

GOVERNMENT CONTRACTING: THE BASICS

June 2011

BE FAMILIAR WITH REGULATIONS

- Integrated Acquisition Environment (IAE) Federal Acquisition Regulation (FAR) Link to Agency Supplemental Regulations <http://www.acquisition.gov> <http://www.regulations.gov>
- Defense Federal Acquisition Regulation Supplement (DFARS) <http://www.acq.osd.mil/dpap>
- Business Gateway Initiative (legal/regulatory info) <http://www.business.gov>
- SBA Small Business Training Network (free courses) <http://www.sba.gov/services/training/index.html>

CONTRACT TYPES (FAR PART 16)

- Fixed-Price: sealed bidding or negotiated
- Cost-Reimbursement: negotiated only
- Various types, range from:
 - firm-fixed-price with contractor bearing most responsibility/risk for costs & profit to:
 - cost-plus-fixed-fee with contractor bearing less responsibility/risk for costs, and profit (i.e., fee) is fixed.

SMALL BUSINESS SUBCONTRACTING

- A Small Business Subcontracting Plan is required:
 - From large businesses, when work is performed in U.S. (except for personal services)
 - Contracts or mods >\$650k (\$1.5M for construction), if subcontracting possibilities exist
- Must be approved before award
- Includes small business goals and designated Small Business Liaison Officer (SBLO)

SUBCONTRACTING OPPORTUNITIES

- FEDBIZOPPS "Interested Vendors" list & award announcements
- DefenseLink >\$5.5M award notices <http://www.defenselink.mil/contracts>
- Directory of Small Business Liaison Officers on DoD Contracts http://www.acq.osd.mil/osbp/doing_business/index.htm
- SBA SUB-Net <http://web.sba.gov/subnet>

FEDBIZOPPS (FAR PART 5) <http://www.fedbizopps.gov>

DoD and Federal contracting activities post most requirements and awards >\$25,000 to FEDBIZOPPS website

- Active or archive search by dates and/or:
 - Type of Notice
 - Solicitation or award number
 - Place of performance zip code
 - Set-aside type
 - NAICS/FSC/PSC
 - Key Words
 - Selected agencies
- Register for Vendor Notification Service by:
 - Specific solicitation number
 - Same selections as above
 - *All notices (caution: # of emails may overload mailbox)*

CONTRACT METHODS

NOTE: Dollar thresholds change for contingency & commercial contracts.

<\$3,000*	Micro Purchase	Not advertised
<\$3,000* or ≤\$25,000	Simplified Acquisition Procedures (SAP)	Not advertised (sometimes posted locally) Oral or Request for Quotation (RFQ) Normally reserved for small business
>\$25,000 or ≤\$150,000	SAP	Advertised in FEDBIZOPPS Oral or RFQ Normally reserved for small business set-aside
>\$150,000	Formal/Large Contract	Advertised in FEDBIZOPPS Invitation for Bid (IFB) or Request for Proposal (RFP) Set-aside if ≥ 2 capable: 8(a)/HUBZone/SDVOSB/SB will submit offers @ fair market price

*((\$2,000 Davis Bacon; \$2,500 Svc Kt Act)

Contact your local Washington PTAC counselor for assistance. You can find more information @ <http://washingtonptac.org>

COMPETITION REQUIREMENTS (FAR PART 6)

- Full and Open Competition: All responsible sources are permitted to compete.
- Full & Open Competition After Exclusion of Sources: Establish or maintain alternative sources, 8 (a) competition, HUBZone/SD-VOSB/small business set-asides
- Other than Full & Open Competition: Sole source, Urgency, Industrial mobilization, International agreement, Authorized or required by statute (includes 8(a), HUBZone, SD-VOSB), National security

GOVERNMENT CONTRACTING: THE BASICS

BASIC SMALL BUSINESS PROGRAMS (FAR PARTS 19 & 26)

Small Business (SB) – Located in U.S., organized for profit, including affiliates is independently owned & operated, not dominant in field of operations in which it is bidding on Government contracts, AND meets Small Business Administration (SBA) size standards included in solicitation. Size standard is based upon the North American Industry Classification Standard (NAICS) assigned to the specific procurement dependent upon product/service purchased.

Woman-Owned Small Business (WOSB) – Small Business, at least 51% owned by one or more women, AND management & daily business operations controlled by one or more women.

Economically Disadvantaged Woman Owned Small Business (EDWOSB) – Small Business, at least 51% owned by one or more women, AND management & daily business operations controlled by one or more women. To qualify as an EDWOSB, the woman owner must be “economically disadvantaged.”

Small Disadvantaged Business (SDB) – Small Business, unconditionally owned & controlled by one or more socially & economically disadvantaged individuals who are of good character & citizens of the U.S. and self-certified.

Small Disadvantaged Business 8(a) Certified (8(a)) – Small Business, SDB, SBA-certified into the 8(a) Business Development Program for a period of 9 years.

