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Utah Procurement Symposium, Oct 22nd 2013

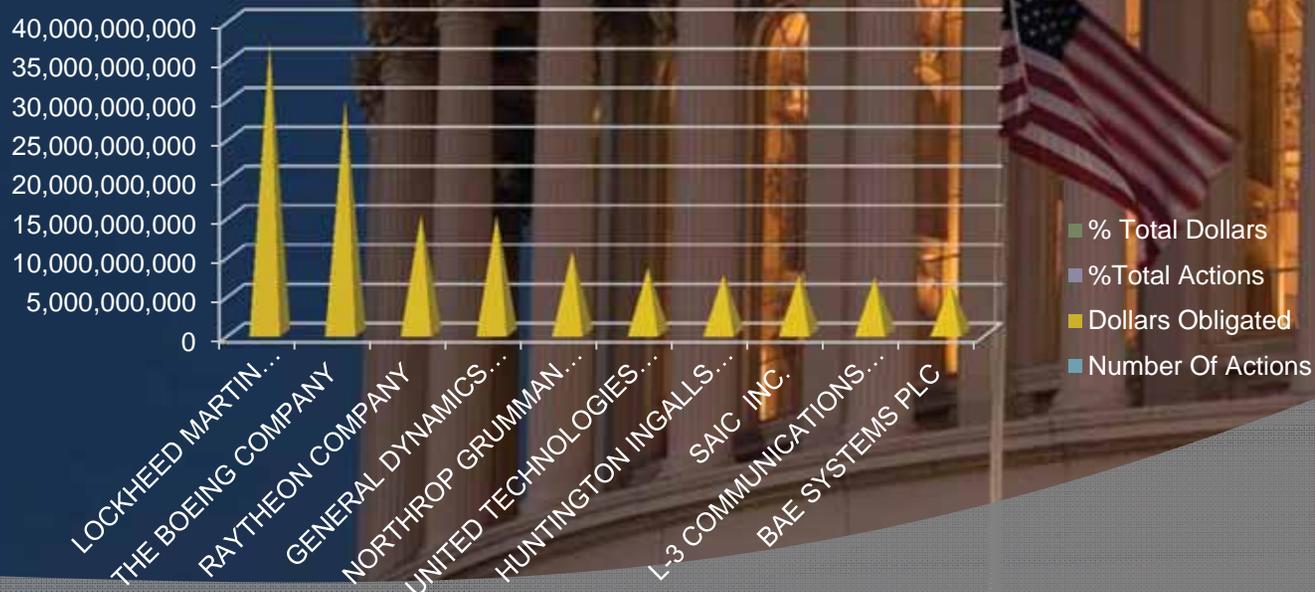
Government Contracting for Small Business: Navigating the \$500 Billion Government Market Place

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

Government Market Place: Overview

Top 10 Major Contractors in FY 2012

Global Vendor Name	Number Of Actions	Dollars Obligated	%Total Actions	% Total Dollars
LOCKHEED MARTIN CORPORATION	21,647	\$36,961,763,002.21	0.1238%	7.2275%
THE BOEING COMPANY	14,676	\$29,440,807,312.42	0.0839%	5.7568%
RAYTHEON COMPANY	11,388	\$15,053,753,077.37	0.0651%	2.9436%
GENERAL DYNAMICS CORPORATION	17,739	\$14,956,502,813.10	0.1014%	2.9246%
NORTHROP GRUMMAN CORPORATION	10,729	\$10,374,628,072.82	0.0613%	2.0286%
UNITED TECHNOLOGIES CORPORATION	14,301	\$8,267,493,309.02	0.0818%	1.6166%
HUNTINGTON INGALLS INDUSTRIES INC.	6,207	\$7,407,215,480.96	0.0355%	1.4484%
SAIC INC.	30,321	\$7,406,712,635.03	0.1733%	1.4483%
L-3 COMMUNICATIONS HOLDINGS INC.	11,652	\$7,009,068,336.94	0.0666%	1.3705%
BAE SYSTEMS PLC	11,686	\$6,147,748,651.29	0.0668%	1.2021%



