



Finding Government Opportunities



Identify the sources, resources,
and methods to pursue
government opportunities that
fit your small business

Learning Objectives

At the end of this module, you will know where to find government opportunities, know what resources are available to you and be able to identify and pursue those that fit your small business.

About FDIC Supplier Diversity Effort

The Federal Deposit Insurance Corporation (FDIC) recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.

The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.

This product was developed by the FDIC Office of Minority and Woman Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.

Executive Summary

To work with the government, you first need to know how and where to find contract opportunities. There are many resources to help you, but it won't be enough to just follow contract listings. You need to know what types of opportunities are available, how to pursue those opportunities, and where to find them. The following module provides an overview of the sources for finding government opportunities, a description of the contracting methods used by government agencies, and resources available to help you be successful government contracts.

The Sources

There are two ways to find government contract opportunities. First, the government can find you through the System for Award Management (SAM) (sam.gov), the database that federal agencies use to learn about prospective vendors. SAM is the official government system that consolidated the capabilities of several government databases (CCR/FedReg, ORCA, and EPLS) in an effort to eliminate redundancy. Agencies can search SAM for businesses based on any number of factors, including abilities, size, location, experience, and ownership. This first method is not recommended, as it is reactionary and has a small chance of success. Second, you can identify current contracting opportunities by consulting a number of government sources, including:

FedBizOpps: Federal Business Opportunities

Federal business opportunities for contractors are listed at FedBizOpps.gov. Most federal agencies are required to use this site to communicate available procurement opportunities and vendor requirements to the public, and list the interested potential vendors for all contracts valued more than \$25,000. Contractors can use FedBizOpps to search, monitor, and retrieve opportunities solicited by most of the federal contracting community. Contractors may also subscribe to FedBizOpps to receive daily email notifications of requirements and procurement announcements sorted by selected organizations and product / service classifications, or by solicitation number. You must have a Data Universal Numbering System (DUNS) number and be registered in SAM (System for Award Management) before you can register in FedBizOpps.gov. Your profile information will be retrieved directly from the SAM system.

General Services Administration (GSA)

Since many federal agencies have common purchasing needs, the government has centralized and simplified the purchase of certain kinds of products and services. Through the General Services Administration (GSA) Schedules Program (also known as Multiple-Award Schedules (MAS) or Federal Supply Schedules (FSS)), the GSA negotiates long-term, government-wide contracts with commercial firms to provide access to millions of commercial supplies and services, from copier paper to computers to accounting. These products and services can be ordered directly from GSA schedule contractors or through the *GSA Advantage!*[™] online shopping and ordering system. State and local governments also use the GSA schedules for purchasing goods and services. Becoming a GSA schedule contractor increases your opportunity for contracts across all levels of government. The GSA web site (gsa.gov) includes a Purchasing Programs area which offers useful resources for businesses interested in contracting with the federal government, including the GSA Schedules and the GSA eLibrary.

Another way small businesses learn government contracting is to work as a subcontractor for a company currently selling to the government. Large business prime contractors receiving federal contracts valued at more than \$650,000 (\$1.5 million for construction), are required to establish plans and goals for subcontracting with small business firms. The GSA Subcontracting Directory offers a list of government contractors actively looking for subcontractors.

DLA Internet Bid Board System (DIBBS)

The Defense Logistics Agency (DLA) Internet Bid Board System (DIBBS) (dibbs.bsm.dla.mil/) is a web-based application that provides the capability to search for, view, and submit secure quotes on Requests for Quotations (RFQs) for DLA items of supply. DIBBS also allows users to search and view Request for Proposals (RFPs), Invitations for Bid (IFBs), Awards and other procurement information related to DLA. DIBBS replaces two specific DLA legacy applications, SPEDE and Department of Defense (DoD) Procurement Gateway/Internet Quoting System (IQS). DLA is the DoD's largest logistics combat support agency, providing worldwide logistics support to the military services in both peacetime and wartime as well as to several civilian agencies and foreign countries.

SUB-Net

Prime contractors and other non-federal agencies use SUB-Net (sba.gov/subnet), a Small Business Administration (SBA) database, to post subcontracting solicitations and opportunities. These opportunities may or may not be reserved for small businesses, and they may include either solicitations or other notices. The database of solicitations is searchable by NAICS code, description, or solicitation number. Subcontracting to a prime government contractor can be a good way to participate in the contracting process. Large businesses with prime contracts exceeding \$650,000 (except for construction, which is \$1.5 million) must provide a plan with subcontracting opportunities for all categories of small business.

