

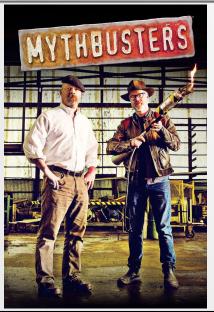


# Today's Agenda

- Busting Myths & Excuses
- Learning a New language
  - Commercial vs. Federal
- Preparing for a Federal Contracts
  - Registrations & Certifications
- Finding Solicitations
  - Introduction to Market Research
  - Building Teaming Relationships & Marketing Plans
- Pursuing government contracts?
  - Helpful Resources







# Busting Myths & Misconceptions

Breaking excuses to sell to the government



# **Busting Myths & Excuses**

- X Going to get rich selling stuff to the government because I can mark up prices because you know government...
- X Government will pay people to help find stuff they can't find...
- X The government takes forever to pay...
- X Too much red tape too many pages too hard...
- X You have to be in business for more than two years... / You have to have past experience in government contracts to get government contracts... (Experience vs. Past Performance)
- X I have to have all my certifications before bidding on government contracts.
- X Because I am/have (fill in cert here,) they have to give me a contract! / Agencies will pick me because of my small business certs.
- X 8(a) certification will guarantee me contracts.



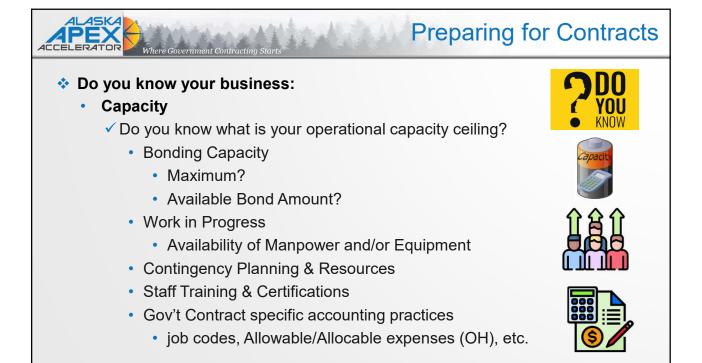


# Commercial vs. Federal

- Making the sale who makes the decisions, who has the buying power?
  - · Determining need vs. buying goods/services
  - Program managers vs. contracting officers
  - "Apparent Authority"
- Handshake deals, quotes and proposals
  - Who signs what? Submitting Quotes, proposals/bids
- Legal issues what to do when it doesn't work?
  - Who signed what?
  - Legal structure of federal contracts
- Payment Terms net30 vs. "on receipt of invoice"









# **Preparing for Contracts**

- Do you know your business:
  - Pricing Factors
    - ✓ Break even points
    - ✓ Cash flow
    - ✓ Labor Costs Wage Determinations
- Government registrations:
  - System For Award Management (SAM)
  - Dynamic Small Business Search (DSBS)
  - Applicable small business certification programs









# **Preparing for Contracts**

#### System for Award Management (SAM)



- Unique Entity Identifier
- SAM username/password => Login.gov uses email address for entity administrator
- Banking Information: Routing, Account & Bank Phone Numbers
- Tax Identification EIN or SS
- NAICS Codes (https://www.census.gov/naics/)
- PSC Codes (http://support.outreachsystems.com/resources/tables/pscs/)
- Gross Receipts averaged over 5 year period (Size Standard)
- Average number of employees in a 24 month period (Size Standard)

SAM profiles must be updated yearly & have to be active by bid due date!



# **Preparing for Contracts**

#### Dynamic Small Business Search (DSBS)



- Found at: <a href="https://web.sba.gov/pro-net/search/dsp">https://web.sba.gov/pro-net/search/dsp</a> dsbs.cfm
- Additional marketing information not provided in SAM profile:
  - ✓ Any SBA applied certifications (WOSB/EDWOSB, 8(a) & HUBZone)
  - Key Words
  - ✓ Website URL
  - Non-federal certifications (CPA, Registered Nurse, etc.)
  - ✓ Special Equipment
  - Capability Narrative
  - References -- used as past performance information!

Did you know that state buyers, prime contractors and other businesses use the DSBS website when looking for potential subs/teaming or vendors?





