



FeCC
Federal Contracting Center
a Procurement Technical Assistance Center

Federal Contracting 101 “The Basics”

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COMMONWEALTH OF PUERTO RICO
PRIDCO
PUERTO RICO INDUSTRIAL
DEVELOPMENT COMPANY



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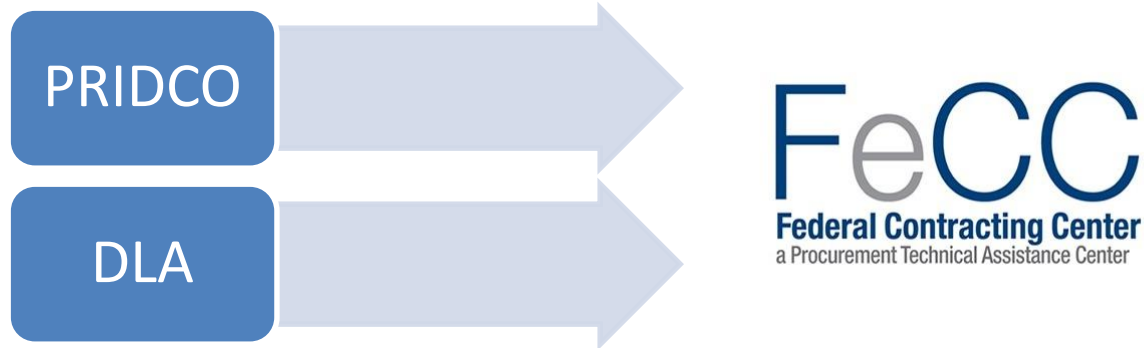


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Federal Contracting Center (FeCC)

a Procurement Technical Assistance Center



- A division of the Puerto Rico Industrial Development Company (PRIDCO)
- Cooperative agreement with DoD
- Part of a nationwide network of 97 PTACs
- 31 years of experience



Puerto Rico Federal Contracting Center

<p>To proactively position businesses in the federal government market while actively assisting and matchmaking companies with federal contracts available.</p>	<p>Mission</p>
<p>Goal</p>	<p>To generate employment and improve the general economy of Puerto Rico by assisting business firms to obtain and perform under federal state, and municipal government contracts.</p>



Federal Contracting Center Services

Technical Support

- DUNS Number
- SAM
- SBA and VA Certifications
- One-on-one counseling
- Bid preparation
- GSA Schedules

Marketing

- Market intelligence
- Identify & match bids
- Forecasting
- Capturing plan
- Help you decide if this is the right market for your firm

Training

- Federal Contracting education
- Matchmaking events
- E-training

Advocacy

- Small Business Administration
- Federal Procurement Policy
- Trade Missions



Introduction

- Design to help small business understand government contracting programs
- Part 1
 - Prime contracting and subcontracting programs
 - SBA certification programs
 - Woman and veterans small business programs
- Parts 2 & 3
 - How the government buys
 - How to sell to the government



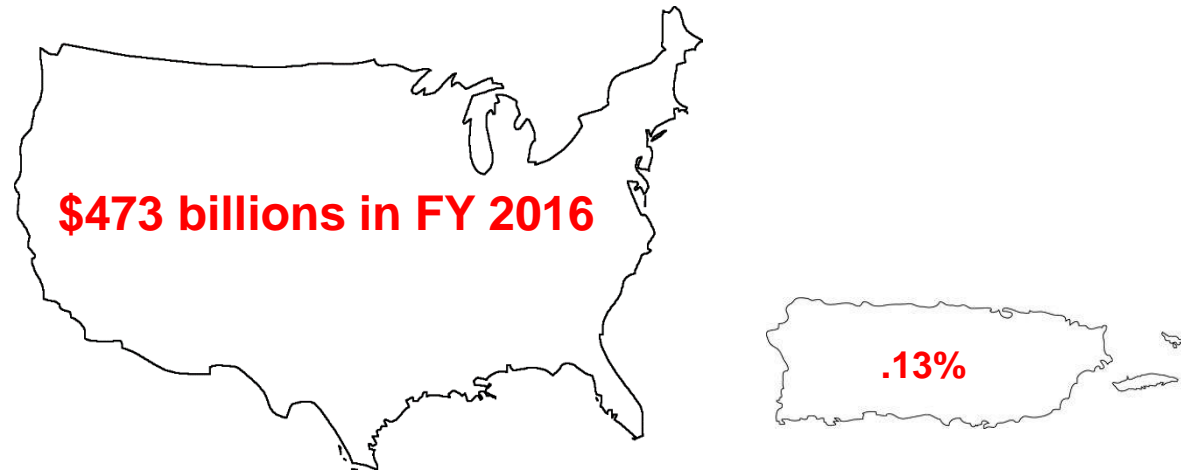
Learning Objectives

- Know about federal contract markets and opportunities
- Understand prime contract and subcontracting assistance programs
- Understand SBA's certification programs –8(a) and HUBZone
- Know about the WOSB program and the veteran owned small business programs (VOSB & SDVOSB)



