



# Small Business Procurement

Contracting with the Government



Small Business Procurement by Illinois workNet is licensed under a [Creative Commons Attribution-NonCommercial 4.0 International License](https://creativecommons.org/licenses/by-nc/4.0/).

1



## Business Plan

- Mission and Vision Statement
- Product or Service Description
- Market Analysis
- Management Description
- Marketing Plan
- Opportunities and Challenges
- Cash Flow Statement and Revenue Projections

## Other Essentials

- Location Selection
- Business Operations
- Business Registration
- Business Finance
- Business Lending
- Business Funding (Grants)
- Human Resources
- Marketing & Sales
- Taxes

2



A | PTAC

<http://www.aptac-us.org>

## Mary Turner

Illinois PTAC of Central Illinois

Mary is a level 3 Certified Contracting Specialist through the Association of Procurement Technical Assistance Centers (APTAC), and holds a Level 1 Federal Contracting Certificate. Mary has been with the PTAC program since November 2004.



## Webinar Objectives

- Learn SOME of the FEDERAL and STATE government contracting basics
- Intro to Registrations
- Intro to Certifications

## Selling to the Government

- Government Contracting
  - So many questions
  - Buried in paperwork



## The Government Customer

- Is the world's largest buyer
- Buys everything
- Spends billions

**\$1,000,000,000's**



## The Government Objective

- The **goal** is...
  - A **quality** product or service,
  - Delivered **on time**,
  - At a **competitive cost**.



## Federal Government

## Size of the Federal Government Market

- Total Federal Acquisition Spending
  - \$500+ Billion
- Small Business Market Share
  - SB (Small Business) Goal – 23%
  - Small Disadvantaged Business Goal – 7%
  - WOSB (Woman-Owned Small Business) Goal – 5%
  - HUBZone (Historically Underutilized Business) Goal – 5%
  - SDVOB (Service Disabled Veteran Owned Business) Goal – 3%



## Federal Dollar “Thresholds”

- \$3000/Under: Micro Purchase – unrestricted, credit cards, “off the shelf”
- \$3000 - \$150,000: Simplified Acquisition
  - Procedures; Small Business Set-Asides; use of credit cards and electronic commerce are maximized
- Above \$150,000: Large Dollar Purchase



## Electronic Commerce - Internet

- **FEDBIZOPPS** (All buys over \$25,000. Can download solicitation, drawings)
  - <http://www.fedbizopps.gov>
- Bid opportunities are posted to agency web sites: Federal Acquisition Jumpstation
  - <http://nais.nasa.gov/fedproc/home.html>



## Federal Registration - Things You Need

- Things you need to get started –
  - Identify your codes:
    - **NAICS codes (North American Industrial Classification Code):**
      - Classifies the type of product or service you provide, identifies primary line of business
      - <http://www.census.gov/epcd/www/naics.html>
    - **SIC Codes (Standard Industrial Classification Code)**
      - <http://www.osha.gov/oshstats/sicser.html>



## Federal Registration - Codes

- **PRODUCT SERVICE CODES (PSC)**
  - PSC uses a lettering system (A-Z) to provide product and service codes for Federal Procurement Data System
- **FEDERAL SUPPLY CLASSIFICATION (FSC)**
  - FSC uses a numeric system (10-99) to represent classification of supplies/equipment

<http://www.outreachsystems.com/resources/tables/pscs/>



## Federal Registration - Codes

- **TAXPAYER IDENTIFICATION NUMBER (TIN)**
  - Required for SAM registration and other government forms
  - TIN/FEIN or SSN required on most contracting forms
  - For TIN - Call IRS: 800-829-1040, or obtain #0997 Form W-7A from their website:
    - <http://www.irs.gov/pub/irs-pdf/fw7a.pdf>



## DUNS Number

- DUNS is the Data Universal Numbering System
  - Required on government forms and applications
  - Contact Dun and Bradstreet at
    - 1-866-705-5711 OR
    - <http://fedgov.dnb/webform>
  - **No charge for DUNS number** – if obtaining by phone indicate the number is for a federal contract



