

# PROCUREMENT READINESS

## Preparing to do Business with FAA

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



Federal Aviation  
Administration



# 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

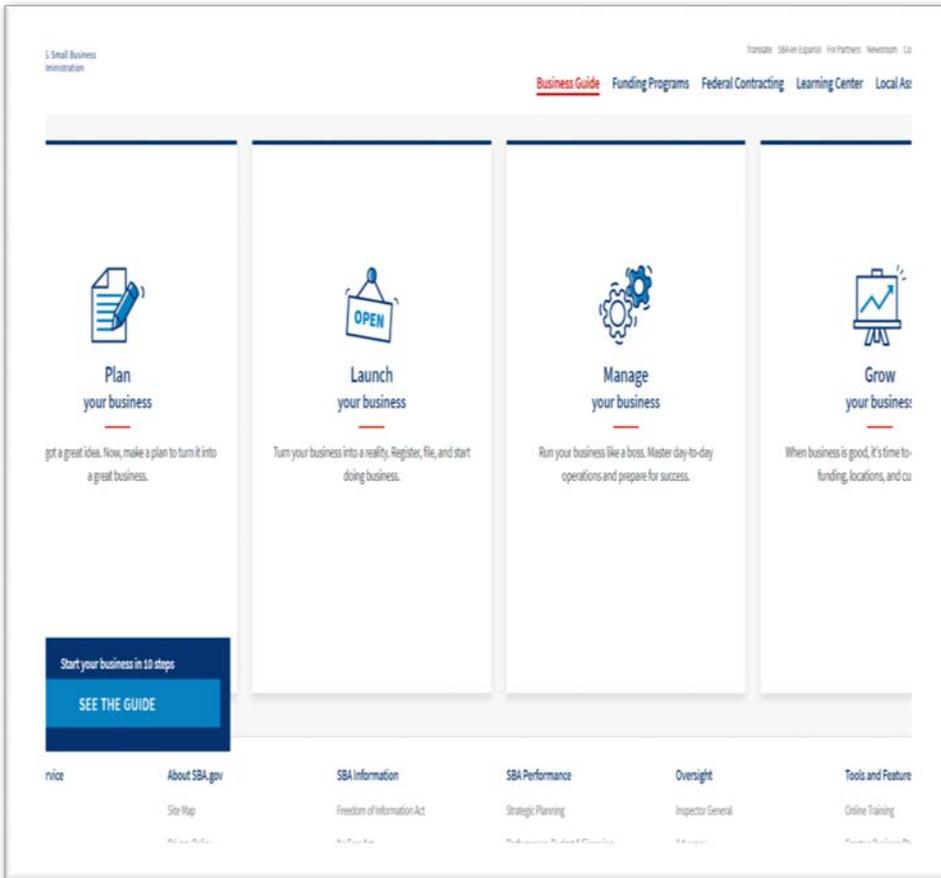
Our continuing mission is to provide the safest, most efficient aerospace system in the world.

