

Finding and Winning Simplified Acquisitions™



Shorter procurements, lower costs and a preference for small business makes these low-hanging fruit.





All Rights Reserved. Copyright C 2011-2016 The American Small Business Coalition LLC







Guy Timberlake is an experienced veteran of federal contracting with three decades of insights, instincts and relationships. Supporting the manufacture of critical communications and data collection systems during the first Gulf War was his introduction to government contracting. From Manufacturing and Operations he grew to successfully manage customer-facing and revenue-generating roles of responsibility for several small civilian, defense and intelligence contractors.

Guy and his wife, Margaret, founded The American Small Business Coalition in 2004. As the Chief Visionary and CEO he is focused on the continual building of **information** and **relationships** to aide members and clients in developing **access** to viable growth opportunities.

As creator of the proven Ethical Stalking for Government Contractors[™] programs, Guy facilitates **real-world** business development and competitive intelligence education, training and advisory support to small, mid-tier and large companies and Government organizations.

Guy serves on the Board of Directors for American Freedom Foundation, AFCEA International and is a Technical Advisor and Subject Matter Expert for the Maryland Defense Network.









ŀ

Me and Simplified Acquisitions

GovConCl		SEARCH			Search		
NEWS AND INFORMATION	N THAT MATTERS T	O SMALL GOVERNMENT C	ONTRACTORS.	🚹 Home	i About 💌 Subsc	ribe 🔽 Conta	ict
ABOUT GOVCONCHANNEL	FEATURED CONTENT	CHIEF VISIONARY'S BLOG	GOVCONCHAT™	B2G ESSENTIALS™	#ASK@GOVCONGUY	GOVCONCI™	CONTACT US
// archives		ECONOMY Intern pour door at areas considerate adjoining side and attempt considerate	HE NE				P
simplified	Federal	gencies Buy When Contracts			ı	CATEGORIES	n News (719)
acquisition		GOVCONCHANNELCHIEF - OC how agencies leverage PS			anion piece to my '8	Agency News (589) Announcements (62)	
This tag is associated with 108 posts	Ways Com	Ways Companies Win \$250,000 in Federal Contracts' a Service Codes referenced by agencies for the \$29 billion →			nticle takes a look at the top Product and		ments (62) ess Opportunity (41) est For Information

Top NAICS Codes by Spending for '8 Ways Companies Win \$250,000 in Federal Contracts'

POSTED BY GOVCONCHANNELCHIEF - OCTOBER 14, 2015 - LEAVE A COMMENT

This companion piece to my '8 Ways Companies Win \$250,000 in Federal Contracts' article takes a look at the top NAICS Codes referenced by agencies for the \$29 billion small business spend. Continue reading \rightarrow

8 Ways Companies Win \$250,000 in Federal Contracts

POSTED BY GOVCONCHANNELCHIEF - OCTOBER 12, 2015 - 2 COMMENTS

When it comes to small federal contractors and biggest bang for the proverbial B&P bucks, things aren't always what they seem. With all of the attention given to contract vehicles like GSA's STARS II, ALLIANT Small Business and the Federal Supply Schedules, one might expect those and other Multiple Award Indefinite Delivery Vehicles to do well in a competitive analysis. But that isn't always the case. Continue reading \rightarrow

Contract Awards (36)

Budget News (107)

Contributor (1,527)

(14)

Sources Sought (2)

Chief Visionary's Blog (87)

#Ask@GovConGuy (33)

- Affiliated Reporter (14)
- GovConChannel Team (34)
- Government PAO (13)
- Industry Blogger (508)
- Media Publication (986)
- Sponsor/Partner (87)

Sum of Action Obligation				
Solicitation Procedures	•	Fiscal Year 🔽	То	otal
■ SIMPLIFIED ACQUISITION		2009	\$	13,070,333,991.73
		2010	\$	13,979,562,560.58
		2011	\$	16,804,782,023.13
		2012	\$	15,748,534,822.59
		2013	\$	17,533,790,679.92
		2014	\$	19,082,983,184.51
		2015	\$	20,125,548,972.45
SIMPLIFIED ACQUISITION Total			\$	116,345,536,234.91
Grand Total			\$	116,345,536,234.91



- 6,800 SB's split \$9B in FY15 where each won at least \$250K (average of \$1.3 million each!)
 - 103 SB's netted \$10M or more
- Between \$1M and \$10M -1,896 SB's
- Nearly 4,800 SB's captured between \$250K and \$1M