## System for Award Management - SAM

- Register in the SAM vendor database that is used for electronic funds transfer information –

***NO COST TO REGISTER – DON'T GET MISLED***

Access registration on the Internet - [www.sam.gov](http://www.sam.gov)



## Dynamic Small Business Search - DSBS

- DSBS when registering in SAM
  - SBA profile – separate database
  - [http://dsbs.sba.gov/dsbs/search/dsp\\_dsbs.cfm](http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm)



## CAGE – Commercial & Government Entity

- **CAGE – Commercial and Government Entity Code assigned through SAM**
  - Five position code that identifies companies that do or wish to do business with federal government.
  - Supports mechanized systems throughout government; standardized method of identifying a facility at a specific location.
  - Required by some large prime contractors.



## Certifications

- **FEDERAL LEVEL**

- Small Business (according to NAICS code/size standards, Self-certify)
- [http://www.sba.gov/sites/default/files/Size\\_Standards\\_Table.pdf](http://www.sba.gov/sites/default/files/Size_Standards_Table.pdf)

\* revenue or employee based depending on code



## Certifications

- Socioeconomic Programs through the SBA (Small Business Administration)
  - 8(a) Program
    - <https://sba8a.symplicity.com/applicants/guide>
  - HUBZone Program
    - <http://map.sba.gov/hubzone/init.asp#address>
  - Woman-Owned Small Business – SBA repository: must fall under specific NAICS codes



## Self-Certifications in SAM

- WOSB (Woman Owned Small Business)
- DSB (Disadvantaged Small Business)
- VOSB or SDVOSB (Vet or Service Disabled Vet Owned Small Business)



## Federal Verification

- CVE Verification
  - Currently needed if selling to the Department of Veteran Affairs only.



## State Procurement



## State Procurement

- IPG (Illinois Procurement Gateway)
  - [www.ipg.vendorreg.com](http://www.ipg.vendorreg.com)
- CMS (Central Management Services)
- SBSP (Small Business Set-Aside Program)
  - Within the IPG application
- IPB (Illinois Procurement Bulletin)
  - [www.purchase.state.il.us](http://www.purchase.state.il.us)



## State Procurement

- Illinois State Universities
  - [www.procure.stateuniv.state.il.us](http://www.procure.stateuniv.state.il.us)
- IDOT (Illinois Dept. of Transportation)
  - [www.idot.illinois.gov](http://www.idot.illinois.gov)
- CDB (Capital Development Board)
  - [www.cdb.state.il.us](http://www.cdb.state.il.us)



## State Size Standards

### To be considered Small Business –

- Wholesale: below \$13 million
- Retail/Service: below \$8 million
- Manufacturing: less than 250 employees
- Construction: below \$14 million



## State Certifications

- BEP (Business Enterprise Program) for Females, Minorities and Persons with Disabilities
- VOB (Veteran Owned Businesses (includes Service Disabled Vets)



## Illinois PTAC Centers

- PTAC – Procurement Technical Assistance Centers
  - Grant funded in joint cooperation with DoD / DLA, Illinois DCEO plus local host institutions
  - Services free of charge
  - One-on-one counseling
  - Assistance with selling to federal, state and local government
  - Customized bid matching



## Illinois SBDC Network

- Small Business Development Centers
- International Trade Centers
- NAFTA Opportunity Centers
- Small Business Incubators
- Illinois Manufacturing Excellence Centers
- Procurement Technical Assistance Centers





**A | PTAC**

<http://www.aptac-us.org>

## Mary Turner

### Illinois PTAC of Central Illinois

Illinois Procurement Technical Assistance  
Center of Central Illinois  
301 Oak Street, Suite 2-27  
Quincy, IL 62301  
217-223-5636  
mr-turner@wiu.edu

Thanks to Mary Turner for sharing her expertise and knowledge with Illinois workNet users!