,318,646,346,968	\$2,484,706,228,281
2009	\$540,762,030,106	\$675,571,603,524	\$694,094,979	\$1,731,541,170,458	\$2,948,568,899,067
2008	\$541,247,766,183	\$420,669,098,854	\$438,967,842	\$1,121,867,802,673	\$2,084,223,635,552

*Other financial assistance includes Medicare, food stamps, unemployment benefits, assistance payments (such as reimbursement for prescriptions for Veterans), etc.

Source: usaspending.gov

The Government Acquisition Process

Fed Government procurement is the process by which the federal government acquires goods, services (notably construction), and interests in real property. Contracts for government procurement usually involve appropriated funds spent on supplies, services, and interests in real property by and for the use of the Federal Government through purchase or lease, whether the supplies, services, or interests are already in existence or must be created, developed, demonstrated, and evaluated. See 48 C.F.R. § 2.101

Federal Acquisition Regulation

The procurement process is subject to legislation and regulation separate from the authorization and appropriation process. These regulations are included in the [Code of Federal Regulations](#) ("CFR"), the omnibus listing of Government regulations, as [Title 48](#). Chapter 1 of Title 48 is commonly called the [Federal Acquisition Regulation](#) ("FAR").

The Government's Objective...

The goal is...

A quality product or service

Delivered on time

At a competitive cost.

Is the Government Market Right for You?

- Have you been in business for more than 2 years with a sustained revenue?
- Does your company have the financial resources to service and manage a contract?
- Does your company have the technical capabilities the government needs?
- Do you have a proven track record – Past Performance?

What You Need to Get Started in Government Contracting

- Business Registration
- Tax ID (or SSN if you are a sole proprietor)
- DUNS # - <https://iupdate.dnb.com>
- Registration in the System for Award Management SAM - www.sam.gov
- Banking information

Knowing Your Industry and Understanding Where You Fit In...

- Identify your NAICS Codes and Size Standard:
www.census.gov/eos/www/naics
- Size is determined by the number of employees or average annual sales:
- Examples: <https://www.sba.gov/content/small-business-size-standards>
 - Commercial construction(236220) - \$ 36.5 Million
 - Warehousing and Storage(493110) - \$ 27.5 Million
 - Office Furniture Manufacturing (337211) – 500 Employees
 - Auto Parts Wholesalers(423120) – 100 Employees

Small Business Programs and Certifications...Do You Qualify?

- ◉ 8(a) Business Development Program
- ◉ HUBZone Program
- ◉ Women Owned Small Business Certification
- ◉ Veteran Owned Small Business – www.vetbiz.gov
(verification to qualify for VA set asides)
- ◉ Service Disabled Veteran Owned Small Business
– www.vetbiz.gov
- ◉ Small Disadvantaged Business