Government Market Place: Overview

Top 10 Agencies by Contract Dollars – FY 2013

FED AGENCIES	Contract Dollars (Billion)
Department of Defense(DOD)	\$219.8B
Department of Energy (DOE)	\$24.5B
Department of Health & Human Services(HHS)	\$19.60
Department of Veteran Affairs(VA)	\$17.3B
National Aeronautics & Space Administration(NASA)	\$14.2B
Department of Homeland Security(DHS)	\$12.0B
General Services Administration(GSA)	\$8.3B
Department of State	\$7.2B
Department of Treasury	\$6.8B
Department of Justice	\$6.10

Federal Contract Awards for Products/Services by Extent Competed Type

PSC Category	Not Competed Under SAP	Follow On to Competed Action	Non-Competitive Delivery Order	Full and Open Competition After Exclusion of Sources	Not Competed	Not Available for Competition	Full and Open competition	Competitive Delivery Order	Competed Under SAP
SUPPORT SVCS (PROF, ADMIN, MGMT)	\$3.9B	\$12.1B	\$9.9B	\$59.2B	\$102.6B	\$35.3B	\$445.0B	\$47.7B	\$6.0B
RESEARCH AND DEVELOPMENT	\$582.9M	\$6.9B	\$1.7B	\$101.1B	\$224.7B	\$13.8B	\$290.0B	\$2.6B	\$1.1B
AIRCRAFT/AIRFRAME STRUCTURE COMPTS	\$107.8M	\$5.5B	\$379.4K	\$12.8B	\$275.2B	\$18.0B	\$30.0B	\$5.6M	\$331.2M
ADP AND TELECOMMUNICATIONS	\$3.9B	\$1.4B	\$8.4B	\$27.0B	\$25.6B	\$12.5B	\$186.9B	\$57.2B	\$2.0B
OPERATION OF GOVT OWNED FACILITY	\$75.4M	\$545.0M	\$343.3M	\$5.9B	\$70.2B	\$16.1B	\$222.2B	\$200.8M	\$113.8M
CONSTRUCT OF STRUCTURES/FACILITIES	\$373.1M	\$188.2M	\$798.9M	\$40.1B	\$7.2B	\$16.6B	\$219.1B	\$1.4B	\$657.4M
MAINT, REPAIR, REBUILD EQUIPMENT	\$806.4M	\$1.1B	\$295.7M	\$14.1B	\$55.2B	\$9.2B	\$124.8B	\$1.4B	\$1.2B
UTILITIES AND HOUSEKEEPING	\$980.8M	\$786.0M	\$1.5B	\$23.2B	\$11.8B	\$40.8B	\$76.7B	\$5.7B	\$1.9B
MOTOR VEHICLES, CYCLES, TRAILERS	\$223.1M	\$4.3B	\$47.5M	\$3.5B	\$84.2B	\$4.5B	\$57.2B	\$6.5B	\$716.9M
MAINT, REPAIR, ALTER REAL PROPERTY	\$600.2M	\$193.9M	\$316.7M	\$33.6B	\$5.1B	\$27.6B	\$91.3B	\$1.9B	\$853.0M
MEDICAL SERVICES	\$943.5M	\$563.9M	\$560.0M	\$8.6B	\$6.8B	\$15.1B	\$122.1B	\$1.2B	\$1.4B

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.



What You Need to Start Government Contracting...

- Registration in the System for Award Management SAM - www.sam.gov
- DUNS# - www.fedgov.dnb.com
- Tax ID
- Business Registration
- Banking information

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?

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 receipts:

- Examples:

- Commercial construction(236220) - \$ 33.5 Million
- Warehousing and Storage(493110) - \$ 25.5 Million
- Office Furniture Manufacturing (337211) – 500 Employees
- Auto Parts Wholesalers(423120) – 100 Employees