Scope of the Federal Buying Market

- U.S. government is the largest buyer in the world
- Federal agencies buy just about every category of commodity and service available



FY 2016	
\$614M (.13%)	Total awards performed in Puerto Rico
\$392M (64%)	Total awards to firms located in Puerto Rico

Information source: FPDS



What is a Small Business?

- Certain government programs only apply to small businesses
- Small business size standards are generally determined by the number of employees or annual business receipts

Are you a Small Business?

Determine your NAICS Code

Table of Small Business Size Standards



Your Main References

[Federal Acquisition Regulation \(FAR\)](#)

FAR Supplements

<https://www.acquisition.gov/>



Prime Contract Assistance

- Government-wide Contracting Goals
- Small Business Set-asides
 - Rule of Two
 - Non-manufacturer Rule
 - Subcontracting Limitations
 - Service-disabled Veteran Owned Small Business
 - HUBZone
 - Woman-Owned Small Business Program
 - 8(a) Business Development Program
- Certificate of Competency (COC) Program



Government Wide Contracting Goals

- Small Business
 - Goal 23%
- Women
 - Goal 5%
- Small Disadvantaged Businesses
 - Goal 5%
- Service Disabled Veteran Owned Small Businesses
 - Goal 3%
- HUBZone
 - Goal 3%



Small Business Set-asides

- Small business set-asides are a critical tool
- Powerful vehicle for helping small firms win prime contracts
- **Fundamental:** Acquisitions that have an anticipated dollar value exceeding \$3,000, but not over \$150,000 are automatically reserved for small businesses

FAR 19.5



Rule of Two

Set-asides –Prime Contract Assistance

- Acquisitions over \$150,000 are to be set-aside for small businesses when there is a reasonable expectation that offers will be obtained from at least two responsible small businesses

FAR 19.502-2



Non-manufacturer Rule

Set-asides –Prime Contract Assistance

- Set-aside small business acquisitions that are not for construction or service related contracts –must utilize a small business manufacturer
- SBA may issue individual or class waivers to the non-manufacturer rule, if no small manufacturer exists
- Rule does not apply for contracts under \$25,000

FAR 19.001; FAR 19.1



Subcontracting Limitations

Set-asides –Prime Contract Assistance

- Applies to contracts set-aside for small businesses when the contract amount exceeds \$150,000
 - Service –At least 50% of the contract cost for personnel must be expended for employees of the small business
 - Supply -Business must perform work for at least 50% of the cost of manufacturing the supplies, not including the cost of materials
 - General construction –Business must perform at least 15% of the cost of the contract, not including the cost of the materials, with its own employees.
- Similarly Situated Entities



SBA Certifications

- 8(a) Business Development Program
- HUBZone Program
- Women Owned Small Business
- Veteran Owned Small Business



8(a) Business Development Program

SBA Certifications

- Assists eligible socially and economically disadvantaged small businesses
- Provides business development and contract assistance
- SBA certification required
- All 8(a) firms are SDBs, but not all SDBs are 8(a) certified

FAR 19.8



8(a) Business Development Program

Program Benefits --SBA Certifications

- Certified firms can receive sole-source contracts
 - up to \$4 million for goods and services
 - up to \$6.5 million for manufacturing
- Joint ventures and teaming
- Mentor-Protégé Program

FAR 19.8



8(a) Business Development Program

Program Eligibility --SBA Certifications

- Small firm must be at least 51% owned and controlled by a socially and economically disadvantaged individual(s)
- Meet small business size standards
- In business for more than two years
- Unconditionally owned and controlled by one or more disadvantaged individuals who are US citizens

FAR 19.8



HUBZoneProgram

SBA Certifications

- Historically Underutilized Business Zone
- Contracting preference program designed to stimulate economic development and create jobs
- SBA certification required

FAR 19.13



HUBZoneProgram

Program Benefits -SBA Certifications

- 3% government-wide goal for contracts to be awarded to HUBZone certified firms
- Competitive and sole source contracts
- 10% price evaluation preference

FAR 19.13



HUBZone Program

Program Eligibility -SBA Certifications

- Meet small business size standards
- Owned and controlled by at least 51% of US citizens, or a Community Development Corporation, an agricultural cooperative, or an Indian tribe
- Principal office must be in a designated HUBZone
- At least 35% of the firm's employees must live in a HUBZone

Learn more...

