



# Introduction to Government Contracting

**LEARN CONNECT WIN** !

The New Mexico Procurement Technical Assistance Center (NMPTAC) is funded in part through a cooperative agreement with the Defense Logistics Agency.  
The NMPTAC is also funded by the State of New Mexico.

# **Is selling to the government\* right for your business?**

**How to decide.  
How to proceed.**

**\*Federal, State, Local – Cities and Counties, Public Schools, Tribal**

# Today's Topics

- **Points to consider – is government contracting a good fit?**
- 10 Top Contracting Questions
- PTAC – who we are and what we offer

- What do you know about government contracting?
- What's the hardest part of being an entrepreneur/ business owner?
- What's the best part of being an entrepreneur/ business owner?

# Points To Consider

- Does the Government buy my product or service?
- Can a “start up” business obtain a government contract?
- Do I need a Business Plan? How will this help?

# Federal Certifications

- 8(a) – Certified by the SBA
  - 8(a) Native American & Tribally-owned business
  - HUBZone – Certified by the SBA
  - Veteran and Service Disabled Veteran – Certified by the VA
  - Woman Owned Small Business Certification (WOSB and EDWOSB)
  - Small Disadvantaged Business (SDB) – Self Certified in SAM
  - Dept. of Transportation - DBE
- ...Check to see if you qualify.

# Points To Consider

## Federal Small Business Goals/Requirements:

- 25% of all prime contracts
- SDVOSB = 4%
- HUBZone = 4%
- SDB/including 8(a) = 15%
- WOSB & EDWOSB = 7%

# Points To Consider

## Am I “Contract Ready”?

- Can I afford to wait up to 90 days on payment?
- Am I compliant with all regulations?
- Is my safety rating high?
- Do I have the required licensed professionals and supervisors in place? If not, how fast can I get them?
- Do I have a good track record in this area?



# What happens when you win a contract?

A government contract can be with city, state, federal, public schools, prisons, etc.

- Gets you in the door.
- Allows you to build your reputation.
- More contracts available.

# 10 Top Contracting Questions

1. **What services/products am I providing and where?**
2. Am I registered in all the appropriate databases?
3. Am I aware of all the regulations?
4. Do I have government-oriented marketing materials?
5. What is my Government Marketing Strategy?
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9. How do I find opportunities?
10. What is my next step?

# Question #1

**What services / products am I providing and where?**

# What?

## Identifying Your Product or Service

### Where to look:

- **North American Industry Classification System (NAICS)**
- Federal Supply Codes (FSC)
- Product and Service Codes (PSC)
- NM State Commodity Codes (NIGP - National Institute of Government Procurement)

**...Get to know your codes**

# Identifying Your Product or Service NAICS Code

## North American Industry Classification System

[Main](#)[History](#)[Development  
Partners](#)[Federal  
Register Notices](#)[NAPCS](#)[FAQs](#)

### NAICS Search:

Enter keyword or 2-6 digit code

  
[2017 NAICS Search](#)

Enter keyword or 2-6 digit code

  
[2012 NAICS Search](#)

Enter keyword or 2-6 digit code

  
[2007 NAICS Search](#)

### 2017 NAICS Key Word Search

#### Search results for: **Fencing**

Number of records found: 15

[238210](#) Electronic containment **fencing** for pets, installation

[238990](#) **Fencing** contractors (except electronic containment fencing for pets)

[238990](#) Fence installation (except electronic containment **fencing** for pets)

[321999](#) **Fencing**, wood (except rough pickets, poles, and rails), manufacturing