## 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



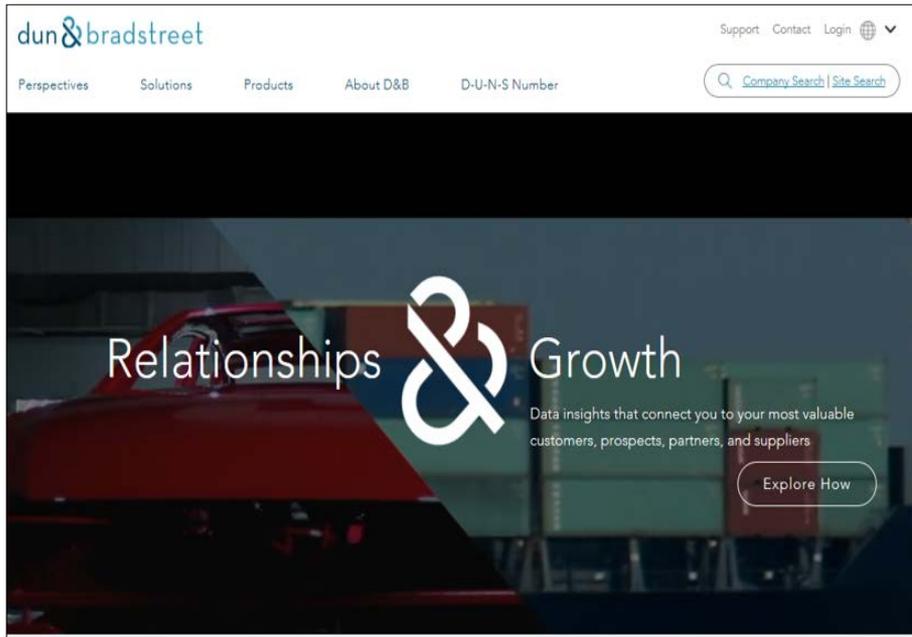
# Tax Identification Number

- 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

The screenshot displays the IRS website homepage. At the top, there is a navigation bar with links for Subscriptions, Language, and Information For... A search bar is located to the right of these links. Below the navigation bar, there are several service tiles: 'File Your Tax Return', 'Get Your Refund Status', 'Pay Your Tax Bill', and 'IRS.gov En Español'. The main content area is divided into several sections: 'Forms and Pubs' with links to 1040, 1040EZ, W-4, W-9, 1099-MISC, Pub 15, Pub 17, W-7, Tax Table, and Find Forms; 'Hot Topics' with links to 'Help us improve our home page', 'Did you miss the April 18 due date?', 'Fix a mistake on your tax return', 'Tax withholding calculator', and 'Electronic filing options'; 'Tools' with links to 'Get answers to your tax questions', 'Free File tax software', 'Apply for an online payment plan', 'Get a tax transcript', and 'Apply for an EIN'; 'Filing & Payment' with logos for 'where's my refund?', 'freefile', 'e-file', and 'EFTPS'; 'News' with links to '2017 IRS Nationwide Tax Forums', 'After the Deadline', 'E-File Still Available', and 'If You Need a Retirement Account, Try myRA'; 'Student Tools' with a link to 'After the Deadline'; 'Scams' with a link to 'Is the IRS Calling?'; 'Exempt Orgs' with a link to 'After the Deadline'; and 'Social Media' with a video player for 'Amending My Return'. A large banner at the bottom of the main content area features a jar labeled 'COLLEGE' and text about 'Tax information for student financial aid applications' and 'Statement: IRS Data Retrieval Tool'.



# Dun and Bradstreet



A Dun and Bradstreet (D&B) DUNS Number is required by all businesses wanting to do business with the US government:

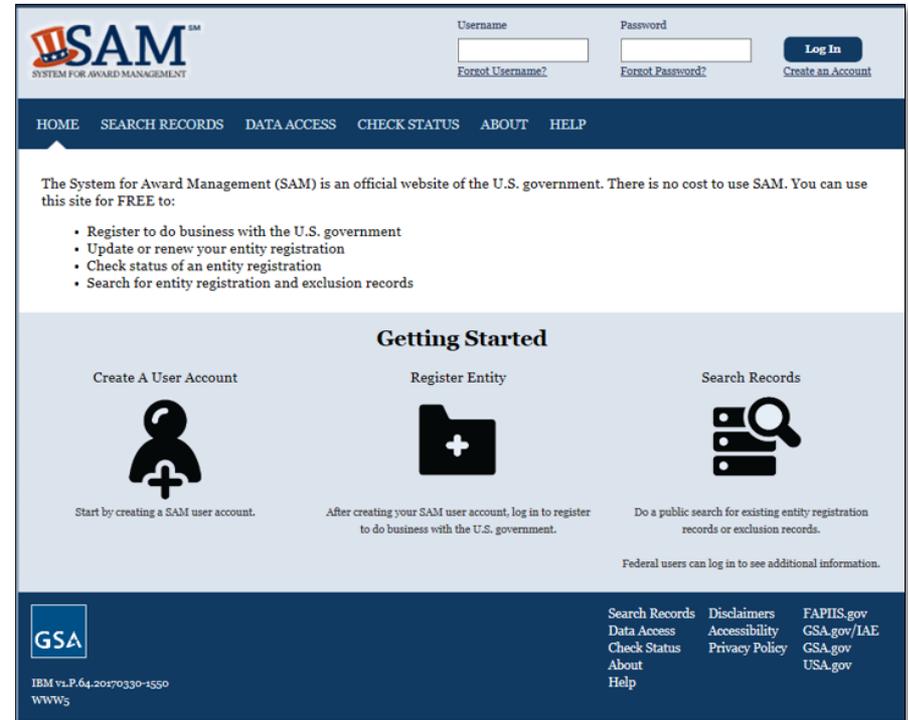
- It is a unique nine-digit identifier
- It is used to establish a Dun & Bradstreet business credit file
- Your credit file is referenced by lenders and potential business partners