Office of Small and Disadvantaged Business Utilization

Many federal agencies have what is known as an Office of Small and Disadvantaged Business Utilization (OSDBU) or an Office of Small Business Programs (OSBP). These offices work within their agencies to identify opportunities to incorporate small businesses as vendors to their agencies. Each agency releases a forecast of anticipated procurement activities that includes potential small business opportunities. Once you have reviewed an agency forecast and used systems like the Federal Procurement Data System (FPDS) and USASpending.gov to discern if there may be opportunities at a specific agency, it can be beneficial to reach out to the OSDBU to build a relationship with the agency. Additionally, each OSDBU holds trainings and events to help small businesses identify if there are opportunities with the agency. To learn more about OSDBUs and events, visit osdbu.gov.

Dynamic Small Business Search

The Small Business Administration maintains the Dynamic Small Business Search (DSBS) database (dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm). As a small business registers in the System for Award Management (SAM), there is an opportunity to fill out your small business profile. The information provided populates DSBS database. DSBS is another tool contracting officers use to identify potential small business contractors for upcoming contracting opportunities. Small businesses can also use DSBS to identify other small businesses for teaming and joint venturing.

Fee-Based Government Contract Search Firms

There are multiple online companies that provide consolidated and centralized electronic bid notification and eProcurement services. You can sign up to access bid notices, RFQs, RFPs, contracting opportunities that are aggregated daily from many federal government web sites. These online companies allow you to search and receive bid notification emails from federal, state, and local government agencies, plus international governments. Basic searches providing limited information are generally available at no cost. There is a membership fee to perform more in-depth searches and receive refined email notifications. These types of services can be costly to small businesses. Determine if the cost of the membership fee is lower than the time and money you may spend searching for opportunities on your own. A few examples of fee-based search firms include:

- B2GMarket (<http://www.b2gmarket.com/>)
- BidSync (<http://www.bidsync.com/>)
- [GovernmentBids.com](http://www.GovernmentBids.com)
- GovWin (<http://www.govwin.com/>)
- [StateAndFederalBids.com](http://www.StateAndFederalBids.com)

The Numbers

Government Prime Contract Goals

Many government agencies have designated goals for awarding prime contracts to small businesses:

- 23% of prime contracts to small businesses
- 5% of prime and subcontracts to small disadvantaged businesses for prime and subcontracts
- 5% of prime and subcontracts to small women-owned businesses for prime and subcontracts
- 3% of prime and subcontracts to HUBZone small businesses
- 3% of prime and subcontracts to small service-disabled, veteran-owned businesses for prime and subcontracts

Who Are the Government's Biggest Spenders?

Here is a list of the top ten government agencies contract spend based on 2012 data.

TOP TEN FEDERAL AGENCIES 2012 CONTRACT SPEND	
AGENCY	CONTRACT DOLLARS
Department of Defense	\$361.3 billion
Department of Energy	\$25.2 billion
Department of Health and Human Services	\$19.2 billion
Department of Veteran Affairs	\$17.2 billion
NASA	\$15.2 billion
Department of Homeland Security	\$12.4 billion
General Services Administration	\$9.9 billion
Department of State	\$8.2 billion
Department of Justice	\$6.5 billion
Department of Transportation	\$6.4 billion
Top Ten Totals	\$481.5 billion
<i>Source: USASpending.gov</i>	

The Government Contracting Methods

Full and Open Solicitations

Federal agencies solicit contracts from outside vendors in a variety of ways. Full and open competition is the most common method of awarding contracts. Competition among multiple businesses for federal contracts helps ensure that the government will obtain the highest quality work at the best value.

Full and open federal solicitations are published at FedBizOpps.gov, the federal government's contracting portal, which lists contracts worth \$25,000 or more. Businesses that want to compete for an open market contract must submit a bid or proposal to do the work. The agency then selects the "best" offer and awards the contract to the successful firm.

Sole Source Contracts

The government may also award a contract to a business without holding a competition. This kind of award is called "sole source" and is available to all vendors, but only under special circumstances set out in federal law, such as only one responsible source and no other supplies or services will satisfy agency requirements. Small businesses can identify active sole source awards through FedBizOpps.gov, specific agency websites, or one of several online contracting portals.

Simplified Acquisition Procedures

For purchases between \$3,000 and \$150,000, federal agencies can use simplified acquisition procedures (SAP) (formerly referred to as Small Purchases) for soliciting and evaluating bids. Simplified acquisition procedures require fewer administrative details, fewer approval levels, and less documentation. Federal rules require these purchases to be reserved for small businesses unless the contracting official cannot obtain offers from two or more small firms that are competitive on price, quality, and delivery. Government agencies are still required to advertise all planned purchases over \$25,000 in FedBizOpps.gov.