[321999](#) **Fencing**, prefabricated sections, wood, manufacturing

<https://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2017>

# Federal Supply Code (FSC) Examples

## Federal Supply Codes (FSCs)

10 - Weapons  
 11 - Nuclear Ordnance  
 12 - Fire Control Equipment  
 13 - Ammunitions and Explosives  
 14 - Guided Missiles  
 15 - Aircraft and Airframe Structural Components  
 16 - Aircraft Components and Accessories  
 17 - Aircraft Launching/Landing/Ground Handling Equip.  
 18 - Space Vehicles (deleted per 10/1/15)  
 19 - Ships, Small Craft, Pontoons, and Floating Docks  
 20 - Ship and Marine Equipment  
 22 - Railway Equipment  
 23 - Ground Vehicles, Motor Vehicles, Trailers, Cycles  
 24 - Tractors  
 25 - Vehicular Equipment Components  
 26 - Tires and Tubes  
 28 - Engines, Turbines, and Components  
 29 - Engine Accessories  
 30 - Mechanical Power Transmission

## 16 - Aircraft Components and Accessories

PSC	Description
1610	Aircraft Propellers and Components
1615	Helicopter Rotor Blades, Drive Mechanisms and Components
1620	Aircraft Landing Gear Components
1630	Aircraft Wheel and Brake Systems
1650	Aircraft Hydraulic, Vacuum and De-icing System Components
1660	Aircraft Air Conditioning, Heating and Pressurizing Equipment
1670	Parachutes, Aerial Pickup, Delivery, Recovery Systems and Cargo Tie Down Equipment
1675	Space Vehicle Component
1677	Space Vehicle Remote Control Systems
1680	Miscellaneous Aircraft Accessories Components

Codes in **green** have been added as of 10/01/15

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

# Product Service Code (PSC) Examples



## Product Service Codes (PSCs)

A - Research and Development

**B - Special Studies and Analyses - Not R&D**

C - Architect and Engineering - Construction

D - Automatic Data Processing and Telecommunication

E - Purchase of Structures and Facilities

F - Natural Resources and Conservation

G - Social Services

H - Quality Control, Testing, and Inspection

J - Maintenance, Repair, and Rebuilding of Equipment

K - Modification of Equipment

L - Technical Representative

M - Operation of Government Owned Facilities

N - Installation of Equipment

## B - Special Studies and Analyses - Not R&D

PSC	Description
B502	Air Quality Analyses
B503	Archeological-Paleontological Studies
B504	Chemical-Biological Studies
B505	Cost Benefit Analyses
B506	Data Analyses - Other than Scientific
B507	Economic Studies
B509	Endangered Species Studies - Plant/Animal
B510	Environmental Assessments
B513	Feasibility Studies (Non-Construction)
B516	Fisheries and Animal Studies
B517	Geological Studies

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



# National Institute of Government Purchasing (NIGP) Code Examples

NIGP Description Word Search <input type="text" value="microscope"/>		<input type="button" value="Search"/>
NIGP Commodity Code Search <input type="text"/>		<input type="button" value="Search"/>
NIGP Code	Description	
285-46-26	LAMPS, MINIATURE, INSTRUMENT (MICROSCOPE ILLUMINATOR)	
285-51-00	Lamps: Scientific Instrument: Microscope, Oscilloscope, etc.	
285-51-11	LAMPS, MICROSCOPE	
490-29-00	Electron Microscopy Equipment: Electron Microscopes, Vacuum Sputtering Sys	
490-57-00	Microscope Accessories: Adapters, Condensers, Filters, Illuminators, Lenses, e	
490-57-47	LENS, MICROSCOPE	
490-57-76	SLIDES, MICROSCOPE, PLAIN	
490-57-77	SLIDES, MICROSCOPE, FROSTED	
490-58-00	Microscopes, All Types (For Electron See 490-29, and for Operating Room See	
490-58-40	MICROSCOPES, ALL TYPES	
490-58-55	PARTS AND ACCESSORIES, MICROSCOPE	
495-35-25	BOXES, MICROSCOPE EVIDENCE SLIDE	

<http://app.ocp.dc.gov/RUI/information/nigplist.asp>



# Where?

Local/State/Tribal/Federal?

Which States?

International?

