Succeed in Today’s Challenging Federal Marketplace

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Hyatt Survey
Moderator: Gita Murthy, Ph.D., RORE, Inc.

Speakers

Ms. Pamela Mazza, PilieroMazza, PLLC
Mr. Clarence McAllister, Fortis Networks
Ms. Elizabeth Myers, USACE Jacksonville District
Mr. Scott Prosuch, Tetra Tech, Inc.
Ms. Mary Urey, Air Force Installation Contracting Agency
Session Agenda

10:00–10:15 AM: Overview of the SB Council


11:15–11:45 PM: SBA Regulations that Affect SBs

11:45–12:00 PM: Q&A and Open Forum
Small Business Council Mission

“To be an advocate for, and engage small business, in support of SAME’s Strategic Plan through outreach, training, networking and recognition. Service to current and new SAME members and the Uniformed Services shall guide the Council in the execution of its mission.”
Small Business Council Tasks

- Relationship & Streamer Evaluation
- Advertise SAME JETC RBF Awards
- Communicate through LinkedIn; teleconferences with PBSLOs
- Evaluate RBF Award Applications
- Identify topic and speaker; host quarterly Webinars
- Solicit articles
- Publish quarterly Newsletters
- Responsible for DOD SB Conference and JETC 2014 SB Sessions
Small Business Council Tasks

Communications and Conferences

- Responsible for DOD SB Conference and JETC 2014 SB Sessions
- Publish Newsletters and Articles in TME
- Available to assist on regional conferences

Education and Training

- Quarterly Webinars

Recognition

- Continue to promote the SAME SB Awards – update the evaluation and submission process
- JM Waller, 2014 SAME RBF Award Recipient
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1. What’s been the toughest challenge for a small business in 2013-2014?
2. What’s been the toughest challenge that the government has imposed on small businesses in 2013-2014?
3. What are three best practices that a small business can practice to help sustain and thrive in today’s marketplace?
4. Identify five most recent regulations that may adversely impact small businesses.
1. What’s been the toughest challenge for a small business in 2013-2014?
   • Finding qualified teaming partners
   • Finding qualified staff
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Government Perspective

1. What’s been the toughest challenge for a small business in 2013-2014?
   • Growing highly competitive market
   • Change in size standards for AE from $4.5 M to $14.0 M
   • Staying in Sync with the market
   • Who is doing the contracting – 772 ESS, GSA, USACE?
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Government Perspective

1. What’s been the toughest challenge for a small business in 2013-2014?

   • On-going changes to the small business program – Proposed Rules
   • So many changes to the small business program – Final Rules
     • Not final for everyone
     • CFR vs. FAR
   • Federal Register comment period – do you send in comments?
1. What’s been the toughest challenge for a small business in 2013-2014?

- Waiting as the government worked through sequestration, furloughs, extensive contract review periods, in-sourcing
- Timely information from the government
- Finding the right partner for a contract/agency in terms of relationship, technical skills, and qualifications
1. What’s been the toughest challenge for a small business in 2013-2014?

- The lowest-priced, technically acceptable (LPTA) environment is a huge challenge for all government contractors, but it especially impacts small businesses.
- Cash flow - inability to pay subcontractors on time, banks increasing covenants, more use of factoring and nontraditional financing.
2. **What’s been the toughest challenge that the government has imposed on small businesses in 2013-2014?**
   - Past performance requirements
   - Delayed procurements due to the sequestration
2. What’s been the toughest challenge that the government has imposed on small businesses in 2013-2014?

- Reduced government spending
- Government focus on doing less with more which has resulted in more MATOCS or Mega Contracts.
- Contracts with very broad scopes of work
2. *What’s been the toughest challenge that the government has imposed on small businesses in 2013-2014?*

- Although not a new challenge – Past Performance
  - How do you handle non-DOD past performance
- Low Price Technically Acceptable (LPTA)
  - No advantage for over and above the requirement
    - Pass or Fail only
- Coming soon – Limitations on Subcontracting changes
  - IDIQ contracts
  - Monitoring and enforcement
2. What’s been the toughest challenge that the government has imposed on small businesses in 2013-2014?

- Uncertainty
- Long delays from advertising to RFP release to selection and award of contract from the government
- Inconsistencies in evaluations within DOD
- Poor debriefs
2. *What’s been the toughest challenge that the government has imposed on small businesses in 2013-2014?*

- The lag time from submission of a REA or a claim to payment generally seems to have increased.
- The Presumed Loss Rule enacted by Congress through the 2011 NDAA and implemented through the FAR and SBA regulations.
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Small Business Perspective

3. What are best practices that a small business can practice to help sustain and thrive in today’s marketplace?
   • Becoming proactive with opportunities
   • Understanding customer needs
   • Be relentless
3. **What are best practices that a small business can practice to help sustain and thrive in today’s marketplace?**

- Be willing to invest in a consultant who specializes in government contracting.
- Do homework, research, be proactive. Know how to use the tools provided regarding government contracting.
- Diversify
- Make it a priority to have a good quality Management Program.
- Stay involved in your community of practice.
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Government Perspective

3. What are best practices that a small business can practice to help sustain and thrive in today’s marketplace?

• Stay focused – know your customer
  ❖ Cannot be everything to everybody

• Keep System for Award Management (SAM) current
  ❖ Flows to Dynamic Small Business Search
  ❖ NAICS code with size standard exceptions

• Monitor your Dun & Bradstreet report
  ❖ Used in market research to determine financial viability
  ❖ Able to do the work? Are you technically capable? Do you have the capacity? Are you financially viable?
3. What are best practices that a small business can practice to help sustain and thrive in today’s marketplace?

- Be flexible
- Develop a business plan that is responsive to the market
- Expand skills to cover broad areas
- Align with partners/Mentor(s) to leverage skills and capabilities
3. What are best practices that a small business can practice to help sustain and thrive in today’s marketplace?

- Be certain that your key personnel and your core service providers understand the applicable rules and regulations.

- Be certain that your company has appropriate policies and procedures in place dealing with ethics and compliance. Personnel should also be trained on the expectations of the company. Don’t simply pull policies off the shelf and then put them in the drawer because the practice won’t help in this environment.

- Conduct a review of your template agreements. Be sure that all agreements – with employees, shareholders and subcontractors – are up to date to reflect the new environment.
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Legal Perspective

Key recent laws, regulations or policies that can adversely impact small businesses.

1) Small business Performance of Work requirements
2) Strategic sourcing/contract consolidation
3) Policy shifts within the SBA Section 8(a) program regarding early graduation
   - Primary NAICS code issues
   - Economic disadvantage criteria
4) Presumed Loss Rule and misrepresentations as to size and status
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Legal Perspective

Key recent laws, regulations or policies that can adversely impact small businesses.

5) New regulations regarding recertification upon merger or acquisition and the impact on
   - Joint Ventures

6) Prevalent legal challenges relating to the federal marketplace
   - Bid protests
   - Protests relating to size and status
   - REAs and claims
   - Performance of Work audits
   - Timely payment of subcontractors
Questions
Thank You!

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