Micro-Purchases

Government purchases of individual items under \$3,000 are generally considered “micro-purchases.” These purchases do not require competitive bids or quotes, and agency employees other than contracting officers can make them. About 70 percent of all government procurement transactions are for micro-purchases under \$3,000, which represented about \$19 million in fiscal year 2010. Micro-purchases are typically paid using a government credit card, GSA SmartPay cards, so you have to be able to process credit card purchases. A purchase order can be used, but for ease of use, the government preferred method is credit cards. Micro-purchases are not reserved especially for small businesses, although small businesses may participate in the process. The micro-purchase market offers contractors the benefit of receiving same-day purchasing decisions from government agencies. It also allows you to avoid spending hours putting together bid packages and waiting weeks for responses. Additionally, the system makes it easy to receive repeat business from government organizations that are satisfied with your work. To learn about micro-purchase opportunities, contact the buyers at the local agencies.

Sealed Bids

Sealed bidding is how the government buys competitively when its requirements are very specific, clear and complete. An Invitation for Bid (IFB) is the method used for the sealed bid process. Typically, an IFB includes a description of the product or service to be acquired, instructions for preparing a bid, the conditions for purchase, delivery, payment and other requirements associated with the bid, including a deadline for bid submissions. Each sealed bid is opened in a public setting by a government contracting officer, at the time designated in the IFB. All bids are read aloud and recorded. A contract is then awarded by the agency to the lowest bidder who is determined to be fully responsive to the needs of the government. Government-wide IFBs are available daily for review on FedBizOpps.gov.

Contracting by Negotiation

Contracting by negotiation is typically used to describe procurement methods other than sealed bids. This is a widely-used method and is generally more complicated and time consuming for both companies wanting to sell to the government and buying agencies. When the government requires a product or service that exceeds \$150,000, they will issue a Request for Proposal (RFP) and solicit proposals from prospective contractors. The RFP will include:

- Proposal instructions and conditions;
- Source selection criteria, including all components of a best value selection, such as technical evaluation criteria, cost or price evaluation factors, past performance, and any other factors;
- Statement of work describing product or service specifications;
- Contract clauses; and
- Certifications and representations.

Proposals in response to an RFP can be subject to negotiation after they have been submitted. When the government is merely checking into the possibility of acquiring a product or service, it may issue a Request for Quotation (RFQ). A response to an RFQ by a prospective contractor is not considered an offer, and consequently, cannot be accepted by the government to form a binding contract. RFPs and RFQs are available for review on FedBizOpps.gov.

Consolidated Purchasing Programs

Most government agencies have common purchasing needs. Sometimes the government can realize economies of scale by centralizing the purchasing of certain types of products or services. The most commonly used methods are called consolidated purchasing or multiple award contracts and can refer to several programs, including:

- **GSA Multiple Award Schedules (MAS)**, also referred to as GSA Schedules and Federal Supply Schedules – Indefinite delivery, indefinite quantity (IDIQ) contracts that are available for use by federal agencies worldwide.
- **Government-Wide Acquisition Contract (GWAC)** – Task order or delivery order contracts for information technology established by one agency for government-wide use.
- **Blanket Purchase Agreement (BPA)** – Traditional agreements to fill anticipated repetitive needs for supplies and services and are subject to the requirements of FAR Part 13.
- **GSA Schedules BPA**, also known as Multiple Award Schedules (MAS) BPAs – Agreements under the GSA Schedule to fill anticipated repetitive needs for supplies and services and FAR Part 13 does not apply.

These centralized buying vehicles allow multiple government agencies to quickly obtain a product or service from multiple vendors by issuing orders against existing contracts or schedules. This eliminates the need to start a new contract for commonly purchased products or services. More information can be found at gsa.gov.

Special Programs

Small businesses that are affiliated with special SBA programs (such as HUBZone and 8(a) Business Development) or fit into a specific category (such as woman- or veteran-owned) may be eligible for certain contracts. Most federal agencies have an Office of Small and Disadvantaged Business Utilization

(OSDBU) that promotes small business prime and subcontracting opportunities, and the small business specialists in these offices are important marketing contacts.

Subcontracting

Smaller businesses often fill niches that complement a prime contractor's services. Large firms bidding on contracts valued at more than \$650,000 (\$1.5 million for construction), may be required to submit an acceptable subcontracting plan that sets percentage (based on the contract's total value) and dollar goals for the award of subcontracts to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone, small disadvantaged business, and women-owned small business concerns. Subcontracting can present small businesses with opportunities that might otherwise be unattainable because of limited resources, staffing, capital, or experience.