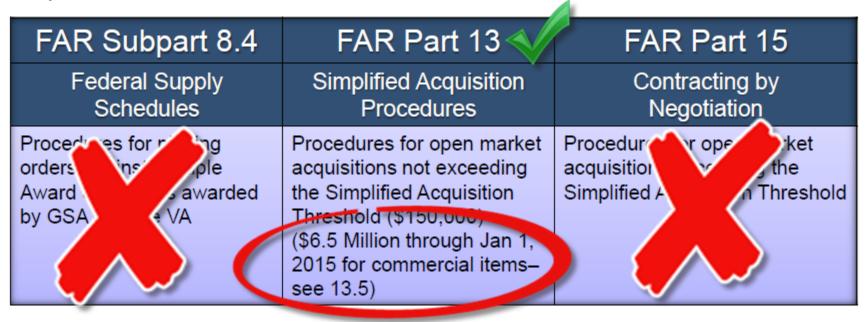


ŀ

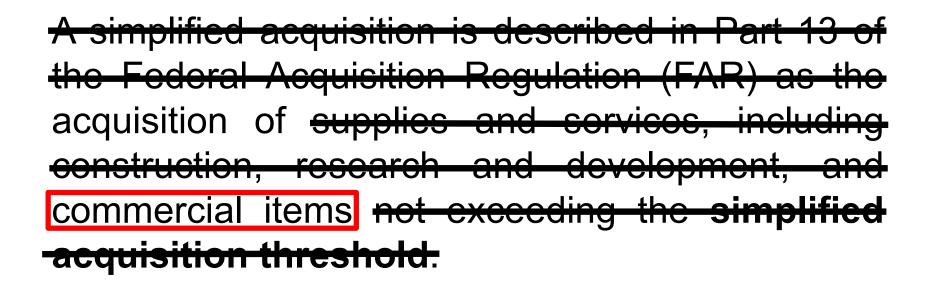
What is a Simplified Acquisition?



FAR Subpart 8.4, Part 13, and Part 15 provide alternative means for getting your requirements on contract:



Construction and Architect-Engineer services must be procured IAW FAR Part 36.





ŀ

What are the S.A.P. and S.A.T.?



13.002 Purpose.

The purpose of this part is to prescribe simplified acquisition procedures in order to—

(a) Reduce administrative costs;

(b) Improve opportunities for small, small disadvantaged, women-owned, veteran-owned, HUBZone, and servicedisabled veteran-owned small business concerns to obtain a fair proportion of Government contracts;

(c) Promote efficiency and economy in contracting; and

(d) Avoid unnecessary burdens for agencies and contractors

The FAR states "Each acquisition of **supplies or services** that has an anticipated dollar value exceeding **\$3,500** and not exceeding **\$150,000** is <u>reserved exclusively for small</u> business concerns and shall be set aside."

The **Micropurchase Threshold** was increased to \$3500 on October 1, 2015.

Rule of Two

In summary the rule states: 'Each acquisition of supplies or services that has an anticipated dollar value exceeding \$3,000 but not over \$150,000, is automatically reserved exclusively for small business concerns and shall be set aside for small business unless the contracting officer determines **there is not** a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery.'

Going above the S.A.T.

A man's got to know his limitations.