#### **Small Business Certifications**

U.S. Small Business

Administration

#### SBA Issued Certification

- 8(a) Business Development Program
- Historically Underutilized Business Zone (HUBZone)
- Woman Owned Small Business (WOSB) & Economically Disadvantaged Woman Owned Small Business (EDWOSB) \*
- Veteran Owned Small Business (VOSB) & Service-Disabled Veteran-Owned Small Business (SDVOSB)

#### \*SBA-approved third-party certification – WOSB & EDWOSB

- There are four organizations approved by SBA to provide third-party certification (TPC). You may contact them to learn more about their certification process and any associated costs. They are:
  - El Paso Hispanic Chamber of Commerce <a href="http://www.ephcc.org/">http://www.ephcc.org/</a>
  - National Women Business Owners Corporation <a href="https://nwboc.org/basicinfo.html">https://nwboc.org/basicinfo.html</a>
  - U.S. Women's Chamber of Commerce https://www.uswcc.org/certification/
  - Women's Business Enterprise National Council <a href="https://www.wbenc.org/">https://www.wbenc.org/</a>

Small Business Certifications  Where Government Contracting Starts	
Self Certification via the System for Award Management (SAM)	
<ul> <li>Small Business as defined by primary NAICS Codes</li> </ul>	Socio-Economic Categories:  Select any socio-economic categories which reflect the current status of your entity. If applicable, your small business status will automatically be derived from the receipts, number of employees, assets, or megawatt hours, and NAICS codes entered in the Assertions portion of the
<ul> <li>Minority Owned Business</li> </ul>	registration and displayed in the Representations and Certifications portion of this registration.
Woman Owned Business	Small Business Joint Venture  Veteran-Owned Business
<ul> <li>Veteran Owned Business</li> </ul>	Service-Disabled Veteran-Owned Business
	☐ Service-Disabled Veteran-Owned Business Joint Venture
	Women-Owned Business
	☐ Women-Owned Small Business
	Women-Owned Small Business (WOSB) Joint Venture eligible under the WOSB Program
	Economically Disadvantaged Women-Owned Small Business (EDWOSB) Joint Venture
	Community Development Corporation Owned Firm
	Minority-Owned Business
	Asian-Pacific American Owned
	O Subcontinent Asian (Asian-Indian) American Owned
	O Black American Owned
	<ul> <li>○ Hispanic American Owned</li> <li>○ Native American Owned</li> </ul> SAM GOV®
	O Native American Owned
	○ Individual or concern, other than one of the preceding





• WBE – Woman Business Enterprise

Women's Business Enterprise National Council (WBENC) http://www.wbenc.org/

US Women's Chamber of Commerce <a href="http://www.uswcc.org/certification">http://www.uswcc.org/certification</a>

El Paso Hispanic Chamber of Commerce <a href="http://www.ephcc.org/">http://www.ephcc.org/</a>

National Women Business Owners Corporation <a href="http://www.nwboc.org/">http://www.nwboc.org/</a>

DOBE – Disability-Owned Business Enterprise

Disability Supplier Diversity Program <a href="https://disabilityin.org/">https://disabilityin.org/</a>
ConnXus <a href="https://connxus.com/dbe-certification/dbe-certificati

LGBT – Lesbian Gay Bisexual Transgender Business Enterprise

National LGBT Chamber of Commerce <a href="https://nglcc.org/">https://nglcc.org/</a>