***...Where am I able to reasonably work & provide service?***

# 10 Top Contracting Questions

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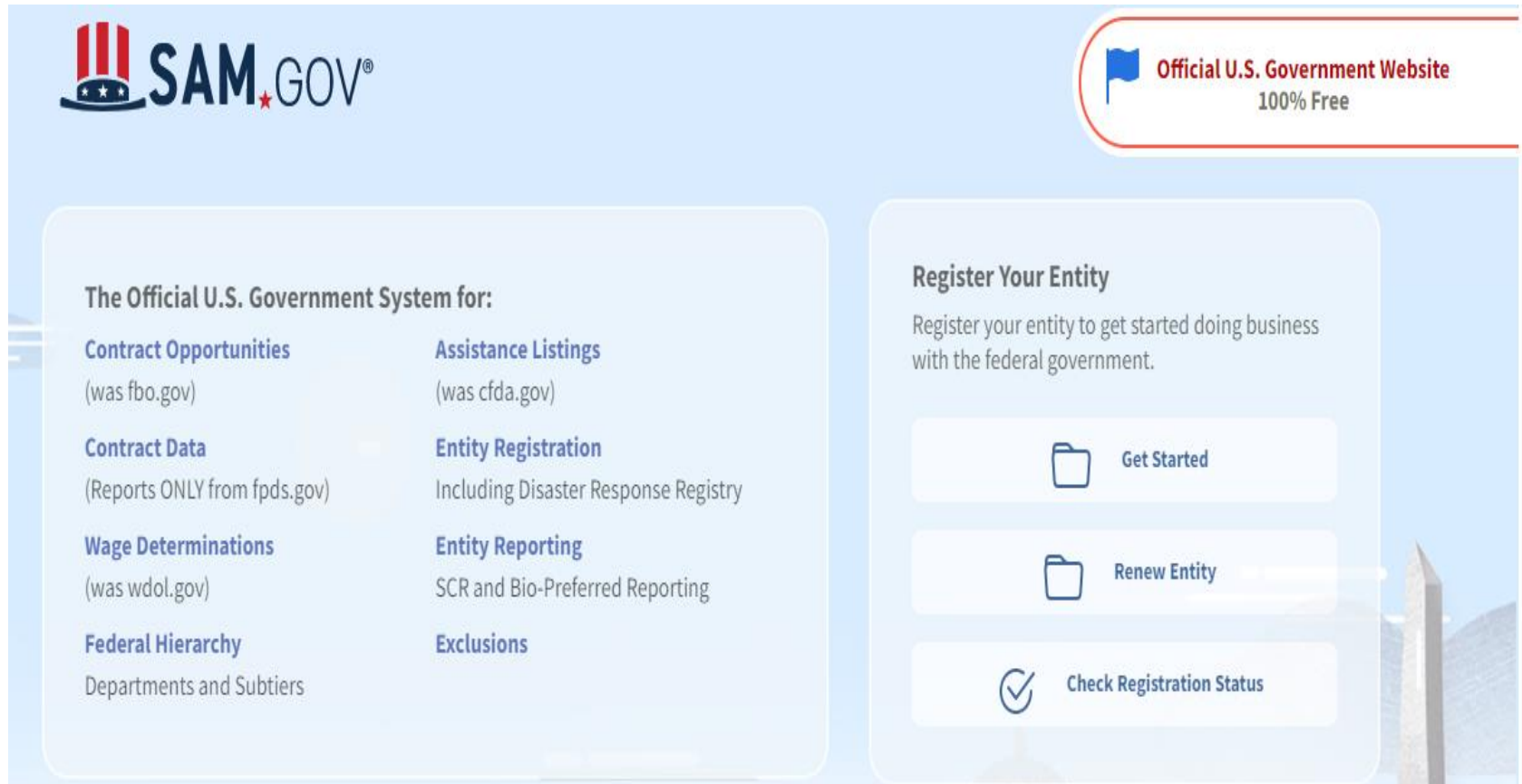
## Question #2

**Am I registered on all the appropriate databases?**

- System for Award Management  
<https://sam.gov/content/home/>
- Small Business Administration  
[www.sba.gov](http://www.sba.gov)
- City/County/State/Fed/National  
Labs/Military

