PROCUREMENT READINESS

Preparing to do Business with FAA

Presented to: ATCA Annual
By: FAA SBO
Date: October 3, 2018
Lesson Overview

• Welcome
• Lesson 1: Becoming Eligible
• Knowledge Check 1
• Lesson 2: Building Your “Resume”
• Knowledge Check 2
• Lesson 3: Succeeding in the FAA Marketplace
• Knowledge Check 3
• Course Wrap-Up
FAA Mission and Vision

MISSION
Our continuing mission is to provide the safest, most efficient aerospace system in the world.

VISION
We strive to reach the next level of safety, efficiency, environmental responsibility and global leadership. We are accountable to the American public and our stakeholders.
Procurement Readiness at FAA

Procurement readiness is the demonstrated ability of a small business to effectively participate in the federal government contracting marketplace and successfully perform contract work.
Course Objectives

• Understand the fundamentals of becoming procurement eligible

• Recognize the activities that can help build a procurement ready “resume”

• Identify strategies for how to succeed in the FAA marketplace
Lesson 1

Becoming Eligible
Tax Identification Number

- All newly formed or previously registered business must obtain a Taxpayer Identification Number (TIN) from the Internal Revenue Service (IRS)

- A TIN for a business is a Employer ID Number (EIN), learn more at the IRS Website (IRS.gov) by typing EIN in the Search field
A Dun and Bradstreet (D&B) DUNS Number is required by all businesses wanting to do business with the US government:

- It is a unique nine-digit identifier
- It is used to establish a Dun & Bradstreet business credit file
- Your credit file is referenced by lenders and potential business partners
All businesses, small and large, must register in the System for Award Management (SAM) to be awarded federal contracts:

- It is the U.S. Governments official business registration website
- SAM registration is free
SAM Registration Checklist

Required Identifiers:

• Business legal name (as registered with the state corporation commission)
• Business start date (company registration date)
• Business contact information (legal name, address, and phone number)
• IRS issued Tax Identification Number (TIN) or Employee Identification Number (EIN)
• Dun & Bradstreet D-U-N-S Number
• North American Industrial Classification System (NAICS) Codes
• Company bank account (account # and routing # for electronic funds transfer)
• Automated Clearing House (ACH) account (GSA SmartPay for credit cards)
• Small business certifications (as categorized by SBA)
Knowledge Check 1

Which of the following is not required to register in the System for Award Management (SAM)?

- A.) Up-to-date capability statement
- B.) IRS issued Tax Identification Number (TIN)
- C.) Dun & Bradstreet D-U-N-S Number
- D.) North American Industrial Classification System (NAICS) Codes
Knowledge Check #1

Which of the following is not required to register in the System for Award Management (SAM)?

- **A.** Up-to-date capability statement
- **B.** IRS issued Tax Identification Number (TIN)
- **C.** Dun & Bradstreet D-U-N-S Number
- **D.** North American Industrial Classification System (NAICS) Codes
Lesson 2

Building Your “Resume”
Leverage Available Resources

The Small Business Administration (SBA) provides support to starting a business to perform federal contracting, including:

• Starting a business
  – Writing a business plan
  – Business structure and registration

• Government Contracting
  – Getting started as a contractor
  – Contracting programs
Leverage Available Resources

Procurement Technical Assistance Centers (PTACs):

- Are staffed with experienced counselors in federal contracting
- Host classes and seminars
- Provide individual counseling
- Easy access to bid opportunities, contract specs, and historical data
Increase Competitiveness

Compete as a Subcontractor:

• Through great performance on a subcontract, small businesses can build their past performance and increase experience which is critical during evaluation.

• Users of SBA’s Sub-net can search for subcontracting opportunities via Solicitations and Sources Sought posted by prime contractors.

![Image of SBA Sub-net]

NEW FEATURES:
You may add upto 15 NADS on the Post Enter or Edit Solicitation Screen.
Solicitation Report is now available for Sub-Net Admins.
CCIR link has been replaced with SAN in Sub-Net homepage.
SUB-Net Admins can now be able to update any solicitation in Admin Edit Solicitations screen.
View Archive Solicitations under Search is now available to display all the expired solicitations with Bid Closing Date of yesterday.