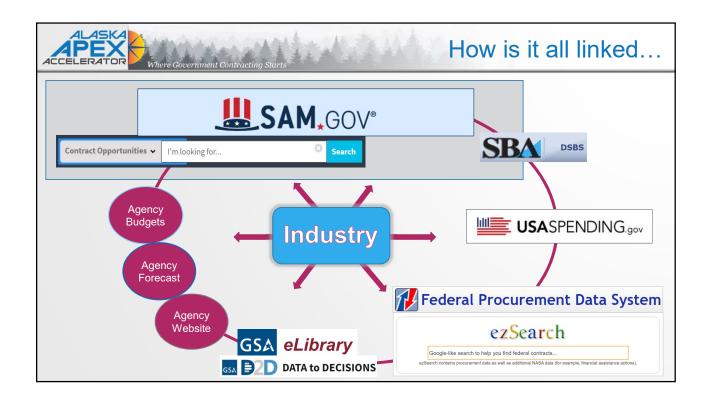


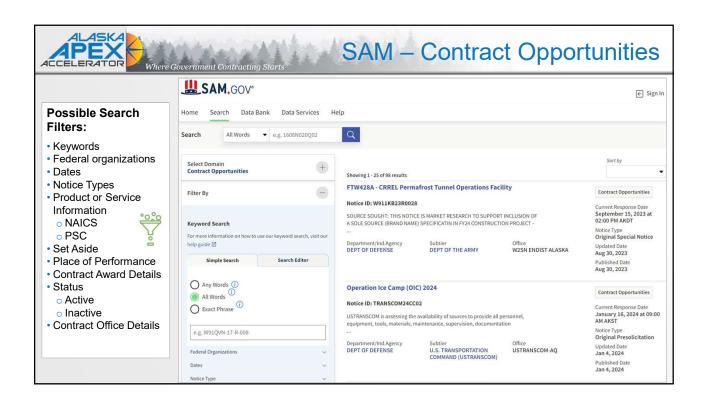
#### Intro to Market Research

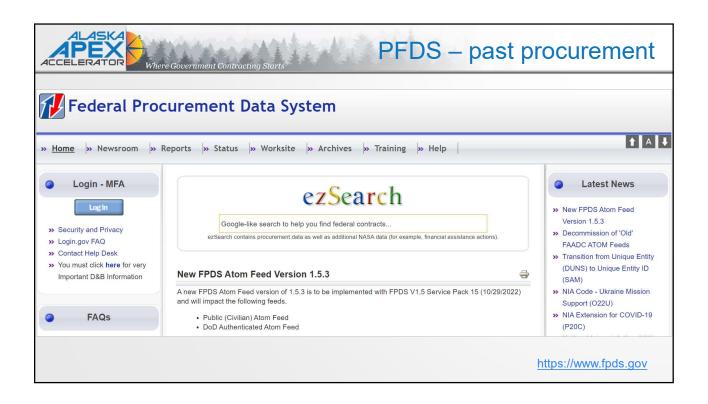
- Does the Government buy what you sell?
  - Introduction to Market Research
    - √ Who are your commercial clients what agencies are the government equivalents?
    - ✓ Which agencies are buying your goods/services?
    - ✓ What is the procurement frequency?
    - ✓ Where are the purchasing offices located?

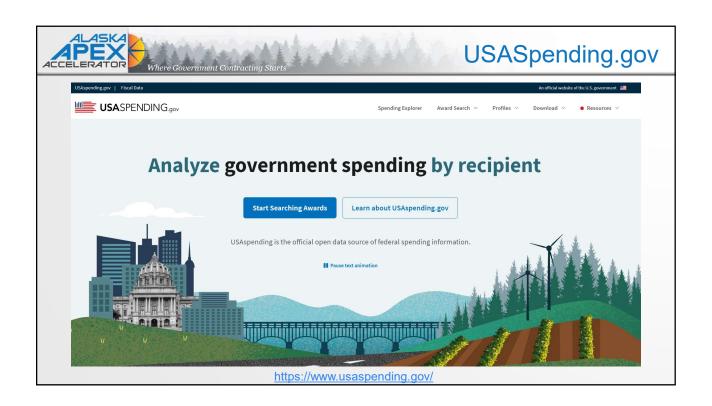
      Alaska Region, Centralized buying centers, HQ, etc.
    - ✓ Prime vs. Subcontractor?
      - How to find prime contractors
      - Research potential prime/subs
        - DSBS, FPDS
    - ✓ What is the buying cycle when does the contract renew?