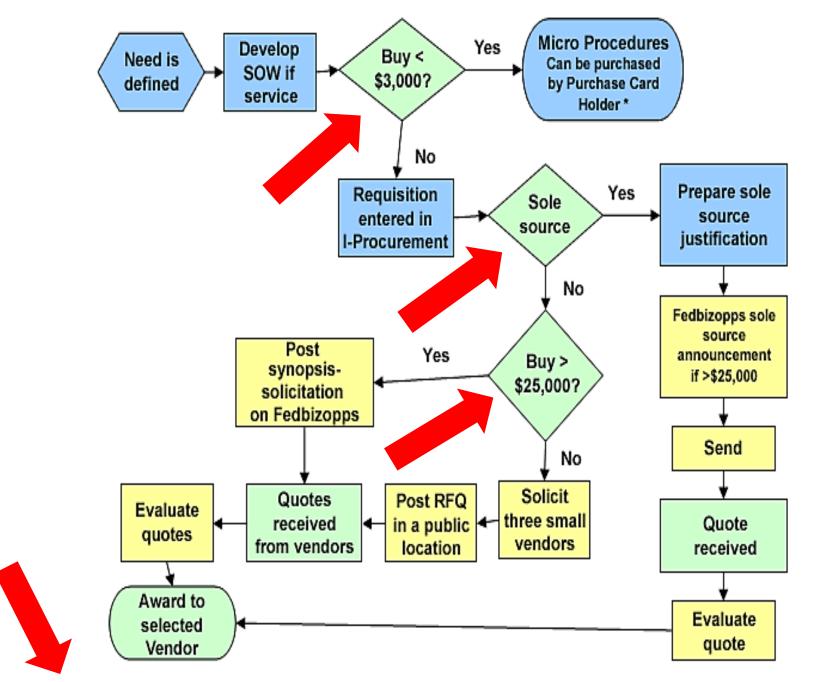
FAR Case 2014-022 Impact to Thresholds

The following table shows the new thresholds due to the release of FAR Case 2014-022:

Threshold Title	FAR Authority	Current Threshold	October 1, 2015 FY 2016 Threshold
Micro-purchase	FAR 2.101	\$3,000.00	\$3,500.00
Simplified Acquisition	FAR 2.101	\$150,000.00	No change
FBO pre award notice	FAR 5.2	\$25,000.00	No change
FBO post award notice	FAR 5.3	\$25,000.00	No change
Simplified Acquisition Procedures for Commercial test item program	FAR 13.500	\$150,000.01 up to \$12,000,000.00	\$150,000.01 up to \$13,000,000.00
Cost and pricing data	FAR 15.403-4	\$700,000.00	\$750,000.00
Subcontracting -products & services	FAR 19.702	\$650,000.00	\$700,000.00
Subcontracting- construction	FAR 19.702	\$1.500,000.00	No change
1st Sub contract reporting including Executive Compensation	FAR 4.14	\$25,000.00	\$30,000.00
Davis Bacon	FAR 22	\$2,000.00	No change
Service Contract Act	FAR 22	\$2,500.00	No change
Trade agreements	FAR 25.4	Various thresholds	No change
Executive Compensation	FAR 4.14	\$25,000.00	\$30,000.00



Speedier for Agencies?



Average processing time for a Simplified Purchase is 30-60 days, with additional time required for services that require a statement of work.

Faster for Vendors?



RFQ vs RFP

Solicitations under Simplified Acquisition Procedures are called Request for Quotations (RFQ).

Solicitations under competitive or negotiated procedures are called Requests for Proposals (RFP).

Combined

Synopsis/Solicitation

Evaluation of Quotations or Offers a/k/a FAR 13.106-2

(1) The contracting officer has broad discretion in fashioning suitable evaluation procedures. The procedures prescribed in <u>Parts 14</u> and <u>15</u> are not mandatory. At the contracting officer's discretion, one or more, but not necessarily all, of the evaluation procedures in <u>Part 14</u> or <u>15</u> may be used.

Evaluation of other factors, such as past performance(i) Does not require the creation or existence of a formal data base; and
(ii) May be based on one or more of the following:
(A) The contracting officer's knowledge of and previous experience with the supply or service being acquired;

ŀ

Who's Buying and Who's Paying?

Contracting

VS.

Funding

Civilian

Defense

Intelligence

Department

Agency/Bureau

Office



Contracting

Contracting Department

AGENCY FOR INTERNATIONAL DEVELOPMENT
AGRICULTURE, DEPARTMENT OF
BROADCASTING BOARD OF GOVERNORS
CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD
COMMERCE, DEPARTMENT OF
COMMODITY FUTURES TRADING COMMISSION
CONSUMER FINANCIAL PROTECTION BUREAU
CONSUMER PRODUCT SAFETY COMMISSION
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE
COURT SERVICES AND OFFENDER SUPERVISION AGENCY
DEFENSE NUCLEAR FACILITIES SAFETY BOARD
DEPT OF DEFENSE
EDUCATION, DEPARTMENT OF
ENERGY, DEPARTMENT OF
ENVIRONMENTAL PROTECTION AGENCY
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
EXECUTIVE OFFICE OF THE PRESIDENT
FEDERAL COMMUNICATIONS COMMISSION
FEDERAL ELECTION COMMISSION
FEDERAL ENERGY REGULATORY COMMISSION