U.S. Small Business Administration Subcontracting Network
SUB-Net: A place where prime contractors post “solicitation” or “notice of sources sought” (NSS) for small business
Team Arrangements are cooperative arrangements where:

- Two or more companies form a partnership or joint venture to act as a potential prime contractor, or
- A potential prime contractor enters into an agreement with one or more other companies to have them act as subcontractors under a specific contract
Joint Ventures allow two or more businesses the option to combine their expertise to successfully respond to federal contracting opportunities

- 8(a) joint ventures must be certified by the SBA to participate in 8(a) set-asides

- SDVOSB joint ventures must be VA certified to participate in SDVOSB set-asides
Differentiators

Small business certifications document a special capability or status

- **SBA 8(a) Business Development Program** provides the necessary verification to be eligible for FAA 8(a) set-aside and noncompetitive procurements
- **Vets First Verification Program** provides the necessary verification to be eligible for FAA SDVOSB set-aside and noncompetitive procurements
- These programs:
  - Increases small business eligibility, but
  - Do not guarantee small business contract awards
Differentiators

An **up-to-date capabilities statement** is a business resume that provides a business’ identification, abilities, and relevant corporate data:

- It provides a first impression of your small business
- It is usually no more than 2 pages
- It reflects your company’s sales pitch
- It differentiates your company from your competition
Differentiators - Website

An **up-to-date company website**:

- Provides opportunities to expand upon your capabilities statement
- Increases visibility
- Allows Procurement Decision Makers (PDMs) to learn more about capabilities and performance history
Knowledge Check 2

What activities help to build your company’s procurement readiness “resume”?

- A.) Leveraging available resources such as the SBA
- B.) Subcontracting with a prime contract holder
- C.) Maintaining an up-to-date capabilities statement
- D.) All of the above
Knowledge Check #2

What activities help to build your company’s procurement readiness “resume”?

- A.) Leveraging available resources such as the SBA
- B.) Subcontracting with a prime contract holder
- C.) Maintaining an up-to-date capabilities statement
- D.) All of the above
Lesson 3

Succeeding in the FAA Marketplace
Learn the Organization

ADMINISTRATOR

LINES OF BUSINESS

ATO  Air Traffic Organization
ARP  Airports
AVS  Aviation Safety
ASH  Security & Hazardous Materials Safety
AST  Commercial Space Transportation

STAFF OFFICES

ACR  Civil Rights
AGC  Chief Counsel
AHR  Human Resource Management
AOC  Communications
AFN  Finance & Management
AGI  Government & Industry Affairs
ANG  NextGen
APL  Policy, International Affairs & Environment
AAE  Audit & Evaluation
MMAC  Mike Monroney Aeronautical Center
WJHTC  William J. Hughes Technical Center
Learn the FAA Organization

Do your homework:

• The FAA’s top priority is safety so it is important that potential vendors demonstrate they are not a risky proposition

• Risk mitigation starts with understanding the Agency’s:
  – Lines of Business and Staff Offices
  – Budget Priorities
  – Strategic Initiatives
  – Organizational Success Factors
  – Programs and Initiatives
Learn the Agency’s Spend Profile

~% of Agency Contract Spend

Top 5 FAA NAICS Codes | Average Obligations FY14 – FY18
--- | ---
541330 | $761,121,494
517310 | $286,095,582
541512 | $255,543,767
334290 | $250,630,846
334511 | $224,492,359

Top 5 FAA Prime Vendors | Average Obligations FY14 – FY18
--- | ---
Harris | $459,783,259
Lockheed Martin | $333,522,699
Raytheon | $190,918,593
Leidos | $160,693,328
MITRE | $141,716,450
Learn the Agency’s Spend Profile