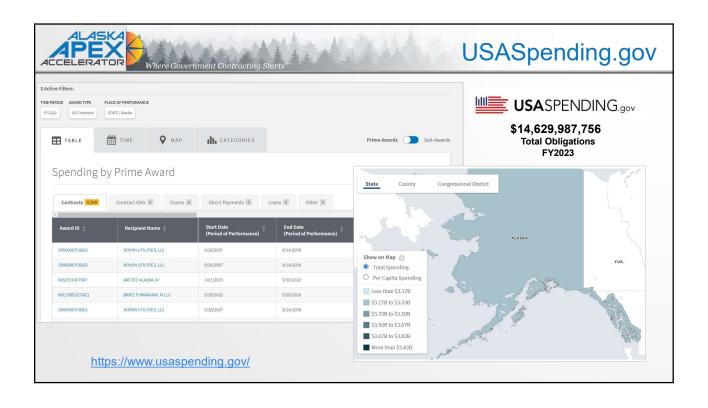






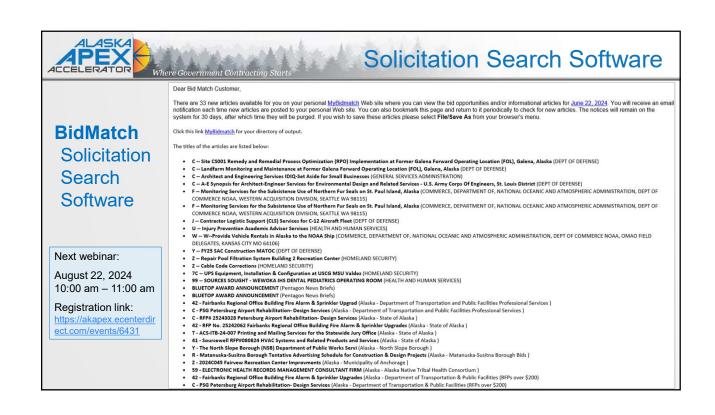
















# Marketing to Potential "

"

- Before you knock on the door looking for potential teaming partners, ask yourself:
  - What do you need from them?
  - What do you (or your business) bring to the table?
  - How can the teaming relationship benefit the potential teaming partner(s)?

But first, let's assess your business...

"Honesty is the first chapter in the book of wisdom."

- Thomas Jefferson



# **Company Self-Assessment**

- Why team with another company? What do you need to complete the next contract, break a bottleneck, or diversify/expand into another area?
  - Physical Capital
  - Human Capital

- Intellectual Capital
- Financial Benefits

Before entering into a teamed / contractual business relationship, assess your own company standing.

What does your company <u>need</u> and what can it offer?



https://americassbdc.org/8-reasons-to-consider-collaborating-with-another-small-business/



# Ability, Capacity & Capability

- Ability the skill, knowledge or power to do something
- Capability the ability to do something in "either/or" scenarios; The capability of a business refers to its ability to do something when all its resources are optimally employed.
- Capacity the innate potential; the business capacity refers to the maximum level of output that it can yield and deliver within inherent limitations

# Ability Staff (People): - Management - Key Personnel - W-9 Employees - Subcontractors Staff Training & Certification - Contingency Plans Standard Operating

Procedures

#### Capability Capacity (Max level of output)

- Past Performance
   Bonding Capacity
- Completed projects
   Existing Master Subcontract
   Maximums: Ceiling & Project limitations
   Available Bond Amount?
- Agreements Work in Progress

- Cost tracking mechanisms

- Contingency Planning & Availability of Manpower Resources - Availability of Equipment
- Accounting Systems
   Job Codes
   Financial Resources
   Risk Management Limitations
  - Contingency Resources
    - Supply Chain Availability
    - Inherent Limitations





# **Teaming Strategies**

- Competitors vs. Potential Teaming Partners
  - Business growth: more employees or strategic partnering?
  - What business bottlenecks are slowing business growth?
  - Diversification new locations or new product and/or service lines?

But first, let's define teaming...

"Coming together is a beginning. Keeping together is progress. Working together is success." -Henry Ford



#### Teams vs Joint Ventures

#### **Prime/Sub Teams**

- Only one party (prime) performs at the prime contract level and is responsible to the government
- Subcontractor typically paid on a pre-determined basis
- No new legal entity created
- Subcontracting limits apply to prime only (but note similarly situated entity rule)

#### **Joint Ventures**

- Both parties perform at the prime contract level and are responsible for the entire contract
- Parties typically split profits and losses
- Parties create a new legal entity (e.g., LLC) & registered in SAM
- Subcontracting limits apply to JV as a whole





#### Prime/Sub Teams

#### Prime/Sub Teams - Teaming Agreements

- Privity of Contract: 1 to 1 relationship between government and prime contractor
- Teaming Agreements
  - FAR does not require prime/subcontractor teaming agreements
  - Procuring agencies sometimes (perhaps increasingly) require teaming agreements to be submitted with proposal
    - These agencies may decline to consider a subcontractor's past performance, capabilities, etc. without a teaming agreement
  - Lock-in commitments from prospective teammates
    - Prime doesn't want to rely on prospective subcontractor's qualifications & resources, only to have a subcontractor decline to participate
    - Subcontractor doesn't want to spend time and energy on proposal only to receive no subcontract
  - · Establishes rules (if any) for exclusivity
  - · Avoid difficult post-award disputes
  - · Demonstrate compliance with key requirements





#### **Subcontracts**

#### Prime/Sub Teams - Subcontracts

#### Subcontracts

- Teaming agreements -> Subcontracts: Teaming agreement is a "chasing the contract document" and a subcontract is a "performing the contract" document.
- More detailed project and/or scope specific
- Must include mandatory FAR provisions
  - A <u>flow-down</u> is a provision of a prime contract that the prime contractor includes in a subcontract.
     FAR required primes to flow-down many clauses failing to flow-down, when required, is a breach of contract!
- This is a negotiated agreement and should be specific to a singular contact activity. Subcontractors should be ready to push back against non-compliant terms
  - Scope of Work should be specific to avoid disputes
  - o Payment & invoicing provisions should be included
  - Dispute resolution
  - o Termination provisions: Termination for Convenience and Default
  - Non-disclosure provisions
  - Ensured compliance with subcontracting limits
  - Term of subcontract how will the prime address contract options?