www.sba.gov/contracting

Federal Small Business Contracting Goals

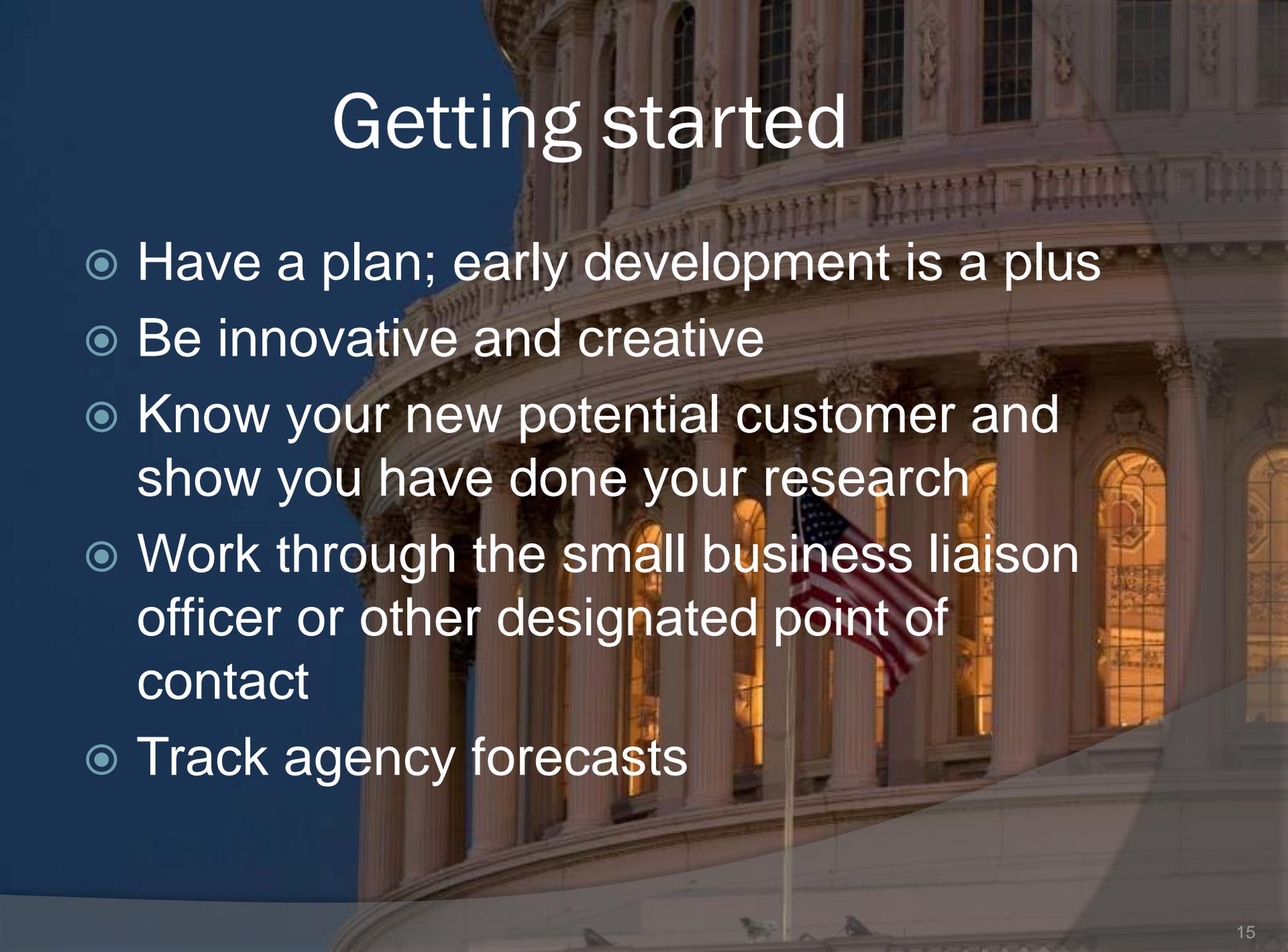
Federal Government wide statutory Goals

- ❑ 23% of prime contracts to small business
- ❑ 5% of prime and subcontracts to SDB
- ❑ 5% of prime and subcontracts to WOSB
- ❑ 3% of prime and subcontracts to SDVOSB
- ❑ 3% of prime and subcontracts to HubZone
- Agency goals may be negotiated and monitored by the SBA
- Goal Scorecards are published annually – <https://www.sba.gov/content/small-business-procurement-scorecards-0>