FEDERAL LABOR RELATIONS AUTHORITY FEDERAL MARITIME COMMISSION FEDERAL MEDIATION AND CONCILIATION SERVICE FEDERAL TRADE COMMISSION GENERAL SERVICES ADMINISTRATION GOVERNMENT ACCOUNTABILITY OFFICE HEALTH AND HUMAN SERVICES, DEPARTMENT OF HOMELAND SECURITY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF INTERIOR. DEPARTMENT OF THE INTERNATIONAL BOUNDARY AND WATER COMMISSION: U.S.-MEXIC INTERNATIONAL TRADE COMMISSION J. F. KENNEDY CENTER FOR THE PERFORMING ARTS JUSTICE, DEPARTMENT OF LABOR, DEPARTMENT OF MERIT SYSTEMS PROTECTION BOARD MILLENIUM CHALLENGE CORPORATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION NATIONAL ARCHIVES AND RECORDS ADMINISTRATION NATIONAL ENDOWMENT FOR THE ARTS

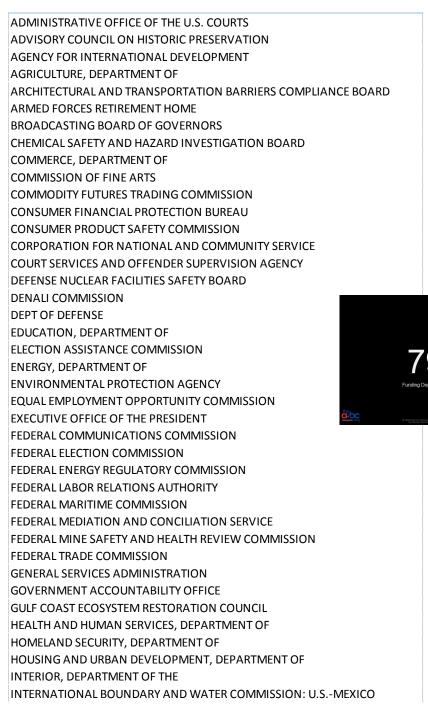


NATIONAL ENDOWMENT FOR THE HUMANITIES
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
NATIONAL GALLERY OF ART
NATIONAL LABOR RELATIONS BOARD
NATIONAL SCIENCE FOUNDATION
NATIONAL TRANSPORTATION SAFETY BOARD
NUCLEAR REGULATORY COMMISSION
OFFICE OF PERSONNEL MANAGEMENT
OVERSEAS PRIVATE INVESTMENT CORPORATION
PEACE CORPS
PENSION BENEFIT GUARANTY CORPORATION
RAILROAD RETIREMENT BOARD
SECURITIES AND EXCHANGE COMMISSION
SMALL BUSINESS ADMINISTRATION
SMITHSONIAN INSTITUTION
SOCIAL SECURITY ADMINISTRATION
STATE, DEPARTMENT OF
TRANSPORTATION, DEPARTMENT OF
TREASURY, DEPARTMENT OF THE
UNITED STATES TRADE AND DEVELOPMENT AGENCY
VETERANS AFFAIRS DEPARTMENT OF



Image: Weight of the second second

Department



INTERNATIONAL TRADE COMMISSION J. F. KENNEDY CENTER FOR THE PERFORMING ARTS JUSTICE, DEPARTMENT OF LABOR, DEPARTMENT OF LIBRARY OF CONGRESS MERIT SYSTEMS PROTECTION BOARD MILLENIUM CHALLENGE CORPORATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION NATIONAL ARCHIVES AND RECORDS ADMINISTRATION NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE NATIONAL ENDOWMENT FOR THE ARTS NATIONAL ENDOWMENT FOR THE HUMANITIES NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES NATIONAL GALLERY OF ART NATIONAL LABOR RELATIONS BOARD NATIONAL MEDIATION BOARD NATIONAL SCIENCE FOUNDATION NATIONAL TRANSPORTATION SAFETY BOARD NUCLEAR REGULATORY COMMISSION OFFICE OF GOVERNMENT ETHICS OFFICE OF PERSONNEL MANAGEMENT OFFICE OF SPECIAL COUNSEL OVERSEAS PRIVATE INVESTMENT CORPORATION PFACE CORPS PENSION BENEFIT GUARANTY CORPORATION RAILROAD RETIREMENT BOARD RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD SECURITIES AND EXCHANGE COMMISSION SMALL BUSINESS ADMINISTRATION SMITHSONIAN INSTITUTION SOCIAL SECURITY ADMINISTRATION STATE, DEPARTMENT OF THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY THE JUDICIAL BRANCH TRANSPORTATION, DEPARTMENT OF TREASURY, DEPARTMENT OF THE U.S. TAX COURT UNITED STATES TRADE AND DEVELOPMENT AGENCY VETERANS AFFAIRS, DEPARTMENT OF







Contracting Funding Department Agency Office or Center

Do You Know the Agency Code(s)?