***Get registered now!!***

# System for Award Management



The screenshot shows the SAM.GOV homepage. At the top left is the SAM.GOV logo, which includes a stylized American flag. At the top right, a red-bordered box contains the text "Official U.S. Government Website" and "100% Free". The main content area is divided into two columns. The left column, titled "The Official U.S. Government System for:", lists several services: "Contract Opportunities (was fbo.gov)", "Contract Data (Reports ONLY from fpds.gov)", "Wage Determinations (was wdol.gov)", "Federal Hierarchy (Departments and Subtiers)", "Assistance Listings (was cfda.gov)", "Entity Registration (Including Disaster Response Registry)", "Entity Reporting (SCR and Bio-Preferred Reporting)", and "Exclusions". The right column, titled "Register Your Entity", contains the text "Register your entity to get started doing business with the federal government." and three buttons: "Get Started" (with a folder icon), "Renew Entity" (with a folder icon), and "Check Registration Status" (with a checkmark icon). The background of the page features a faint image of the Washington Monument.

**SAM.GOV®**

**Official U.S. Government Website**  
100% Free

**The Official U.S. Government System for:**

- Contract Opportunities**  
(was fbo.gov)
- Contract Data**  
(Reports ONLY from fpds.gov)
- Wage Determinations**  
(was wdol.gov)
- Federal Hierarchy**  
Departments and Subtiers
- Assistance Listings**  
(was cfda.gov)
- Entity Registration**  
Including Disaster Response Registry
- Entity Reporting**  
SCR and Bio-Preferred Reporting
- Exclusions**

**Register Your Entity**  
Register your entity to get started doing business with the federal government.

- Get Started**
- Renew Entity**
- Check Registration Status**

<https://sam.gov/content/home>

# Dynamic Small Business Search (DSBS)

## ▶ SBA System

- Integrated database of small businesses
  - Pulls most information from SAM
  - Requires some input from contractor
- Used by Government contracting officers
  - Search by keywords or NAICS codes
  - Filter by socio-economic status, location
- Used by contractors to find:
  - Teaming partners, competitors and potential customers

[http://dsbs.sba.gov/dsbs/search/dsp\\_dsbs.cfm](http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm)

# Example DSBS Search Results

SBA Search Results				
SBA Search Results				
Table Listing, where the profile's status is Active; at least one word of the Capabilities Narrative, Special Equipment/Materials or Keywords is janitorial; and randomized by original start time of search: 2020-03-06 11:35:12 AM.				
Data validation took 0.00 seconds. The count and search queries took 0.00 seconds and 0.03 seconds, respectively.				
Displaying profiles 26 - 50 (of 3,523 profiles matching criteria):				
View	Name and Trade Name of Firm	Contact	Address and City, State Zip	Capabilities Narrative
26	<a href="#">Seminole Tribe of Florida, Inc., The Seminole Petroleum</a>	Dawn Houle	<a href="#">6300 Stirling Rd Hollywood, FL 33024-2153</a>	Seminole Tribe of Florida, Inc. is a Native American federally chartered corporation that owns several subsidiaries that manufacture, supply and distribute products. Core products include Seminole Pride Beef a Hubzone certified business, OWV premium spring water, Seminole Petroleum off
27	<a href="#">STRICKLAND MANAGEMENT LLC</a>	EDWIN B STRICKLAND	<a href="#">818 S King St Apt 1007 Honolulu, HI 96813-3023</a>	Janitorial Services and Facility Management Services and Preventive Maintenance. Removal and install furniture.
28	<a href="#">Swift Office Solutions, Inc.</a>	KATHY Hooper	<a href="#">2429 W 12th St Ste 6 Tempe, AZ 85281-6937</a>	Swift Office Solutions has been Phoenix, Arizona's preferred office supply vendor for over 25 years. Our unique customer service and approach separate us from our competition in the Phoenix metro area. Our customer commitment starts with answering each call with a person, includes a powerful website that is mobile enabled and provides a companywide requisition system (CRS). The CRS System virtually eliminates vague requests into a concise list of items with part numbers.
29	<a href="#">HDD ENTERPRISES</a>	Harold Wash	<a href="#">900 PECAN ST W STE 300 PFLUGERVILLE, TX 78660-2770</a>	
30	<a href="#">Omega Industrial Supply Inc</a>	ADAM BRADY	<a href="#">101 Grobrie Ct Fairfield, CA 94534-1673</a>	
31	<a href="#">Modesto Janitorial Supply Center, Inc., ProClean Supply</a>	JOEL SUMMERFIELD	<a href="#">701 Kearney Ave Modesto, CA 95350-5715</a>	
32	<a href="#">A Bold and Beautiful Service</a>	Detrice Brown	<a href="#">1620 N Boston Pl Tulsa, OK 74106-4130</a>	A Janitorial/Custodial,Medical,Warehouse, Parks, New Construction Site,Parking Lot Access,Bracking Floor Protectant,Schools,Television-Pro Owned Business with Great Work History Experience and Job Creativity.