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

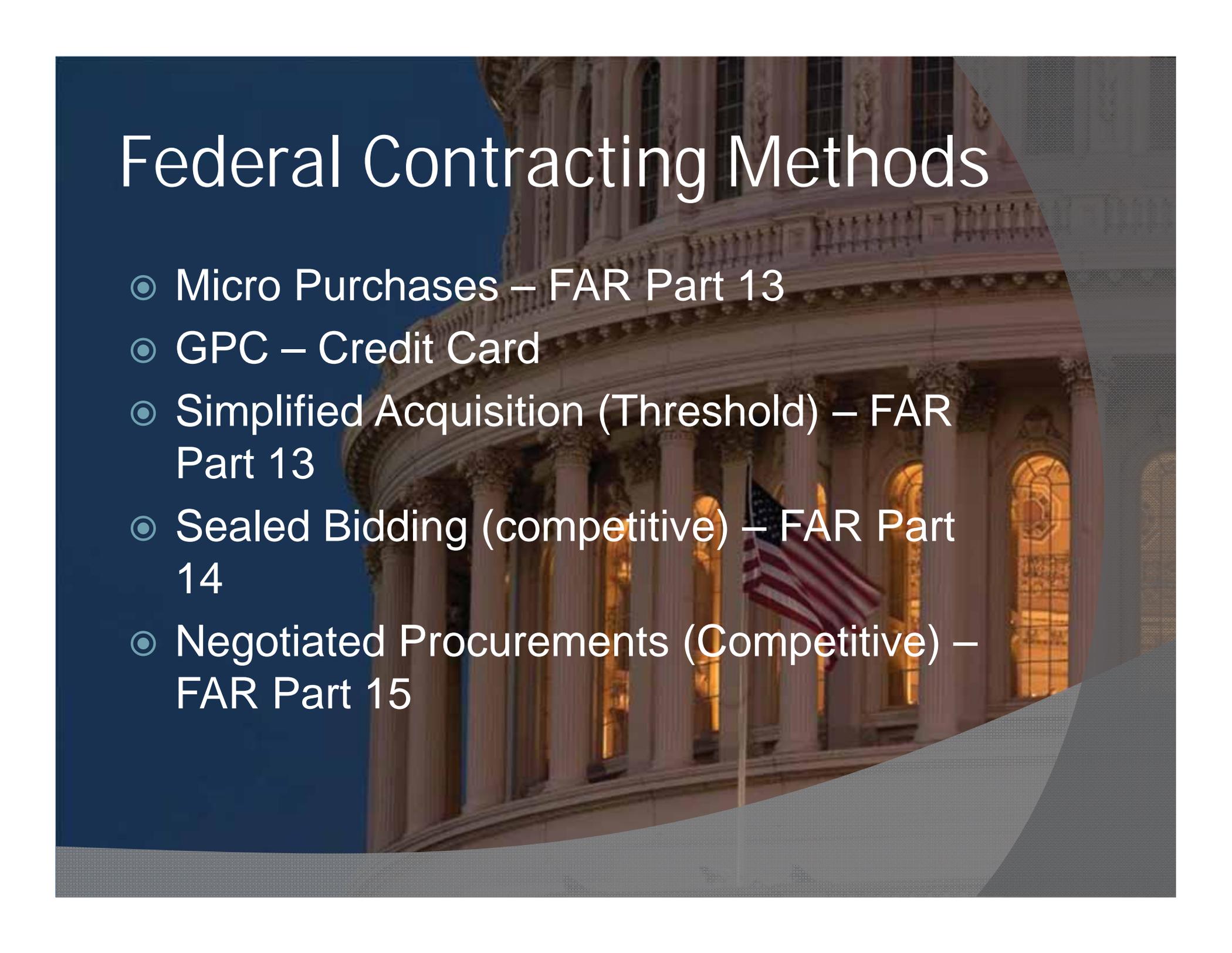
- ◉ 8(a) Business Development Program
- ◉ HUBZone Empowerment Contracting Program
- ◉ Women Owned Small Business Program
- ◉ Veteran Owned Small Business – www.vetbiz.gov
- ◉ Service Disabled Veteran Owned Small Business – www.vetbiz.gov
- ◉ Small Disadvantaged Small Business

www.sba.gov/contracting

Finding Contracting Opportunities

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

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 \$3000 - \$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
- Awards is made to best value responsive and responsible bidder

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
- Goals Scorecards are published annually – www.sba.gov/content/about-goaling-and-program-information

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 contract Representative(PCR) – SBA
- USA Spending – www.usaspending.gov
- General Service Administration (GSA) – www.gsa.gov

General Services Administration Multiple Award Schedules(MAS)

Preapproved

- Your 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



Procurement Technical Assistance Center (PTAC)