<table>
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<tr>
<th>Contract</th>
<th>Vendor Name</th>
<th>Avg. FY14 – FY18</th>
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<td>DTFA0102D03006</td>
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<td>DTFA0196C03008A</td>
<td>Raytheon</td>
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<td>DTFA0196C03008C</td>
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<td>DTFAWA11D00004</td>
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<th>Contract</th>
<th>Avg. FY14 – FY18</th>
<th>% of Total Obligations</th>
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<tbody>
<tr>
<td>Full and Open Competition</td>
<td>$3,032,277,960</td>
<td>69%</td>
</tr>
<tr>
<td>Not Competed</td>
<td>$440,787,710</td>
<td>10%</td>
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<tr>
<td>Competed Under SAP</td>
<td>$435,904,474</td>
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<tr>
<td>Full and Open after Exclusion of Sources</td>
<td>$295,980,116</td>
<td>7%</td>
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<tr>
<td>Not Competed Under SAP</td>
<td>$105,225,067</td>
<td>2%</td>
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## Agency’s Spend Profile

### Top 5 FAA SB NAICS Codes

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<tr>
<th>NAICS Code</th>
<th>Average Obligations FY14 – FY18</th>
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<tbody>
<tr>
<td>541330</td>
<td>$276,812,736</td>
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<td>541519</td>
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### Top 5 FAA SB PSC

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<th>Average Obligations FY14 – FY18</th>
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<td>R425</td>
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<td>R499</td>
<td>$447,759,062</td>
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<td>AD26</td>
<td>$320,253,566</td>
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<td>AD21</td>
<td>$287,084,984</td>
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<td>N061</td>
<td>$283,461,305</td>
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### Utilization Percentages

- **SB**
- **8(a)/SDB**
- **WOSB**
- **SDVOSB**
Learn the FAA AMS

- FAA is exempt from most federal procurement law including the Federal Acquisition Regulation (FAR) and Small Business Act (SBA)

- The **Acquisition Management System (AMS)** establishes policy and guidance by which the FAA identifies, defines, acquires, deploys, and manages, over their lifecycle, the systems, facilities, services, and infrastructure needed to fulfill its mission
Start small and accept Government purchase card:

- **Micro-Purchases:**
  - Opportunities $10,000 and below
  - Must be procured using the purchase card

- **Simplified Acquisitions:**
  - Public announcement is optional for actions below $150,000
  - Public announcements are required for actions above $150,000

Success on small procurements help position your company to compete for more complex opportunities in the future
Strategy Recommendations

Build your pipeline:

- Utilize Government business intelligence sites to identify expiring contracts:
  - Federal Procurement Data System-Next Generation (FPDS-NG)
  - USA Spending
- Monitor FAA Procurement Forecast:
  - Published for planning purposes only
  - Based on the best information available at the time of publication
  - May be revised or canceled
- Subscribe to FAA Contracting Opportunities:
  - Receive notifications on FAA business opportunities that match your companies capabilities
Leverage the FAA Small Business Office (SBO):

- **FAA Small Business Events:**
  - Announcements posted to FAA Contracting Opportunities and FAA SBO Calendar of Events
  - Meet potential teaming partners and program and contracting office representatives

- **One-on-one assistance:**
  - Meet individually with FAA Small Business Liaisons to receive guidance on how to do business with the Agency
Knowledge Check 3

The FAA is not exempt from the Small Business Act?

- A.) True
- B.) False
Knowledge Check #3

The FAA is not exempt from the Small Business Act?

☐ A.) True
☐ B.) False
Wrap-up

You are now able to:

• Understand the fundamentals of becoming procurement eligible

• Recognize the activities that can help build a procurement ready “resume”

• Identify strategies for how to succeed in the FAA marketplace
Useful Links

- Dun and Bradstreet (D&B): https://www.dnb.com/
- System for Award Management (SAM): https://sam.gov/portal/SAM/##11
- Small Business Administration (SBA): https://www.sba.gov/
- Association of Procurement Technical Assistance Centers (APTAC): http://www.aptac-us.org/
- VA Vets First Verification: https://www.vip.vetbiz.va.gov/
- About the FAA: https://www.faa.gov/about/
- USA Spending: https://www.usaspending.gov/#
- FAA Contracting Opportunities: https://faaco.faa.gov/
# Questions/Contact Us

<table>
<thead>
<tr>
<th>Name</th>
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