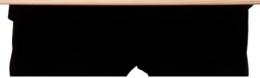


There is general misunderstanding of how agencies describe what they are buying.





Specifically related to how agencies classify contract actions and the goods and services they buy.



"How do you 'connect the dots' when you don't know what the 'dots' mean?"

- Guy Timberlake, Chief Visionary, 2014

Here are the descriptions of 2 classifications **used every day** in federal contracting.

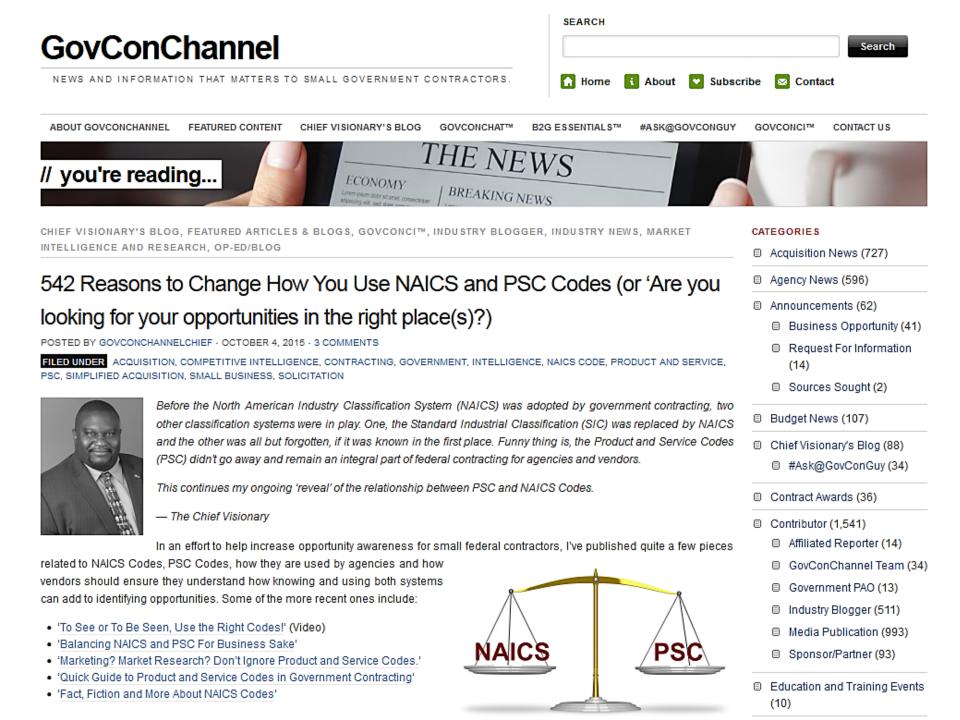


'...best describes the <u>principal purpose</u> of the product or service being acquired.'

This one describes NAICS Codes.

This one describes Product and Service Codes.

"...<u>"WHAT" was bought</u> for each contract action and should be selected based on the <u>predominant</u> <u>product or service</u> being purchased."



★ FEDBIZOPPS.GOV						
Home	Getting Started	General Info	Opportunities	Agencies	Privacy	
Posted Date: Last 90 Place of Performance: Keyword / Solicitation # Search ATTENTION: Ag materials to FB	Any State or Territory	Code: Any Type: Any gency: ple selections are availab <i>* Notice</i> or properly uploading c ocedures for documer	le on the <u>advanced search fr</u> es posted within the last 90 d controlled, unclassified nt packages and attachme	Locate action Recovery SEARCH RE SEARCH RE SEARCH RE SEARCH RE SEARCH SEARCH RE SEARCH SEARCH RE SEARCH Click he Click he SClick here to Click here to SMALL Learn more	ECOVERY and Reinvestment Act. COVERY OPPORTUNITIES IRECOVERY AWARDS COVERY REPORTS are for Opportunities are for Awards learn more. BUSINESS EVENTS about the Small entral Event Listing or	
Buyers / Engineers Government users may post, manage, and award opportunities.		Vendors / Citizens Vendors and citizens may search, monitor, and retrieve opportunities.			r COLLABORATION	
Username theasbcguyfbo	View Opportunities No login is required to	Username theasbcguyfbo	Find Opportuniti No login is require	ies Collaboratio d to <u>Learn more</u>	ontains the Vendor n Central Event Listing. or <u>search</u> .	
Password	view opportunities.	Password	view opportunities <u>Register Now</u> Password Remi	VEND	OFI COLLABORATION	

NAICS Code:

Use the search box to find NAICS Codes and mark one or more checkboxes to add to your selection. Note: Changing your search criteria does not remove items from your selection.