# System for Award Management

All businesses, small and large, must register in the System for Award Management (SAM) to be awarded federal contracts:

- It is the U.S. Government's 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

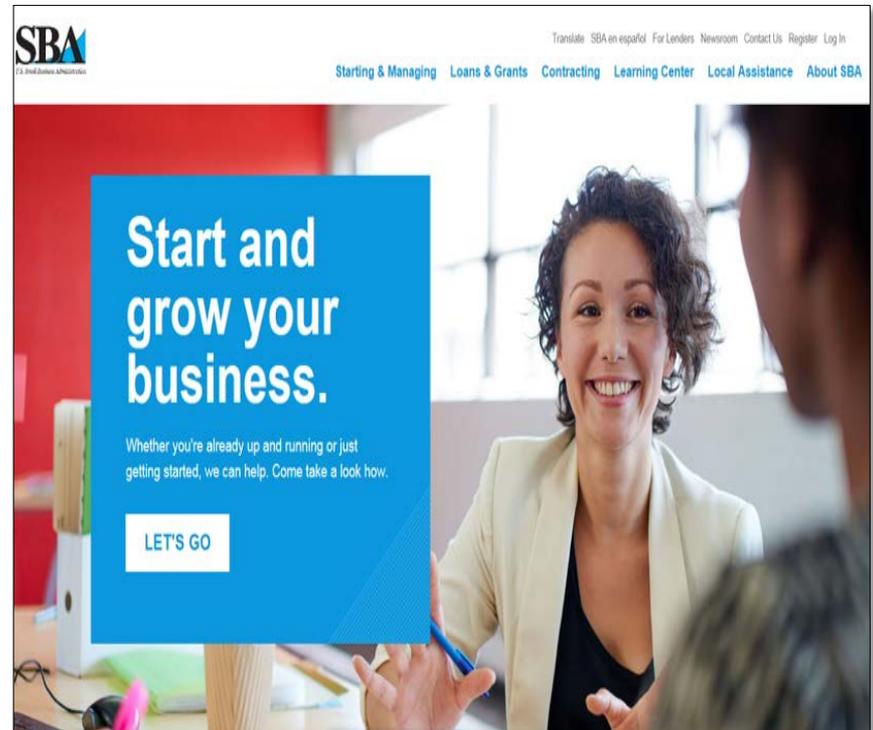
## Building Your “Resume”



# 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

The screenshot displays the APTAC (Association of Procurement Technical Assistance Centers) website. The header includes the APTAC logo and navigation links: Home, About Us, Government Contracting Assistance, APTAC Partners, and PTAC Login. A search bar for 'Find a PTAC' is visible. The main content area is titled 'Help for Government Contracting' and features a map of the United States with state abbreviations. Below the map are three red buttons: 'Assistance for Small Businesses', 'Get the Training You Need to', and 'PTAC Client Successes'. The text on the page describes the services provided by PTACs, including free help with SAM registration, workshops, seminars, one-on-one counseling, and matchmaking events. A 'Find your PTAC now!' button is also present.