### Looking for potential partners

Federal Procurement Data System

DSBS

SAM.GOV°

#### Where to find potential teaming partners

- Dynamic Small Business Search (DSBS)
- System for Award Management (SAM.gov)
- Federal Procurement Data System (FPDS)
- State of Alaska DBE Directory (or other state directories)
- Professional Organization training or networking events

#### **Vetting potential teaming partners**



- Dynamic Small Business Search (DSBS)
- Federal Procurement Data System (FPDS)
- Contractor Performance Assessment Reporting System (CPARS) – past performance

SBA

- Risk Management concerns
- Legal concerns



# Looking for potential partners

#### **Professional Organizations**





- ✓ CFMA Construction Financial Managers Association https://cafe.cfma.org/lastfrontier/home
- ✓ NAWIC National Association of Women in Construction http://www.nawic-ak.org/
- √ SPMS Society of Professional Marketing Services <a href="https://smpsalaska.org/">https://smpsalaska.org/</a>
- ✓ NCMA National Contract Management Association <a href="https://www.ncmahq.org/">https://www.ncmahq.org/</a>
- ✓ NIGP National Institution of Government Purchasing <a href="https://www.nigp.org/">https://www.nigp.org/</a>





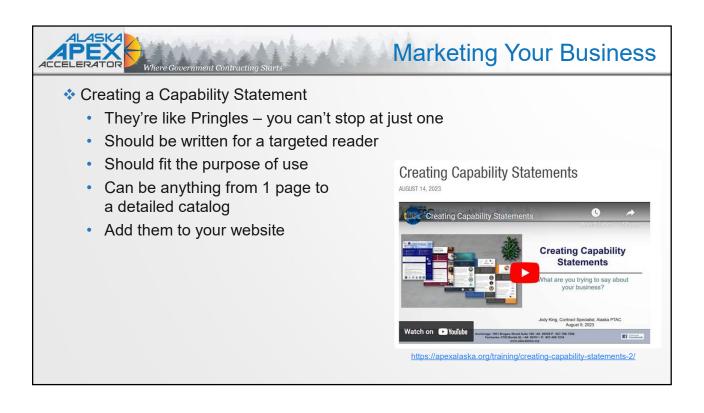


# **Marketing Your Business**

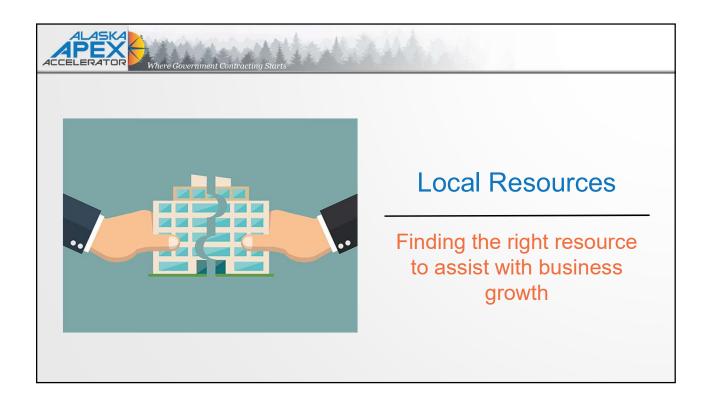
- How are you marketing your business?
  - Develop a marketing plan more than just using social media
  - Social Media presence name and brand recognition
  - Identifying/promoting your DBE Certification
  - Marketing Materials
    - Business Cards
    - Capability Statement
    - Website what does it say about your business? Who is your audience?

