

## **Federal Government Contracting Small Business Subcontracting Tips**

(8/2016)

### **Brookhaven Science Associates LLC/Brookhaven National Laboratory**

Visit our Small Business Program web page at: <https://www.bnl.gov/ppm/SDB/>  
Research what we do. If we buy what you sell, send the SBLO your one page capability statement.

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<https://www.bnl.gov/ppm/SDB/>

### **Tips to help you become successful in federal government contracting:**

#### **I Steps to take BEFORE bidding on a federal government opportunity:**

- 1 To be eligible to bid on a federal government bid, you must identify if you are:
  - ✓ **A Small Business?** Identify your North American Industrial Classification System (NAICS) code for your industry and the related U.S. Small Business Administration (SBA) size standard, which is how you determine if you are considered small for that particular NAICS code. The size standards are expressed in terms of either: Annual revenues (averaged over the last three years) or Total number of employees. <http://www.sba.gov/category/navigation-structure/contracting/contracting-officials/eligibility-size-standards> **AND**  
Are you:
    - Organized for profit?
    - Located in the United States? Or do you operated primarily with in the U.S.A. or make significant contributions to the U.S. economy through payment of taxes or use of American products, materials, or labor?
    - Independently owned and operated?
    - Not dominant in the field of operation in which you are bidding for federal government contracts?
    - A sole proprietorship, partnership, corporation, or any other legal form?
  
- 2 **If you are a small business, do you also qualify for one of the other small business subcategories?**
  - ✓ **Small Disadvantaged Business (SDB)** <https://www.sba.gov/contracting/government-contracting-programs/small-disadvantaged-businesses>  
A sub-set of SDB is the **8(a) Business Development Program (8a.)** Pursue the free formal certification, if you meet the SBA requirements for the 8(a) program. <https://www.sba.gov/contracting/government-contracting-programs/8a-business-development-program> and <https://certify.sba.gov/>
  - ✓ **HUB-Zone Small Business (HUB)** Pursue the free certification, if you meet the SBA requirements for the HUB-Zone Program. <https://www.sba.gov/contracting/government-contracting-programs/hubzone-program> and <https://certify.sba.gov/>
  - ✓ **Woman-Owned Small Business (WOB)** <https://www.sba.gov/starting-business/how-start-business/business-types/women-owned-businesses>  
A sub-set of WOB is the **Economically Disadvantaged Woman-Owned Small Business (EDWOSB)** <https://www.sba.gov/contracting/government-contracting-programs/women-owned-small-businesses> A free formal SBA Certification is required if you meet the SBA requirements for this program. <https://certify.sba.gov/>
  - ✓ **Service-Disabled Veteran-Owned Small Business (SDVOB)** <https://www.sba.gov/contracting/government-contracting-programs/service-disabled-veteran-owned-businesses>  
**Note:** New York State (NYS) Office of General Services (OGS) has an SDVOB NYS Certification <http://ogs.ny.gov/moved.asp> Not NYS, check if your states OGS has a similar program.
  - ✓ **Veteran-Owned Small Business (VOB)** SBA Veteran Resources to help you grow your business [https://www.sba.gov/starting-business/how-start-business/business-types/veteran-owned-businesses?SOCMEDJULVET=&utm\\_medium=email&utm\\_source=govdelivery](https://www.sba.gov/starting-business/how-start-business/business-types/veteran-owned-businesses?SOCMEDJULVET=&utm_medium=email&utm_source=govdelivery)

- 3 **Register in the System for Award Management (SAM)** All federal government contractors must be registered in this free database prior to the award of a federal government contract. When a small business registers in SAM, there is an opportunity to fill out a small business profile. This profile populates the Dynamic Small Business Search (DSBS). Federal contracting officers use DSBS to identify potential small business contractors and small businesses can also use DSBS to identify other small businesses for teaming and joint venturing. <https://www.sam.gov/portal/SAM/#1#1>

## II Bidding on a Government Bid:

Once you have done the above - **DO YOUR HOMEWORK** on the specific Agency or Prime Contractor that you want to do business with. Research what they do and what/how they buy **BEFORE** you contact them. Contact them only if you can meet their needs. Prepare a 30 second elevator speech, be professional in your presentation, concisely identify what problem you can solve with your specific product and/or service, and later follow up to make the sale.