Finding Contracting Opportunities

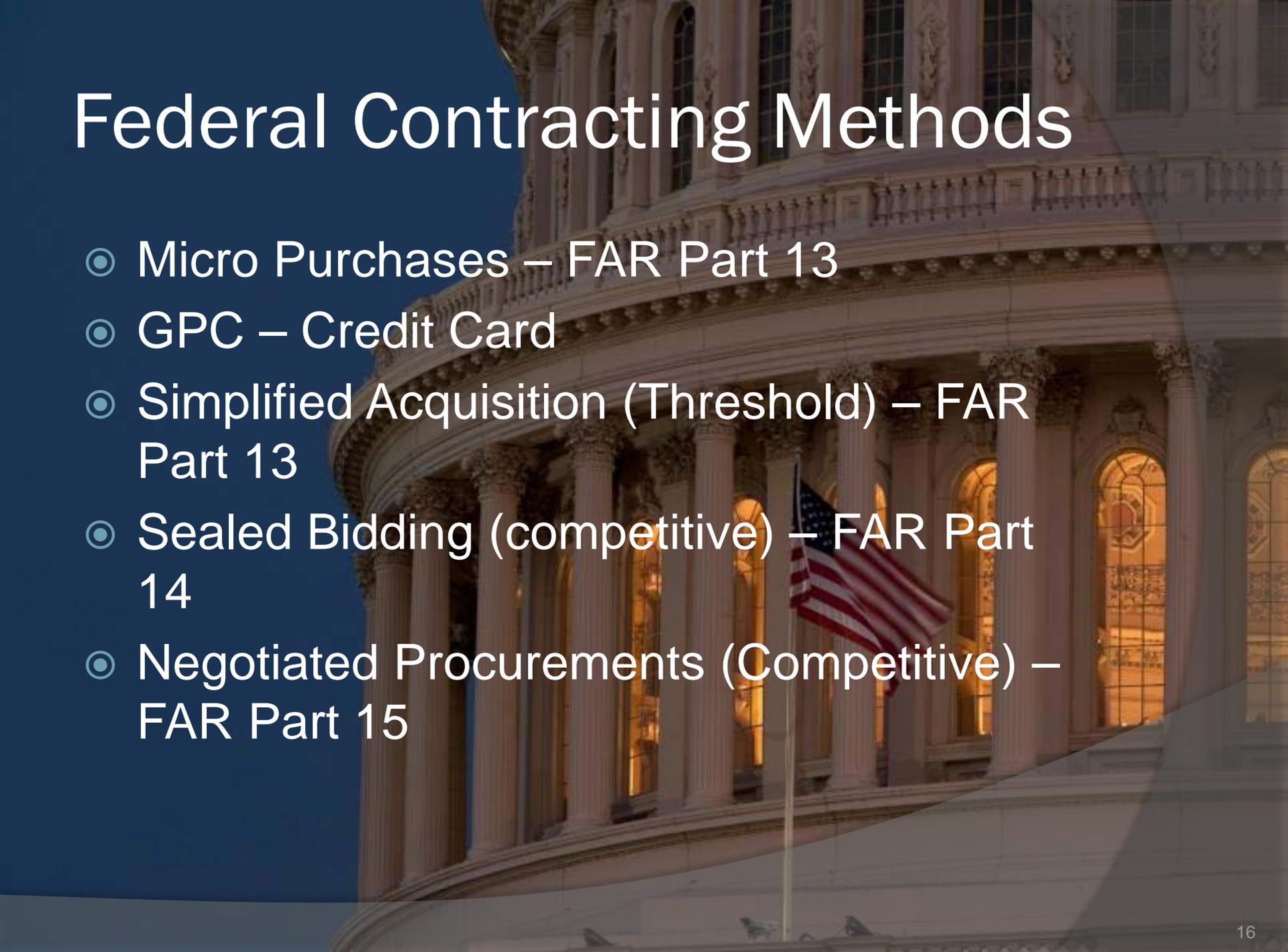
- Federal Business Opportunities
“FedBizOpps” – www.fbo.gov
- FBO – Opportunities Over \$25,000
- FedBid – www.fedbid.com, Reverse auction system used by some Fed Agencies for simplified acquisition
- Bidsync – Non-Fed, third party bid site used by Fed, States, Cities, Education etc (Fees may apply)

Getting started



- Have a plan; early development is a plus
- Be innovative and creative
- Know your new potential customer and show you have done your research
- Work through the small business liaison officer or other designated point of contact
- Track agency forecasts

Federal Contracting Methods



- Micro Purchases – FAR Part 13
- GPC – Credit Card
- Simplified Acquisition (Threshold) – FAR Part 13
- Sealed Bidding (competitive) – FAR Part 14
- Negotiated Procurements (Competitive) – FAR Part 15

Simplified Acquisitions (FAR Part 13)

