

# Federal Contracting For Small Business: An Introductory "How-To" Guide to Becoming a Government Contractor



**Presented by:**  
David A. Rose  
Principal Attorney  
Rose Consulting Law Firm



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblve and use hashtag #nfiblve



# Federal Contracting For Small Business

- The Federal Government purchases over \$200 Billion worth of goods and services annually.
- Of this Total Amount, **23%** has to be Set Aside for Award to Small Business.
- Yeah that's like roughly **\$50 Billion!!!**



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# Broken Down Even Further

- Of that 23%...
- **5%** is designated for Small Disadvantaged Businesses.



## Broken Down Even Further, Of That 23%:

- **5%** is designated for Women Owned Businesses.



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# Broken Down Even Further, Of That 23%:

- **3%** is designated for Service Disabled Veteran Owned Small Businesses.



# Broken Down Even Further

- **3%** is designated for HUBZone Small Businesses.



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



## ...And Finally

- Large Companies must also incorporate and set aside work into their Government Prime contracts through the use of subcontracting plans which are made part of their proposal to the Government.



# How Do I Become a Government Contractor or Subcontractor

- **First:**
- You must be a company of some sort that does something:
  - A simple company – John’s Drywall Company
  - A Limited Partnership – LLP
  - A Limited Liability Company – LLC
  - A Corporation – Inc. or Corp. - Shareholders

**LLP    LLC    INC.    CORP.**



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive





# How Do I Become a Government Contractor or Subcontractor?

- **Second:**
- Get a DUNS Number from Dun and Bradstreet
  - It is free and easy. This is a choke point in the process and can take a week or two.
  - <http://www.dnb.com>.
  - **Dun and Bradstreet is an NFIB preferred provider. Visit: <http://www.nfib.com/db>**



**Decide with Confidence**



# How Do I Become a Government Contractor or Subcontractor?

- **Finally:**
- Register in the Central Contractor Register (CCR) at:
  - <https://www.bpn.gov/ccr/>
- Obtain a tax ID if required.
- Fill Out your ORCA Certifications and Representations at:
  - <https://orca.bpn.gov/login.aspx?actntype=validDuns>



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



# How Do I Become a Government Contractor or Subcontractor?

## Begin Marketing your Services or Products to the Government or Prime Contractors

- HOW!?!
- Excellent Question – You are well on your way.
- You must first determine your status:
  - Are you a small business or a large business?
  - If you are here – odds are you are a small business.
- But we need to determine that.....



# How Do I Become a Government Contractor or Subcontractor?

## How Does the Federal Government (SBA) Define a “Small Business”?

- As you will see in the coming slides, this is actually a moving target.
- In SBA terms, it is almost like asking, “What shape is a cloud, or what color is air?”

MAIN ENTRY:  
SMALL BUSINESS

FUNCTION: NOUN



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



# This is a small business – no question



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# After This it Gets More Difficult

- SBA defines Small Businesses by setting size standards according to NAICS Codes (formerly called SIC Codes).

***NAICS ASSOCIATION***



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



# After This it Gets More Difficult

- The Size will either be determined on a receipts basis or an employee basis.
  - What this means is that to determine if you are small or large you have to know what you do, and based on that determine your NAICS Code.

Div	Industry Title	Count*
01-09	Agriculture, Forestry, And Fishing	759,869
10-14	Mining	44,286
15-17	Construction	1,693,122
20-39	Manufacturing	859,703
40-49	Transportation, Communications, Electric, Gas, And Sanitary Services	799,808
50-51	Wholesale Trade	891,602
52-59	Retail Trade	3,228,104
60-67	Finance, Insurance, And Real Estate	1,833,976
70-89	Services	7,693,410
91-99	Public Administration	248,084

\* Number of US Businesses with that code.



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



# Example: Is This a Small Company?

- I have determined I am a Remedial Environmental Services Company, with 345 employees with annual gross receipts of \$435 Million.
- Am I a small company?





# Example: Is This a Small Company?

- NAICS Codes can be found at:
  - <http://www.naics.com/search.htm>
- Environmental Remediation Services is NAICS Code: 562910
- The SBA has a size standard table at:
  - <http://www.sba.gov/size> there is a link to it on the NAICS website
- Environmental Remediation Services 500
  - It gives us a table with a standard of 500 employees



# Example: Is This a Small Company?

- So in this example, it is an employee based standard of 500 employees. Since our company is at 435, we are small in that NAICS Code.



## Example: Is This a Large Company?

- Next, a construction General Contractor with 35 employees making \$35 million/yr gross on 3 projects only subcontracting out 70% of the work to subcontractors on buildings.



# Example: Is This a Large Company?

- NAICS Code Look up:
  - 236210 Industrial Building Construction  
\$33.5.



- So we have a receipts based standard with a limitation of \$33.5 million.
- What is the answer? If you said large, you might be correct – the receipts are a rolling 3 year average.



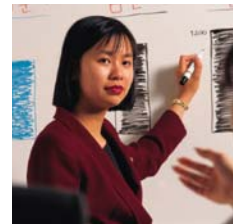
# How to Obtain Additional Advantages

## Statuses and How to Determine Them

The SBA generally tells you how to determine if you have a status.

The more common statuses are:

- Disadvantaged Business Enterprise.
- 8(a) Minority Owned Business.



