Government Contracting Initiatives

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Presented by: Aaron Parra, Procurement Center Representative
In 1953 Congress passed the Small Business Act establishing the Small Business Administration.

This Act was to encourage and develop small business growth and to secure loans and management techniques.

At the time of the Act almost all major government contracts went to large industrial and agricultural firms. SBA was charged with procuring top government contract for small businesses.
Office of Government Contracting

- Four Programs
  - Size Determination
  - Commercial Market Representative – CMR
  - Certificate of Competency – COC
  - Procurement Center Representative - PCR

www.sba.gov
Size Determination

- SBA hears all size and status protests

- SBA is the final authority on all size related matters
Commercial Market Representative

- CMR are responsible for prime contractors subcontracting plans, for contracts over $650,000 manufacturing and $1.5M for construction.

- CMR make sure prime contractors meet their sub-contracting goals.
  - Compliance Reviews

- Small businesses are not required to submit a contracting plan.

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Certificate of Competency

- Must be found non-responsible by Contracting Officer, not non-responsive
- Must be a small business
- Must be apparent low bidder on the solicitation or in line for award
- Referred to SBA by Contracting Officer
  - For either capacity, credit or integrity
- Contracting Officer must submit to SBA a written determination and finding of non-responsibility.

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Certificate of Competency

- **Capacity** means the CO determines that the small business cannot perform on the solicitation. Cannot deliver on time, manufacture the part or for a variety of reason related to performance.

- **Credit** means the small business does not have the finances to perform on the contract.

- **Integrity** – is debarred, not in good standing with the federal government, or has a criminal record.
Procurement Center Representative

- Work with Government Agencies
  - Review acquisitions and solicitations over $10,000
    - Agencies cannot proceed without my signature
  - Recommend set-asides
    - Equal consideration given to all small businesses
    - SBA Recommendation (Form 70)
  - Assist agencies in meeting their goals
  - Review Subcontracting Plans

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Agencies I Oversee

- NASA Armstrong
- Edwards AFB
- NAVSEA Pt. Hueneme
- NAVFAC Pt. Hueneme
- NAVSEA Corona
- Ft. Irwin
- U.S. Army Corps of Engineers
- AF Space and Missile Center
- Vandenburg AFB
- NAVAIR China Lake
And more....

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Procurement Center Representative

- **Dynamic Small Business Search**
  - Primary tool for finding small business by NAICS, location, category
    - Keywords are important
- **If I find two or more QUALIFIED small businesses, I can recommend a set-aside or file a Form 70**
- **How you can help me:**
  - Respond to sources sought notices
  - Inform me or the cognizant PCR of solicitation notices on FBO that should be set-aside
    - Notify others in the small business community

[www.sba.gov](http://www.sba.gov)
Procurement Center Representative

Most small businesses don’t know what I do, they just see the results of what I do.
Proposed Regulations

- Limitation on subcontracting (LOS)
  - Changes performance requirements applicable to all SB and socioeconomic program set-aside contracts
  - Comment period closed April 6, 2015
Limitation on subcontracting (LOS) Changes

- **Intent:** To ensure that contracts awarded, and the benefits of those contracts, flow to the proper beneficiaries.

- **Goal:** To ensure that a certain amount of work is performed by a SB prime contractor that qualified for a SB program set-aside procurement due to its socioeconomic program status.

- Does not apply to small business set asides below $150,000.
Limitation on subcontracting (LOS) Changes

- Written agreement required identifying subs and forecasting percentage of work
- Whether specific firms performed forecasted amount is not material, as long as overall percentage was met
- Only work performed by the subcontractor will count
  - Not third tier
Proposed Regulations

- Joint Venture – Any JV will be considered small as long as each member qualifies as small under size standard
  - but excessive JV between two firms can result in affiliation
- Recertification required where acquisition occurs after offer but prior to award
- Rebuttable presumption of affiliation among family members, firms which derive 70% of revenue from another firm
Proposed Regulations

- Mentor-Protégé Programs
  - Small Business Jobs Act (SBJA) 2010
- Comment period closed May 6

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Mentor-Protégé (M-P) Programs

- Establish a Government-wide M-P Program for all small business concerns consistent with SBA’s 8(a) BD M-P Program
- Makes minor revisions to SBA’s 8(a) BD M-P Program so the two M-P programs are consistent
- Amends current JV regulations to clarify conditions when JV entities are eligible

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Mentor-Protégé (M-P) Programs

- JV must be in writing
- JV may not be populated (except with administrative personnel)
- Protégé must be small for primary industry
  - SBA will verify size and socioeconomic status
- Written agreement approved by SBA
  - Lasts up to 3 years, with one 3-year extension
  - Annual reports – SBA may not approve continuation
Mentor-Protégé (M-P) Programs

- Size of an approved JV may still be protested
- Voluntary suspension – disaster, lapse in appropriation
Advisory Size Decisions

- SBDCs and PTACs can provide advisory size decisions
- Businesses cannot be penalized if they rely, in good faith, on an advisory opinion
- Discretionary authority for PTACs and SBDCs
Advisory Size Decisions

- PTACs and SBDCs must
  - submit a copy of each determination to SBA’s Office of Procurement Law (OPL)
  - Provide a written analysis and include Form 355 and other evidence
- OPL may either refer for a formal determination or issue a decision within 10 days
- OPL must provide a copy back to the PTAC or SBDC
Advisory Size Decisions

- SBC may rely on PTAC or SBDC decision that it is small until SBA issues a decision stating otherwise or there has been a change that affects its size.
- Size status may still be protested on a procurement.
- Any firm that receives a negative determination from a PTAC or SBDC may request a formal size determination.
WOSB Program

- Sole source authority
  - Same as HUBZone, SDVOSB
  - No reasonable expectation of receiving two offers
  - Contract value less than $6.5 million for manufacturing, $4 million for all others
- SBA must conduct new study of industries where WOSBs are underrepresented by January 2016
Contact Information

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