## Procurement Technical Assistance Centers (PTACs):

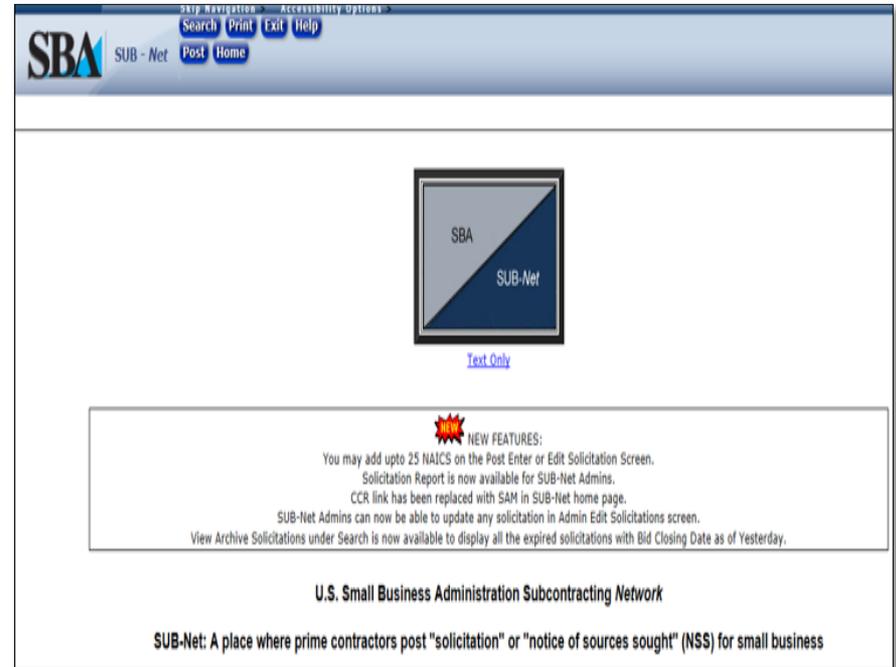
- Are staffed with experienced counselors in federal contracting
- Host classes and seminars
- Provide individual counseling
- Easy access to bid opportunities, contract specs, and historical data



# 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



# Increase Competitiveness

Definitions (PDF)	▶ T3.2.1.5 - Disaster or Emergency Preparedness and Response (PDF)	1/2009
Acronyms (PDF)	▶ T3.2.2 - Source Selection (PDF)	7/2009
Browser Settings (MS Word)	▶ T3.2.2.3 - Complex and Noncommercial Source Selection (PDF)	
	▶ T3.2.2.4 - Single Source (PDF)	10/2006
	▶ T3.2.2.5 - Commercial and/or Simplified Purchase Method (PDF)	1/2016
	▶ T3.2.2.6 - Unsolicited Proposals (PDF)	10/2008
	▼ T3.2.2.7 - Contractor Qualifications (PDF)	1/2009
	A : Contractor Qualifications (PDF)	
	1 : Responsibility Determination of Prospective Contractors (PDF)	7/2012
	2 : Team Arrangements (PDF)	1/2009
	3 : Debarment and Suspension (PDF)	4/2013
	4 : Notices to GSA and SAM (PDF)	7/2012
	5 : Prohibition Against Contracting with Inverted Domestic Corporations (PDF)	10/2015
	B : Clauses (PDF)	
	C : Forms (PDF)	
	D : Appendix 1 - Definitions (PDF)	10/2015
	▶ T3.2.2.8 - Describing FAA Needs (PDF)	10/2006
	▶ T3.2.3 - Cost and Price Methodology (PDF)	10/2007

**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



# Increase Competitiveness -JV

**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

## Joint Ventures

Joint ventures are probably the most challenging and rewarding type of contracting option. This type of contractual agreement has the benefit of putting the resources of two or more companies (business entities) together, under one umbrella. However, the process is usually very detailed and typically requires some legal and accounting assistance.

### Definition

The Small Business Administration defines a joint venture as an association of individuals or businesses that engage in and carry out a specific or limited-purpose business venture for joint profit for a defined period of time. These individuals or businesses combine their efforts, property, money, skills, and knowledge, usually in support of a single government contract. The joint venture is set up for the sole purpose of pooling resources to successfully and cost effectively support the mission of a government agency.

Unlike a contract teaming arrangement (CTA), which is recognized as an entity by GSA, a joint venture is set up as a separate legal entity with a separate federal identification number and a separate SAM (System for Award Management) user account. OSBU does not oversee any part of the joint venture process.

**Note: It is possible that a joint venture can be made up of two, three, or more businesses and still qualify as a small business, depending on the type of Schedule it falls under.**

For those willing to create a joint venture, there are many benefits.