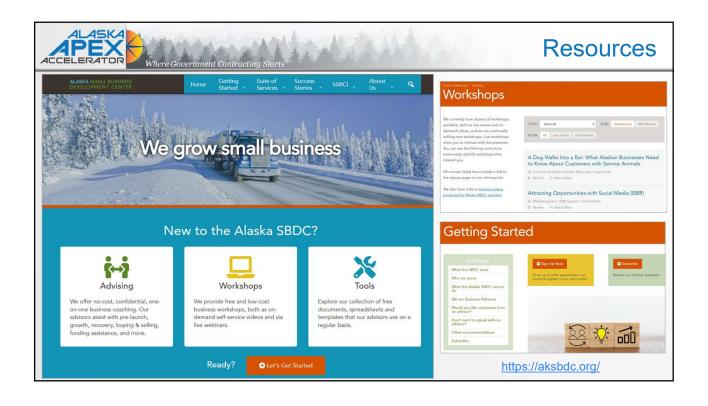
"Marketing strategy will impact every piece of your business, and it should be tied to every piece of your business."

Brandon Andersen

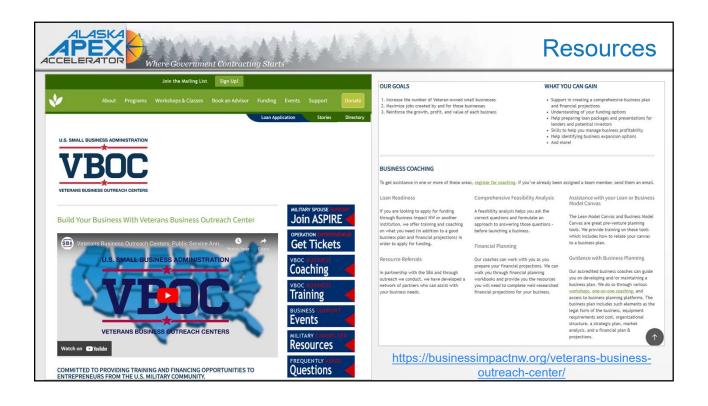














# **Program Introduction**

#### Now Alaska APEX Accelerator!

- · Free assistance with all aspects of government contracting, from cradle to grave (start to finish) for federal, state, and local purchasing activity
- Free one-on-one appointments
- Free workshops (Special events and extended training sessions may have registration fees)
- The Alaska APEX is one of 94+ other PTACs across the US, Puerto Rico, & Guam

https://apexalaska.org/ https://www.aptac-us.org/ https://www.apexaccelerators.us/#/



The Alaska APEX is a program of the UAA Business Enterprise Institute (BEI) and funded in part through a cooperative agreement with the Department of Defense Office of Small Business Programs



# **Upcoming Training**

#### **Stand By Your Contract**

Date: July 24, 2024

Time: 10:30 AM - 12:00 PM (AKDT)

Description:

#### This class is via webinar only.

Have you heard the phrase "Four Corners of a Contract"? It is based on the legal principal that a document's meaning should be derived from the document itself, i.e., from its language and all matters encompassed in it. This means that if you have questions about performance, or change orders or even how to handle a dispute - the answer is already in your contract. Or is it? How well do you know and understand your contract? If your answer is "not well", then this is the webinar for you!

Join Jody King, Alaska APEX Accelerator, and Kim Tripp, SBA Office of Government Contracting, Area VI as they discuss:

- · Legal contract structure as it both benefits and sets limits for government and contractor alike. Why it is important to understand all four corners of the contract.
- Understanding compliance requirements: SAM, payment platforms, and reporting requirements Reviewing the contract scope - what are the actual minimums and maximums of performance
  - When to hit the pause button and/or simply say no
     When is a requested change allowed?

  - What is "out of scope"
  - o When to request a change order or REA
  - o Addressing change when it impacts subcontractors
- - o Privity of contract when can a sub reach out to the contracting officer
  - o Prime requirement of flow down clauses
  - Learning to negotiate with a prime contractor
    - Defined work statements/scope of work
    - Pay when paid requirements
    - Compliance and reporting requirements

https://akapex.ecenterdirect.com/events/6416



#### In Conclusion

- Are you ready for government contracting?
  - Yes, let's get started! How can Alaska APEX Accelerator help?
  - No, need more information... How can Alaska APEX Accelerator help?
- Do the research what is your start point?
- Build relationships with potential business partners and agencies.
- Learn the language of government contracting read the solicitation, ask questions.
- Register in SAM then keep your profile active
- Update your marketing data in the DSBS
- Use solicitation search subscriptions
- Obtain applicable small business certifications.
- Use free resources when needed.





#### Questions?

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To request assistance, sign up here: <a href="https://akptac.ecenterdirect.com/signup">https://akptac.ecenterdirect.com/signup</a>



How can the Alaska APEX help you?