The Resources Available

Federal Procurement Data System – Next Generation

Federal Procurement Data System – Next Generation (FPDS-NG) is the repository of all federal contracting data for contracts in excess of \$3,000. FPDS-NG offers public users unprecedented access to reports showing the spending patterns of the federal government – at no cost. Once you have registered at www.fpds.gov, you will have access to information submitted to FPDS-NG from across the federal government. You will be able to see to what extent Small Businesses, (Veteran-Owned, Service-Disabled Veteran-Owned, HUBZone, Disadvantaged, and Women-Owned) are sharing in Federal contracts. With this system, you can learn the following about federal contracting opportunities and increase your market capability:

- Which agencies have contracts and with whom
- What agencies buy
- Which contractors have contracts

In addition, there are over 50 standard reports you can run, as well as specialized reports that allow you to request information using over 160 customized fields.

USASpending.Gov

USASpending.gov is your source for information about government spending through contracts awarded by the federal government. The website is a searchable database that contains information for each federal award, including:

- Name of the entity receiving the award
- Amount of the award
- Transaction type and funding agency
- Location of the entity receiving the award
- Unique identifier of the entity receiving the award

This information can be used to help you identify procurement trends within the federal government and potential opportunities.

USA.gov

USA.gov, formerly known as FirstGov.gov, is a government-wide portal created to help the public find information from U.S. local, state, and federal government agencies. USA.gov is managed by the GSA's Office of Citizen Services and Innovative Technologies. The site offers access to a plethora of information from small business resources and government contact information to current events and consumer issues.

PTACs

The Procurement Technical Assistance Centers (PTAC), funded by the Department of Defense, are an excellent source of counseling and training services for small business owners. They provide local, in-person contract assistance and services available either free of charge or at a nominal cost. PTACs are part of the Procurement Technical Assistance Program, which is administered by the Defense Logistics Agency. Some of the services offered include help with:

- Determining if your business is ready for government contracting;
- Registering in the proper places;
- Seeing if you are eligible in any small business certifications;
- Researching past contract opportunities;
- Identifying and bidding on a contract;
- Complying with relevant FAR requirements; and
- Measuring your performance after winning a contract.

For more information, go to dla.mil/smallbusiness/pages/procurementtechnicalassistancecenters.aspx.

The Pursuit

While registering in System for Award Management (SAM) and searching for solicitations is a prerequisite for finding the right opportunities for your business, you need to use other methods to increase your chance of winning contracts or getting contracts renewed.

- **Know the rules of the game.** To succeed in contracting, it helps to be intimate with the rules and regulations that govern the process. If you do not have the expertise or interest to learn, find mentors or team members willing to assist. Specifically, understand the Federal Acquisition Regulation (FAR) policies and procedures for the types of acquisitions you choose to pursue.
- **Build personal relationships.** Cultivate relationships with Contracting Officers to learn about bid opportunities and familiarize them with your skills. Get to know the agency, so that you are fully aware of their specific needs. Take advantage of government outreach events, such

as agency contracting fairs, contractor matchmaking sessions, and conferences to cement relationships with buyers and suppliers.

- **Don't be afraid to constantly promote yourself.** The government market is competitive, and to grow your business, you will need to develop a solid marketing campaign that helps contracting officials understand the benefits of working with your business. Past contracting success can lead to future contracts, so leverage your accomplishments in your marketing efforts.
- **Maintain open communication and learn "government speak."** Communication breakdowns are one of the most common obstacles that come between aspiring or inexperienced contractors and federal buyers. Contractors do not always understand what they're being told by government purchasers, or they're unable to read the purchasers' messages as to whether their performance is considered satisfactory. Learn government speak by attending as many information sessions as you can and perhaps even getting help from a contracting consultant.
- **Keep your house in order.** The quality of your documentation can be the difference between keeping and losing government contracts. Develop a solid paper trail by maintaining accurate records related to all facets of your contracts, such as important transactions and meetings. You may need to refer to such information during project debriefings. Above all, ensure you have a Quality Assurance and Quality Control (QA/QC) plan in place.

Key Takeaways from This Module

- Many sources of government contract opportunities are available.
- Understanding what government agencies spend may help your small business when determining which agencies buy your services.
- Determine which frequently used contracting methods are right for your business and pursue the appropriate contracts.
- You can take advantage of the multiple resources that exist to find out about and pursue federal contracts, both free and fee based.
- Successful small businesses invest time, networking, and money to pursue federal contracts. Do your homework and understand the rules and regulations governing your target agency(ies).

Sources and Citations

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