	<i>P</i> 54151	X
541511 Custom Computer Programming Services		
541512 Computer Systems Design Services		
541513 Computer Facilities Management Services		
541519 Other Computer Related Services		
0 of 1353 selected [show selected] [show all]		

Got Products?

Do you sell or manufacture products? Of the 542 total PSC Codes referenced, 165 of them are for products and they account for just over \$4 billion of the spend. Product Group Codes represented include (but are not limited to):

- Weapons
- Nuclear Ordnance
- Fire Control Equipment
- Space Vehicles
- Ship and Marine Equipment
- Vehicular Equipment Components
- Special Industry Machinery
- Plumbing, Heating, Waste Disposal
- Electric Wire, Power Distribution Equipment
- Instruments and Laboratory Equipment
- Photographic Equipment
- Office Machines
- Office Supplies and Devices
- Musical Instruments
- Clothing, Individual Equipment and Insignia
- · Metals, Bars, Sheets and Shapes

and of course:

ADP Equipment, Software, Supplies and Equipment



At Your Service(s)!

Of the remaining 377 PSC Codes not related to products, twenty five of them are in the Services Group for IT and Telecom. Now, those twenty-five codes account for \$19 billion, leaving 352 services codes to split roughly \$7 billion. Here are some of the other Services Group Codes:

- Research and Development
- Special Studies and Analyses Not R&D
- Architect and Engineering Construction
- Natural Resources and Conservation
- Social Services
- Quality Control, Testing and Inspection
- Maintenance, Repair and Rebuilding of Equipment
- Technical Representative
- · Operation of Government Owned Facilities
- Installation of Equipment (Which means they bought it somewhere, right?)
- Medical Services
- Professional, Administrative and Management Support (e.g., Real Estate Brokerage, Policy Review, Market Research, Expert Witness, Physical Security, Human Resources, Patent and Trademark, Courier/Messenger, Transcription, Mailing/Distribution, Translation and Interpreting, Background Investigation, Accounting, Logistics Support, Public Relations, and more!)
- Utilities and Housekeeping Services
- Education and Training



Fiscal Year	2015	Τ.
Solicitation Procedures	SIMPLIFIED	ACQUISITION 耳
Sum of Action Obligation		
NAICS and Description (Top 20 of 1149)	Total	
541519 - OTHER COMPUTER RELATED SERVICES	\$	967,435,875.59
336413 - OTHER AIRCRAFT PARTS AND AUXILIARY EQUIPMENT MANUFACTURING	\$	874,386,637.86
423940 - JEWELRY, WATCH, PRECIOUS STONE, AND PRECIOUS METAL MERCHANT		
WHOLESALERS	\$	603,651,861.85
541990 - ALL OTHER PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES	\$	535,480,303.82
511210 - SOFTWARE PUBLISHERS	\$	466,798,454.15
541611 - ADMINISTRATIVE MANAGEMENT AND GENERAL MANAGEMENT CONSULTING		
SERVICES	\$	452,775,786.46
541512 - COMPUTER SYSTEMS DESIGN SERVICES	\$	395,213,735.25
541511 - CUSTOM COMPUTER PROGRAMMING SERVICES	\$	352,733,601.80
339113 - SURGICAL APPLIANCE AND SUPPLIES MANUFACTURING	\$	313,866,317.41
541330 - ENGINEERING SERVICES	\$	310,074,641.44
334516 - ANALYTICAL LABORATORY INSTRUMENT MANUFACTURING	\$	258,584,702.09
334220 - RADIO AND TELEVISION BROADCASTING AND WIRELESS COMMUNICATIONS		
EQUIPMENT MANUFACTURING	\$	229,765,459.47
334419 - OTHER ELECTRONIC COMPONENT MANUFACTURING	\$	226,644,027.33
561210 - FACILITIES SUPPORT SERVICES	\$	208,783,587.27
336611 - SHIP BUILDING AND REPAIRING	\$	208,213,164.22
541712 - RESEARCH AND DEVELOPMENT IN THE PHYSICAL, ENGINEERING, AND LIFE		
SCIENCES (EXCEPT BIOTECHNOLOGY)	\$	182,702,720.08
336412 - AIRCRAFT ENGINE AND ENGINE PARTS MANUFACTURING	\$	177,252,988.04
423430 - COMPUTER AND COMPUTER PERIPHERAL EQUIPMENT AND SOFTWARE		
MERCHANT WHOLESALERS	\$	177,022,709.97
334111 - ELECTRONIC COMPUTER MANUFACTURING	\$	158,535,080.76
339112 - SURGICAL AND MEDICAL INSTRUMENT MANUFACTURING	\$	156,293,075.73
Grand Total	\$7	,256,214,730.59