- Solicitations: Request for Quotation(RFQ)
- Purchases over micro purchase \$3,000 - \$150,000
- Informal advertisement for purchases over \$10,000 and up to \$25,000
- Formal advertisement in FBO for purchases over \$25,000
- Automatically set aside for small business, or may be set aside for 8(a), SDVOSB, WOSB etc.
- Award is usually based on lowest price

Sealed Bids

- One of two methods used for procurements over \$150,000
- Solicitation in the form of Invitation to Bid (IFB)
- Formal advertisement in FBO required
- May be set-aside requirement
- Award is made to lowest cost responsive and responsible bidder

Negotiated Procurements

- One of two methods used for procurements over \$150,000
- Formal advertisement in FBO required
- Solicitation in the form of Request for Proposal(RFP) or
- Set-aside for small business,8(a), HubZone, SDVOSB or WOSB
- Proposals are evaluated, and the evaluation committee holds discussions with “short list” bidders
- Award is made to best value responsive and responsible bidder

Federal Marketing Resources For Small Business

- Small Business Liaison Officers: Prime contractor employee who monitors subcontracting goals
- Small and Disadvantaged Business Utilization Specialist (SADBU)/ Office of Small and Disadvantaged Business Utilization (OSDBU) – www.acq.osd.mil/osbp/; www.osdbu.gov
- Procurement Center Representative (PCR) – SBA
- USA Spending – www.usaspending.gov
- General Service Administration (GSA) – www.gsa.gov

Capability Statement – Your Company at a Glance

- ❖ Crisp and clean, no clutter, clean images.
- ❖ Use bullet points.
- ❖ Company name, Address, Website, Email
- ❖ Key differentiators, Core business, experience, certifications
- ❖ Key points of contact names and contact information
- ❖ DUNS#, CAGE code, Primary NAICS codes, business size
- ❖ Past Performance (Past 2 or more years)

General Services Administration Multiple Award Schedules(MAS)

Preapproved

- You Company goes through a “vetting” process
- Pre-negotiated pricing

Limited Competition

- Government can select 2 companies
- Potential marketing opportunities through E-buy

Wide Range of Products/Services

- Professional Services, Information Technology, Automobile, Products etc.
- Construction and Facilities Management

Other Potential Sources of Contracting



- State Agencies
- Universities/ Colleges
- School Districts
- Counties
- Cities
- Large Institutions
- Subcontracting

Procurement Technical Assistance Center (PTAC)

- The Utah PTAC is a key point of contact for government contracting for small to medium size businesses
- PTAC is an important part of the Governor's Office of Economic Development (GOED)
- PTAC partners with several economic development organizations as well as State and federal agencies in Utah to support small business

PTAC Support and Assistance to Small Business

- Bid-Match software for delivering contract opportunities
- One-on-One counseling
- Outreach, Conferences and Training events
- Assistance with DUN and SAM registration
- Marketing support for contracting
- Contracting Partnerships – prime/sub, Mentor/protégé, Teaming
- Registrations and certification assistance
- Bid Proposal (RFP) Assistance
- Products specs/ Mil Specs and standards
- Procurement Histories/ Pricing Data
- GSA Assistance

PTAC STATE-WIDE OFFICES

- ▶ Salt Lake (Central SLC)
- ▶ Sandy (So. Salt Lake)
- ▶ Logan (Cache, Box Elder & Rich Counties)
- ▶ Orem (Utah, Carbon, Daggett, Duchesne, Emery, Grand, Juab, Millard, Sanpete, Uintah, and Wasatch Counties)
- ▶ Kaysville (Weber, Davis & Morgan Counties)
- ▶ Cedar City (Iron, Beaver, Piute, Sevier and Wayne Counties)
- ▶ St. George (Washington, Kane, San Juan & Garfield Counties)

The background of the slide is a photograph of the Utah State Capitol building at dusk. The building is a grand, classical structure with a prominent portico supported by tall columns. The interior lights are on, and an American flag is flying in front of the building. The sky is a deep blue.

Contact:

Procurement Technical Assistance Center

World Trade Center Bldg.