# State of NM Registrations

## ▶ Register with State Purchasing Division

- Receive electronic notifications of opportunities
- View and download all pertinent information
- Receive electronic notifications of solicitation changes
- Allows you to respond electronically
- Requires your Commodity Codes (NIGPs)

## ▶ Obtain Preference Certifications

- In-state business or contractor preference (5%)
- Veteran business or contractor preference (10%)
- Find on Tax & Revenue website

<http://tax.newmexico.gov/>

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# Question #3

## Am I aware of all the regulations?

- Insurance – How much?
- Bonding – How much?
- Licenses/Certification – Which ones?
- Clearances – Do I need these? (Not usually but capability to obtain is required.)
- Safety – Plan?
- Cybersecurity - Plan
- Federal Acquisitions Regulations
- State Procurement Code
- Local Ordinances

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# Question #4

## Do I have government-oriented marketing materials?

- Capabilities Statement – your government brochure
  - Include qualifications, certifications, licenses, etc.
  - Focus on core competencies or products
  - Don't forget product and service codes (NAICS, NIGPs)
  - Keep it simple and clear
- Business cards
- Past Performance
  - Who, what, where, when
  - Problems solved / value added

# Who do I market to?



Office of Small  
and  
Disadvantaged  
Business  
Utilization  
(OSDBU)

Contracting  
Officers (COs or  
KOs)

Program  
Managers  
(including End  
Users)

Procurement  
Center  
Representatives  
(PCR)

Chief  
Procurement Officers  
(CPO's)

Directory can be found at:

[http://www.generalservices  
.state.nm.us/  
statepurchasing/](http://www.generalservices.state.nm.us/statepurchasing/)

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# Question #5

## What is my Government Marketing Strategy?

- Prime or Subcontract?
- Teaming with other companies – Strategy?
- Start with Local, and work up to Federal?
- BidMatch – where are the opportunities?

*...Do the analysis and research for an effective strategy*

# Government Marketing Strategy

- Request For Proposals (RFP)
- Request For Quotes (RFQ)
- Invitation to Bid (ITB)
- Request for Information (RFI)
- Sources Sought Notices (SSN)

*...Don't wait for an RFP/RFQ – investigate SSNs and RFI's*

# NM State Marketing Strategy

Understand how the state buys:

- Looks for best value and lowest cost for taxpayers
- Open and fair competition
- Transparency in all purchasing
- Chief Procurement Officers (CPOs)
- Statewide Pricing Agreements



# NM State Marketing Strategy

Steps to take:

- Register with State Purchasing  
<https://solutions.scquest.com/apps/Router/SupplierLogin?CustOrg=StateOfNewMexico>
- Obtain NM State Commodity Code(s) applicable to your business
- Obtain In-State/Vendor Preference certification thru Tax & Revenue  
<http://www.tax.newmexico.gov/Businesses/in-state-veteran-preference-certification.aspx>

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# Question #6

## What pricing will I use?

- Commercial vs. Federal
- General Services Administration (GSA)
- Procurement tools/vehicles to consider if you want federal contracts

*...Include pricing and strategy in your business plan*

# Federal Acquisition Regulations (FAR) – Subpart 31

Contains cost principles and procedures for:

- (a) The pricing of contracts, subcontracts, and modifications to contracts and subcontracts whenever cost analysis is performed; and
- (b) The determination, negotiation, or allowance of costs when required by a contract clause.