Fiscal Year	2015	Τ,
Solicitation Procedures	SIMPLIFIED	ACQUISITION 🗾
Sum of Action Obligation		
PSC and Description (Top 20 of 2378)	Total	
7030 - ADP SOFTWARE	\$	879,705,684.54
R499 - SUPPORT- PROFESSIONAL: OTHER	\$	625,942,131.73
9660 - PRECIOUS METALS PRIMARY FORMS	\$	604,935,334.39
6515 - MEDICAL AND SURGICAL INSTRUMENTS, EQUIPMENT, AND SUPPLIES	\$	546,437,276.07
R425 - SUPPORT- PROFESSIONAL: ENGINEERING/TECHNICAL	\$	363,289,212.01
6640 - LABORATORY EQUIPMENT AND SUPPLIES	\$	307,323,426.43
D399 - IT AND TELECOM- OTHER IT AND TELECOMMUNICATIONS	\$	306,210,006.25
AZ14 - R&D- OTHER RESEARCH AND DEVELOPMENT (ENGINEERING DEVELOPMENT)	\$	306,054,248.89
R408 - SUPPORT- PROFESSIONAL: PROGRAM MANAGEMENT/SUPPORT	\$	266,585,372.66
1560 - AIRFRAME STRUCTURAL COMPONENTS	\$	252,491,350.64
D319 - IT AND TELECOM- ANNUAL SOFTWARE MAINTENANCE SERVICE PLANS	\$	179,640,088.51
R699 - SUPPORT- ADMINISTRATIVE: OTHER	\$	177,037,311.94
4820 - VALVES, NONPOWERED	\$	170,546,354.69
1680 - MISCELLANEOUS AIRCRAFT ACCESSORIES AND COMPONENTS	\$	163,359,590.81
5340 - HARDWARE, COMMERCIAL	\$	159,738,888.59
7110 - OFFICE FURNITURE	\$	158,258,601.71
9999 - MISCELLANEOUS ITEMS	\$	147,000,226.18
5895 - MISCELLANEOUS COMMUNICATION EQUIPMENT	\$	142,462,832.43
R799 - SUPPORT- MANAGEMENT: OTHER	\$	139,546,031.15
D307 - IT AND TELECOM- IT STRATEGY AND ARCHITECTURE	\$	132,983,863.90
Grand Total	\$6	6,029,547,833.52



ŀ

How Are These Purchases Made?



Are you familiar with the various types of contracts and agreements agencies use when they make awards?





Would you know an 'Award' from an 'IDV' if I put them up on the screen right now?



Awards and IDVs

An 'Indefinite Delivery Vehicle' is a contract/agreement awarded to one or more vendors to facilitate the delivery of supply and service orders. These are the only award instruments which may have orders placed against them.

An '**Award**' is a contractual vehicle (vice an agreement) that <u>cannot have orders placed against it</u> (the only way to change an 'award' is to modify it). Awards are made to a single vendor.

B()A **BPA** These are IDVs **BPA** Call **Definitive Contract Delivery Order** These are Awards FSS These can be GWAC Awards, too IDC Purchase Order

2015		
Total		
\$ 80,241,512.41		
\$ 124,672,249.23		
\$ 11,170,525,339.78		
\$ 202,747,394,114.18		
\$ 199,064,941,205.89		
\$ -		
\$ 2,687,761.94		
\$ 8,434,815,337.91		
\$ 15,325,061,545.66		
\$ 436,950,339,067.00		

Any idea why this matters when you're trying to find contracting opportunities?