[HUB Zone Map](#)



WOSB Program

- Only designated industries (use link below to find eligible NAICS)
- Limitations on contract amounts
 - \$4 million for service contracts
 - \$6.5 million for manufacturing contracts
- Only WOSBs or EDWOSBs are eligible
- WOSBs must be certified (or self-certified, with documentation)

Learn more...
[WOSB Program](#)



Eligibility - WOSB Program

- WOSB
 - 51% owned & controlled by one or more women who are US citizens
 - Ownership must be direct and not subject to limitations
 - Woman or women must manage day to day operations
- EDWOSB
 - Satisfy all conditions of WOSB
 - Personal net worth of less than \$750,000
 - Adjusted annual income of \$350,000 or less
 - Market value of all assets does not exceed \$6 million



Certification -WOSB Program

Women & Veterans Programs

- Self certification
 - WOSB or EDWOSB can self certify
 - Registration in SAM
 - Contracting officer may/will request additional documentation
 - All documents will be maintained in WOSB Program Repository
- Third Party Certification
 - Can be certified by third party certifier –federal agency, state government or national certifying entity approved by SBA
 - Existing DBE or 8(a) program certification may be eligible



Veterans Programs (VOSB & SDVOSB)

- Veterans Entrepreneurship and Small Business Development Act defined VOSB & SDVOSB
- Established 3% government-wide prime and subcontracting goals for service disabled veteran owned small businesses
- Self-certification program except for the US Department of Veterans Affairs

Learn More...

[Veteran Information Pages](#)



Service Disabled Veteran Owned Small Business

- SDVOSB Program
 - Contract set-asides are authorized
- Sole source or competition is required for all SDVOSB contracts



VA -Veterans First Contracting Program

- Only VO and SDVOSB are eligible
- Sole source or competition
- Must be certified by the VA



Certificate of Competency (COC)

Prime Contract Assistance

- If a prospective contractor is determined to be “non-responsible” by a contracting officer --the small business is entitled to an independent review by the SBA
- SBA may issue a COC to the contracting officer requiring the award of that specific contract to the small business

FAR 19.6



Find Subcontracting Opportunities

Subcontracting Assistance

- Subcontracting can be a profitable alternative for small firms
- Performing as a subcontractor can prepare a firm to be a prime contractor in the future
- SBA maintains a database of subcontracting opportunities. This searchable database is called [SUB-Net](#)



Subcontracting Assistance Program

- Prime contractors receiving contracts greater than the simplified acquisition threshold must agree to provide small businesses with the maximum practical opportunity to participate as subcontractors

FAR 19.7



Subcontracting Plans

Subcontracting Assistance

- Individual Subcontracting Plan
- Master Subcontracting Plan
- Commercial Subcontracting Plan

FAR 19.7



Subcontracting Goals

Subcontracting Assistance

Government-wide Subcontracting Goals

- Small Disadvantaged Businesses
 - Goal 5%
- Women-Owned Small Businesses (WOSB)
 - Goal 5%
- Service Disabled Veteran Owned Small Businesses (SDVOSB)
 - Goal 3%
- HUBZone
 - Goal 3%



Conclusion

- Thank you for participating in Part 1, of the Government Contracting 101 training program
- Register for Parts 2 and 3 – June 29, 2017
 - How the government buys
 - How to sell to the federal government

Thank you...



Stay in touch...

FOLLOW US



Puerto Rico Federal Contracting Center



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Our Blog: www.federalcontractingpr.com



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BRIDGING THE GAP BETWEEN YOU AND THE FEDERAL GOVERNMENT

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ARE YOU REGISTERED IN SAM?

To do business with the federal government you must be registered in the System for Award Management (SAM), previously known as the Central Contractor Registration (CCR).

[Learn more...](#)

SMALL BUSINESS PROGRAMS

Take advantage of socio-economic programs to increase your competitive advantage. Review the 8(a), HUBZone, Women-Owned and Veteran-Owned programs.

[Learn more...](#)

REQUEST OUR SERVICES

We have 30 years of experience in federal contracting. All of our services are free of charge. To request our services, fill out this form and we will contact you to get started.

REGISTER TODAY!

[Register here...](#)

[Saudi Losses in Yemen War Exposed by U.S. Tank Deal](#)

Searching for opportunities?

Every day the federal government publishes their business opportunities that are expected to



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Remember that you are not alone; we have 31 years of experience in helping companies doing business with the Federal Government.

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