- The Utah – PTAC is a key point of contact for government contracting for small to medium Size business
- PTAC is an important part of the Governor's Office of Economic Development (GOED)
- 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
- SAM.gov 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)
- ▶ Orem (Utah County)
- ▶ Kaysville (Weber, Davis & Morgan Counties)
- ▶ Cedar City (Iron & other Central Utah Counties)
- ▶ St. George (Washington, Kane & Garfield Counties)
- ▶ Logan (Cache, Box Elder & Rich Counties)

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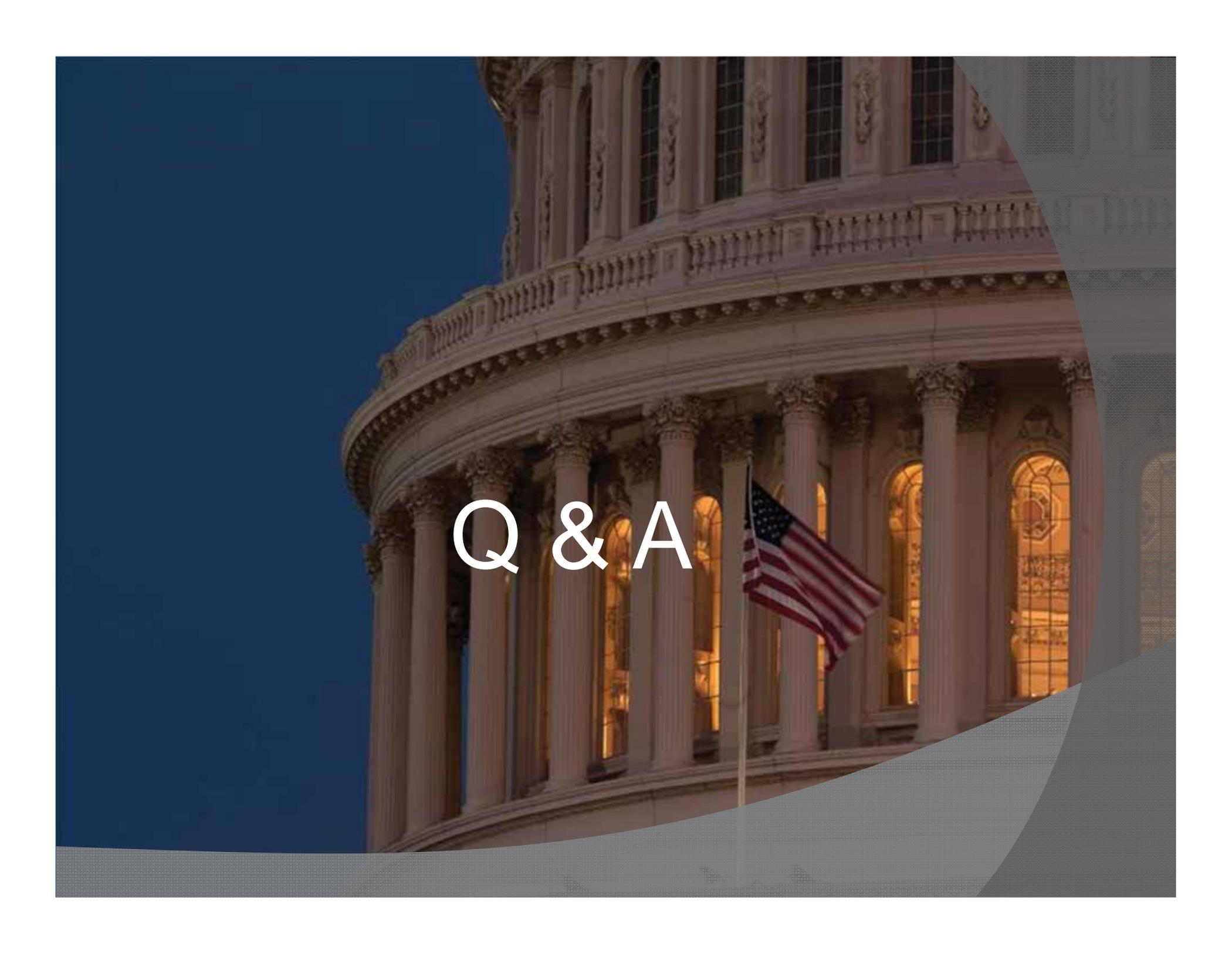
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Q & A