*...Applies to cost-based contracts; Part 12 specific to commercial contracts*

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# Question #7

## Do I have my accounting practices in order?

- Acceptable accounting procedures & practices per the DCAA (Defense Contract Audit Agency)
- FAR Part 31
- Wide Area Workflow (WAWF) DoD Invoicing

# Can your accounting system do the following?

- Segregate direct costs from indirect costs.
- Accumulate and segregate direct costs by contract and contract line item
- Provide General Ledger control
- Allow for **accurate timekeeping**
- Segregate unallowable costs from allowable

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# Question #8

## What are the different contract types?

The way you're paid:

- Firm Fixed Price
- Time and Materials
- Cost Plus Fixed Fee / Award Fee

The structure of award

- Purchase Order (usually for micro purchases)
- A stand-alone Contract
- Indefinite Delivery/Indefinite Quantity (IDIQ) (can be to 1 or more contractors)
- Blanket Order Agreement (BOA)

*...What types make sense for your business?*

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# Question #9

## How do I find opportunities?

PTAC's Bid Match service for all levels of government

Contracts Opportunities in the System for Award Management (SAM) for federal government opportunities

*...Register for both*

# More Opportunity Sources

- Contact the Small Business Offices at Federal agencies, bases, laboratories or large contractors.
- GSA e-library
- SBA Contracting Staff Directory for specific listings of:  
    PCRs: Procurement Center Representatives  
    CMRs: Commercial Market Representatives
- For existing contract information:  
    Federal Procurement Data System  
    USA Spending Information  
    Acquisition Information

# Other Resources

Small Business Administration (SBA)

NM Small Business Development Center (SBDC)

SCORE - small business mentors and advisors

WESST - small business assistance

# Resource Links

**PTAC**

<http://www.nmptac.org>

**PTAC Resource Links:**

<http://www.nmptac.org/what-we-do/resources/>

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# Question #10

**What is my next step?**

**If you're still interested.....**

**Meet with a PTAC Advisor!**



# PTAC – who we are and what we offer

- 4 locations statewide
- NM PTAC is Federal, and State funded
- One-On-One Counseling with experienced PTAC Advisors *free of charge*
- Workshops *free of charge*
- **Bid Match Program** – automatically matches a company's products (NAICs) and/or services against a database of federal, state, and local government bid opportunities *free of charge*

# Additional PTAC Services

Help clients with:

- Government Registrations
- Certification Programs Support
- Market Research & Analysis
- Marketing
- Proposals & RFP Reviews
- Contract Administration

# PTAC Roadmap of Services

**Step 1:** Discuss client goals;  
Explain PTAC services, obtain  
DUNS #; research NAICS

**Step 2:** SAM registration &  
SBA profile; Bid Match

**Step 3:** Federal certification  
eligibility; marketing materials

**Step 4:** Market research;  
review marketing materials

**Step 5:** Start marketing plan;  
next steps . . .

After Steps 1-5  
we counsel  
clients  
throughout the  
contract lifecycle



# PTAC Statistics

From January 2009 to January 2019:

- Number of clients counseled: 3,583
- Total number of contracts (prime and sub): 2,108
- Total \$ Number of Contracts (prime and sub): \$360+ million

# PTAC Offices



# The PTAC Team

**Program Manager: Therese Rivera**

**Administrative Assistant: Tracey Edwards**

## Advisors

### ***Albuquerque***

Stephen Hogan

Elythia McAnarney

Steve Stewart

### ***Clovis***

Jonnie Loadwick

### ***Las Cruces***

Karen Medina

### ***Santa Fe***

*Thank you for joining me today*

For more information contact

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PTAC Advisor**

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**505-224-5964**

**[www.nmptac.org](http://www.nmptac.org)**