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# How to Obtain Additional Advantages

## Statuses and How to Determine Them.

- Located in an Historically Underutilized Business Zone (HUBZone).



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# How to Obtain Additional Advantages

## Statuses and How to Determine Them.

- Service Disabled Veteran Owned Small Business.



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# How to Obtain Additional Advantages

## Statuses and How to Determine Them.

- Woman Owned Small Business.



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblve and use hashtag #nfiblve





# Certifying a Status

- Status are either self-certifying or require submittal for certification.
  - 8(a), and HUBZone require you to file an application and be approved.



# Certifying a Status

- DBE, SDVOSB and WOSB are self certifying. SDVOSB can be verified through a separate process with the Veteran's Administration and there are advantages to doing so.



# Where Do I Market All This?

- Now you are Armed and Ready!
  - Need I say Dangerous?
  - Start out looking at the FedBizOpps – Do not rely on it. This is a starting place.



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# Where Do I Market All This?

- Talk to the Small Disadvantaged Business Utilization Officers at the Federal Facilities (SDBUs)



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# Where Do I Market All This?

- Get to know the Project Managers at Conferences such as S.A.M.E, NDIA, Logistical, and other conferences and seminars.



# Where Do I Market All This?

- Teaming/Partner with existing contractors.
- Mentor/Protégé Program.



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive



# Where to Start

- Who is your competition?
- What market are you in?
- Who do you know that complements your business?



# Where to Start

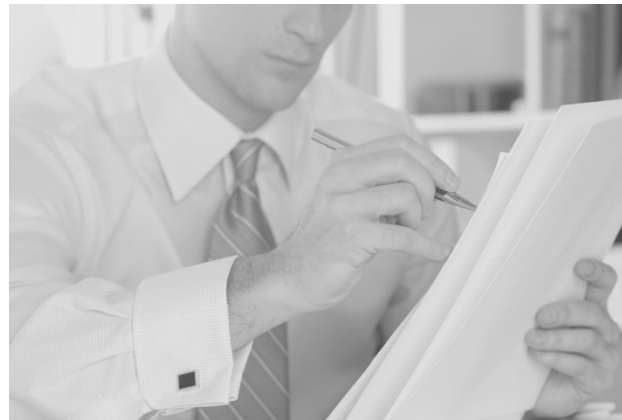
- What is your experience in the Government marketplace?
- What are the complementary company's experience levels in and out of the federal marketplace?
- What is the competition's experience level in and out of the marketplace?





# The Solicitation

- Get a copy of the bid documents.
- Have your internal team review the documents.
- Make sure you have all the pages – Don't laugh.



# The Solicitation

- Set up a tracking date to review the CO responses.
- If you are satisfied with the CO responses to your questions, have your team begin preparing a capture plan!



# Teaming Partners

- Identify potential Teaming Partners.
- Determining the type of teaming arrangement.



# Teaming Partners

- Prepare teaming agreements and negotiate.
- Receive the signed agreements back from partners. Is there a subcontracting plan requirement?




# Teaming Partners

- Have you clearly defined each Teaming Partner's role and level of participation?
- Issue of Consultants?!?



# Free Download

## Proposal Preparation Checklist



**PROPOSAL PREPARATION CHECKLIST**

**1. RFP/DOCUMENTS**

- Request or download a copy of the bid documents – IFB or RFP.
- Assemble your internal review team to review the request/invitation.
- Review the entire package for missing pages or sections.
- Determine if additional information is required and prepare questions for submission to Contracting Officer (CO).
- Set up a tracking date to receive the CO's responses
- If satisfied with the responses, have team review and begin preparing a plan for responding to the solicitation.

**2. TEAMING PARTNERS**

- Identify potential teaming partners.
- Determine type of teaming arrangement.
- Prepare teaming agreements and negotiate.
- Receive signed agreements from partners. Do you have a subcontracting plan requirement?
- Have you clearly defined each Team-member's level of participation on the project?
- Have you determined the level of effort needed to prepare the bid in terms of staff?
- ...In terms of consultants?

**Download at:**

<http://nfib.com/proposalchecklist>



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



If you have additional questions, please  
contact Dave directly:

**David A. Rose**

[drose@roseconsultingllc.org](mailto:drose@roseconsultingllc.org)

**Principal Attorney**

(770) 598-3139

**Rose Consulting**

<http://www.roseconsultingllc.org>



**NFIB**  
The Voice of Small Business.

Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive



# Additional NFIB.com Resources

## Small Business and the GSA: 5 Things You Should Know

<http://www.nfib.com/business-resources/business-resources-item?cmsid=54614>

## How to Sell to the Government With a GSA Contract: 5 Tips

<http://www.nfib.com/business-resources/business-resources-item?cmsid=55024>



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfiblive and use hashtag #nfiblive





# Stay Connected with NFIB

For more information about the **Small Business Webinar Series** visit: <http://www.NFIB.com/webinars>

**We want your feedback.** If you enjoyed today's webinar or have suggestions for the future, please fill out the **short survey** that you will receive via email after this webinar.

Did you know... NFIB is on **facebook.**

Stop By and Leave a Comment

<http://www.nfib.com/facebook>



Download slides at: [www.nfib.com/contractordeck](http://www.nfib.com/contractordeck)

Participate on Twitter: Follow @nfilive and use hashtag #nfilive