### 1. **Research Your Potential Federal Customer – Government and/or Prime Contractor:**

- ✓ Many federal agencies have what is known as an **Office of Small and Disadvantaged Business Utilization (OSDBU)**. These offices work to identify opportunities for small businesses; they are your advocate and entry point into that Agency. <http://www.osdbu.gov/members.html>. Each agency releases a forecast of anticipated procurement activities. Once you have reviewed an agency's forecast and used systems like **FPDS** and **USASpending.gov** (see below) to discern if there may be opportunities, then reach out to the OSDBU and try to build a relationship. Additionally, most OSDBUs hold training/events to help small businesses. To learn more about OSDBUs and events, visit [www.osdbu.gov](http://www.osdbu.gov).
  - **Federal Procurement Data System (FPDS)** – A Google like search to help you find federal contracts and procurement data. [https://www.fpds.gov/fpdsng\\_cms/index.php/en/](https://www.fpds.gov/fpdsng_cms/index.php/en/)
  - **USASpending.Gov** <https://www.usaspending.gov/Pages/Default.aspx>  
The website is a searchable database that contains information for each federal award. This information can be used to help you identify procurement trends within the federal government and as well as potential opportunities.
  - **Explore Business Tools & Resources** <http://business.usa.gov/>
  - **Past Performance Information Retrieval System** <https://www.ppirs.gov/>
  - **SizeUp** <https://www.sba.gov/tools/sizeup>  
Research how your business stacks up with the competition. Benchmark your business against competitors, map your customers, competitors and suppliers, and locate the best places to advertise.
2. **Find a Mentor** - Don't go it alone - consult a mentor for advice. He/she is experienced, successful and willing to provide advice and guidance. FREE ASSISTANCE /mentoring can be received, on any federal government contracting topic, from:

- ✓ **National Procurement Technical Assistance Center (PTAC):** <http://www.aptac-us.org/new/>

#### **PTAC - Long Island, New York:-**

PTAC - LaGuardia College  
Long Island City, NY 11101  
Edgard Hernandez, Director  
718-482-5289 [Ehernandez@lagcc.cuny.edu](mailto:Ehernandez@lagcc.cuny.edu)

- ✓ **National Small Business Administration (SBA):** <https://www.sba.gov/>

#### - **SBA - Long Island, New York:**

Hauppauge, NY 11788  
Peter Fehnel - LI Branch Manager  
(631) 454-0750 x218 [Peter.Fehnel@sba.gov](mailto:Peter.Fehnel@sba.gov)

#### **SBA – New York City, New York:**

26 Federal Plaza, New York City, NY  
Clyde Martin – 8(a)/HUBZone Certification  
(Government Contracting)  
(212) 264-5276 [Clyde.martin@sba.gov](mailto:Clyde.martin@sba.gov)

- ✓ **National Small Business Development Centers (SBDC):** <http://www.sba.gov/tools/local-assistance/sbdc>

**SBDC - Long Island, New York:**

- **Farmingdale State College**  
Farmingdale, NY 11735  
Erica Chase-Gregory, Director  
(631) 370-8888 [erica.chase@farmingdale.edu](mailto:erica.chase@farmingdale.edu)
- **New York City College of Technology**  
Brooklyn, NY 11201  
Robert Piechota, Director  
(718) 797-0187 [RPiechota@citytech.Cuny.edu](mailto:RPiechota@citytech.Cuny.edu)
- **Stony Brook University**  
Stony Brook, NY 11794  
Bernie Ryba, Acting Director  
(631) 632-9070 [bryba@notes.cc.sunysb.edu](mailto:bryba@notes.cc.sunysb.edu)

- ✓ **National Women's Business Centers (WBC):** <https://www.sba.gov/tools/local-assistance/vboc&#xA0;> Training/ counseling to start and grow your small WOB businesses.

✓ **Other Long Island, NY Resources:**

- **Empire State Development** - [www.nylovesbiz.com](http://www.nylovesbiz.com) New York State economic development
- **Long Island Development Corp.** - [www.lidc.org](http://www.lidc.org) Financing assistance
- **Long Island Forum for Technology** - [www.lift.org](http://www.lift.org) Technical assistance
- **Minority Business Development Agency:** <http://www.mbda.gov/main/business-services>  
Minority business owners gain access to capital, contracts, market research and general business consulting.
- **Nassau County:** [www.nassaucountysharedservices.com/](http://www.nassaucountysharedservices.com/)
- **New York City:** <http://www1.nyc.gov/home/search/index.page?search-terms=request%20bids&start-number=0>
- **SCORE Mentors:** [www.score.org/](http://www.score.org/) Sponsored by SBA. Free counseling/mentoring from a network of business executives, leaders and volunteers.
- **Suffolk County:**  
<http://apps.suffolkcountyny.gov/Purchasing%20Office/Offerings/Home.aspx>
- **Suffolk County Women's Business Enterprise Coalition** (SCWBEC) for Long Island WOB's.