Historically Underutilized Business Zone (HUBZone) – Small Business, owned & controlled 51% by U.S. citizens, SBA-certified as a HUBZone concern (principal office located in a designated HUBZone & 35% of employees live in a HUBZone).

Veteran-Owned Small Business (VOSB) – Small Business, veteran-owned as defined in 38 USC101 (2), 51% owned by one or more veterans, & management/daily operations controlled by one or more veterans.

Service-Disabled Veteran Owned Small Business (SDVOSB) – Small Business, veteran-owned, 51% owned by one or more service-disabled veterans, AND management & daily business operations controlled by one or more service disabled veterans OR in the case of veteran with permanent & severe disability, the spouse or permanent caregiver of such veteran, AND with 0% - 100% service-connected disability as defined in 38 USC 101(16) & documented on DD 214 or equivalent.

Historically Black colleges & Universities (HBCU)/ Minority Institutions (MI) – HBCU is an accredited institution established before 1964 whose principal mission is education of black Americans. MIs are institutions meeting requirements of Higher Education Act of 1965 and Hispanic-serving institutions defined at 20 USC 1059. The Secretary of Education must designate HBCUs/MIs. SEE LIST AT:

<http://www.ed.gov/about/offices/list/ocr/edlite-minorityinst.html>

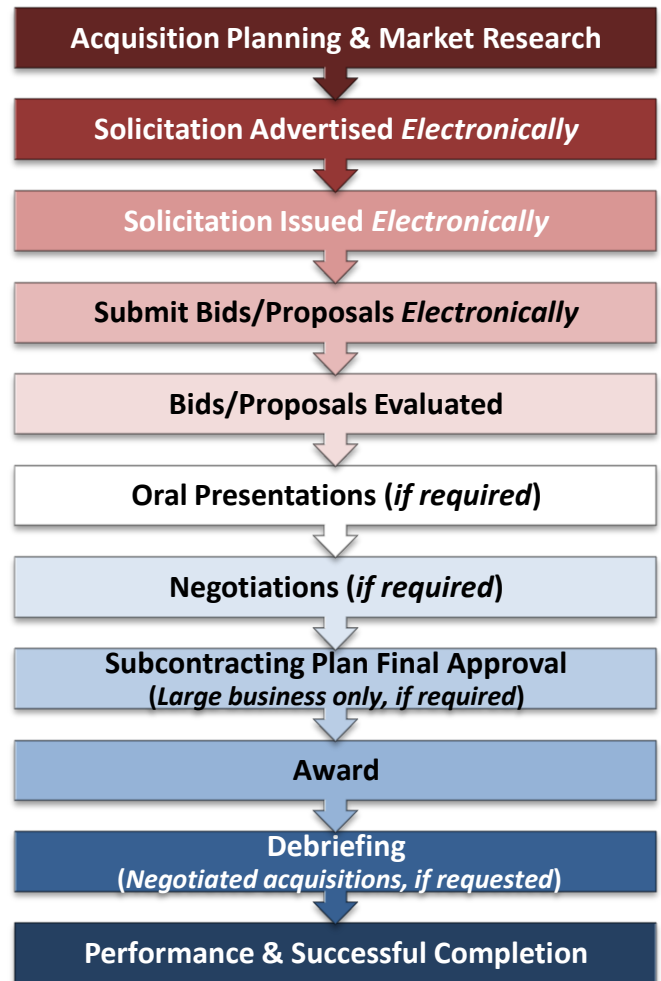
ARE YOU READY?

Do you know your North American Industry Classifications and the small business size standards for each? Do you know your FSC/PSC Codes? Do you have a DUNS Number? Do you have a Business Plan and Marketing Plan? Are you registered in the Central Contractor Registration? Do you have a quality Dynamic Small Business Search profile? Do you have a one page capabilities brief?

SMALL BUSINESS FEDERAL POLICY (FAR 19.201):

It is the policy of the Government to provide **maximum practicable opportunities** in its acquisitions to small business...concerns. Such concerns must also have the **maximum** opportunity to participate as **subcontractors...** [Emphasis added]

(Prepared by Office of Small Business Programs for Department of Defense)



SMALL BUSINESS CERTIFICATIONS

Small Business	Self-certify Set-aside authority
SDB [Small Disadvantaged Business]	Self-certify Set-aside authority Limited sole source authority
8(a) [Small and Disadvantaged Business]	SBA-certified Limited sole source authority
HUBZone [Historically Underutilized Business Zone]	SBA-certified Set-aside & limited sole source authority; 10% price evaluation preference may apply.
VOSB [Veteran Owned SB]	Self-certify
SDVOSB [Service-Disabled Veteran Owned SB]	Self-certify Set-aside & limited sole source authority
8(w) WOSB [Woman Owned SB]	SBA-Self-certify Set-aside authority
8(w) EDWOSB [Economically Disadvantaged Woman Owned SB]	SBA-Self-certify Set-aside authority



Contact your Eastern Washington PTAC for assistance: 509.321.3641 or email PTAC@greaterspokane.org