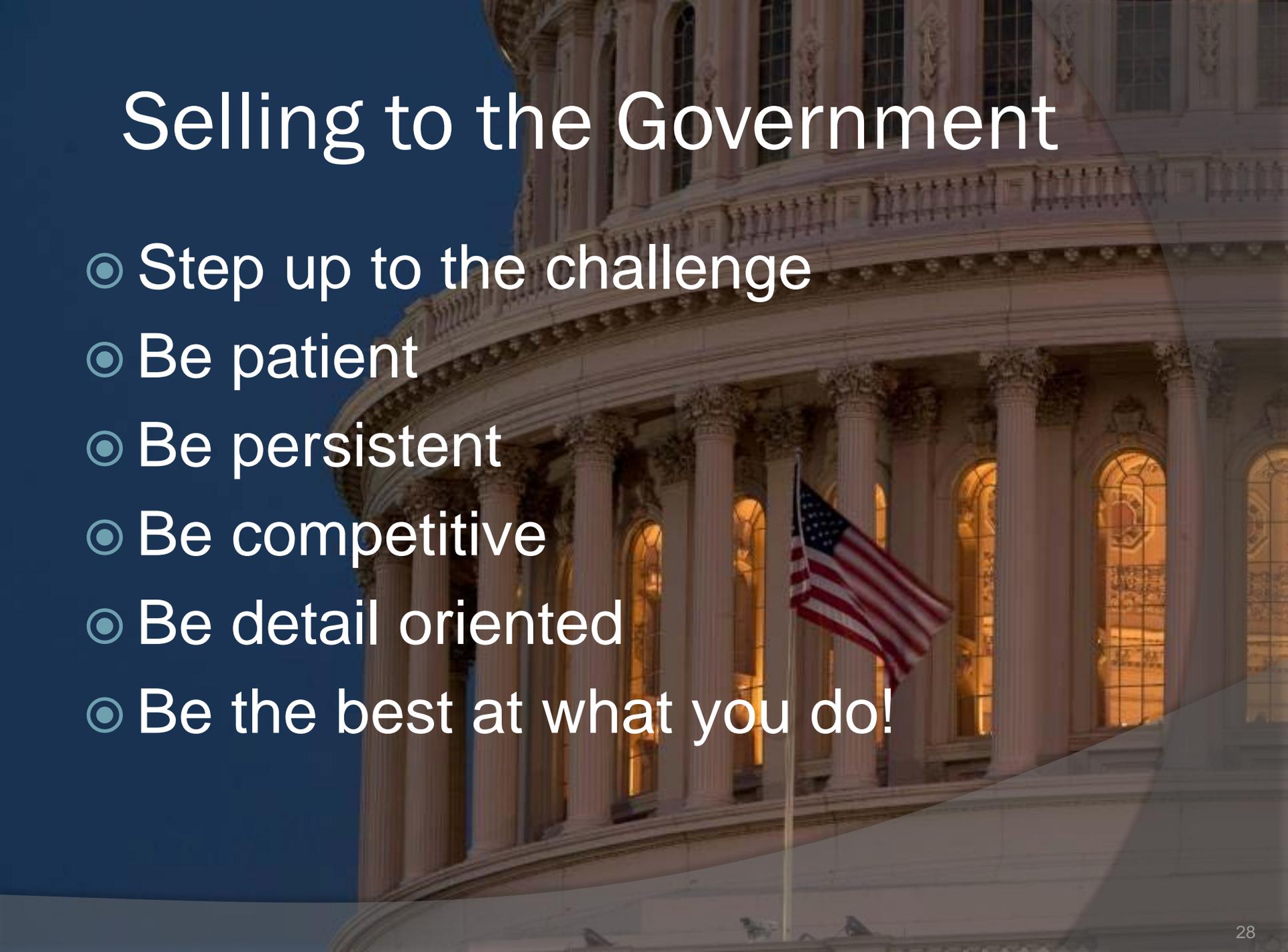
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Salt Lake City, Utah

Ph: 801-538-8775

www.business.utah.gov/PTAC

Selling to the Government



- Step up to the challenge
- Be patient
- Be persistent
- Be competitive
- Be detail oriented
- Be the best at what you do!



Q & A