**3. Finding Government Agency Contracting Opportunities:**

- ✓ [www.fedbizopps.gov](http://www.fedbizopps.gov) Federal contracting opportunities - valued over \$25,000.
- ✓ [www.gsa.gov/portal/content/101195](http://www.gsa.gov/portal/content/101195) General Services Administration (GSA) subcontracting.
- ✓ [www.bidlink.net/](http://www.bidlink.net/) Combines over 100 databases covering army, navy, air force, marines, etc.
- ✓ [www.nyscr.ny.gov/](http://www.nyscr.ny.gov/) The New York State Contract Reporter for NYS bidding opportunities.
- ✓ [www.govcb.com/](http://www.govcb.com/) Search for the latest bid notices from the U.S./Canadian.
- ✓ <http://www.bnl.gov/bnlweb/beyond.php> U.S. Dept. of Energy (DOE) & DOE National Labs:

**4. Finding Prime Contractors and Subcontracting Opportunities:**

Federal Law states that any federal government contract over \$700,000 (\$1.5M for construction) **MUST** have a Subcontracting Plan (SCP), and that SCP **MUST** set specific goals for buying from small business.

- ✓ **SBA Subcontracting Network (SUBNET)** Go to: <https://www.sba.gov/contracting/finding-government-customers/subcontracting/sub-net>
- ✓ **Prime Contractors** flow the SCP small business goals requirements down to their subcontractors (on subcontracts over the SCP threshold). So ask the OSDBU for a list of large business prime contractors <http://www.osdbu.gov/members.html>

- ✓ **Supplier Connection**  
*Powered by IBM, it's a free, cloud-based business-to-business community. Enables collaboration between small businesses and the supply chains of Fortune 500 corporations, mid-market firms, and other enterprises.*  
<https://www.supplier-connection.net/SupplierConnection/index.html>

### **III. Recommendations:**

1. Create a one page **capabilities statement** of the products and/or services you want to sell (a few bulleted items works the best). Be sure to include your small business & what type(s); what you sell; and all your contact information.
2. **Follow up** – Be assertive NOT aggressive!!! Respect the Buyer's and/or SBLO's time (remember, everyone is doing double duty). See if they received your marketing letter and ask them if you can schedule a meeting with them to discuss the various ways that you can help their organization.
3. If you have the type of product and/or service that can be bought on a **credit card** - be prepared to accept a Government Bank Card (talk to your bank about how to set it up).
4. **Keep on top of your Cybersecurity**  
*It's one of the biggest threats businesses of all sizes face. More than 75% of data breaches target small and medium-sized businesses. 60% of small businesses affected by cybercrime will close within 6 months of the breach, according to a study by McAfee.*

*Contact your internet service provider to check on your security options, and find out where your network protection may be falling short. Then talk with your employees about creating strong passwords, backing up data regularly, etc.*

*Be sure to communicate to your customers, your online safety policies - especially if you're offering ecommerce services. Be open with customers who may have questions about the security of their orders or personal information, and welcome discussion.*

5. Don't forget keep all the federal government databases you are registered in **updated**.
6. After you are awarded a contract and make final delivery, ask the Buyer for a **letter of recommendation** on your successful completion of that contract. Once you receive the letter, use it as a marketing tool with your next prospective customer for similar work.

### **A huge benefit of contracting with the federal government is:**

*Federal government agencies have an obligation to pay every "proper invoice" within 30 days after its receipt. Under the Prompt Payment Act (31 U.S.C. §§ 3901-3905), an agency that fails to pay within the required time will be liable for interest on the delinquent payment.*

*Interest begins to accrue the day after the required payment date and ends only when the government makes payment. The government must pay all required interest automatically. The contractor is not required to file a claim for the interest.*

**Remember - - - DO YOUR HOMEWORK!!!**

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