- Represent Past Performance collectively, as a prime contractor (rather than as a subcontractor)
- Share costs
- Share resources
- Leverage other partners' experience and market share

However, before putting together a joint venture remember there are extensive rules regarding claiming socio-economic status. The cost of creating a joint venture is ongoing, and typically requires substantial legal and economic support. We highly recommend seeking out and talking to a number of successful joint ventures currently selling to the federal government.



# 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

Business Guide Funding Programs **Federal Contracting** Learning Centre

← Back to Contracting assistance programs

**Contracting assistance programs**

- Women-Owned Small Business Federal Contracting program
- Service-Disabled Veteran-Owned Small Business program
- 8(a) Business Development program
- All Small Mentor-Protégé program
- HUBZone program
- Natural Resource Sales Assistance program

8(a) Business Development program

The federal government's goal is to award at least five percent of all federal contracting dollars to small disadvantaged businesses each year.

**Content**

- [Program benefits](#)
- [WV program qualifications](#)
- [Get certified as an 8\(a\) small business](#)
- [WV Mentor-Protégé program](#)
- [WV Management and Technical Assistance program](#)

**Program benefits**

To help provide a level playing field for small businesses owned by socially and economically disadvantaged people or entities, the government is competition for certain contracts to businesses that participate in the 8(a) Business Development program.

Disadvantaged businesses in the 8(a) program can:

- Complete for [set-aside and sole source contracts](#) in the program
- Get a Business Opportunity Specialist to help navigate federal contracting

**Announcements**

New Vendor Information Files (VIF) Access / US Login and ID.ME!  
Resources, Education, and Training Opportunities

**Search Businesses** 10/1/2018 6:13:06 PM

VIP Verified Businesses

SDVOSB: 10483

VOSB: 3403

Total Verified: 14686

**Find Veteran Businesses** [Advanced Search](#)

Business Name:

DUNS:

DBA:

NAICS Codes:

Keywords - Separate keywords with blank

**Access VA Login**

**Contact Us**

Call Centers (800) 534-2344  
Monday - Friday 8:00am to 8:00pm (Eastern)  
Email: [vlq@va.gov](mailto:vlq@va.gov)

Status Updates: [verificationfollowup@va.gov](mailto:verificationfollowup@va.gov)

Profile Questions: [vlq@va.gov](mailto:vlq@va.gov)

**VOSB/SDVOSB Verification**

- [Go Back Home](#)
- [What is Verification?](#)
- [Frequently Asked Questions](#)
- [Homelessness Declaration](#)
- [Verification Assistance Briefs](#)
- [Verification Counselor Program](#)
- [Verification Fraud Investigations](#)
- [Small and Veteran Business Programs](#)
- [Doing Business with VA](#)
- [VA OIG's Hotline](#)
- [FOIA Policy](#)



# Differentiators

<b>CAPABILITIES STATEMENT</b>	
<b>Sample Template</b>	
Show your logo and contact information, with a specific person's name, phone and email.	
Title this document: Capabilities Statement	<b>Tip:</b> This is a content document, add color and graphics
<b>Core Competencies</b>	
Short introduction statement relating the company's core competencies to the agency's specific needs followed by <b>key-word heavy bullet points</b>	
<b>Tips:</b>	
<ul style="list-style-type: none"> <li>• No long paragraphs.</li> <li>• Use short sentences followed by keyword heavy bullet points</li> <li>• Create a new document for each agency, prime or teaming opportunity</li> <li>• Tailor each Capability Statement to the agency mission or specific opportunity</li> <li>• Call this document a Capability Statement</li> <li>• Preferably, this Capability Statement is one page, one side</li> <li>• <b>Go to two sides only if absolutely necessary</b></li> <li>• Save and distribute as a PDF, not a Word, PowerPoint or other format</li> </ul>	
<b>Past Performance</b>	<b>Differentiators</b>
List past customers for whom you have done <i>similar</i> work. Prioritize by related agency, to all federal to other government to commercial contracts. If the past projects do not relate to the targeted agency's needs, <b>do not list it.</b>	Identify what makes you different from your competitors and how this benefits the target agency
<b>Company Data</b>	<b>Pertinent Codes</b>
Include one very brief company description detailing pertinent data.  <b>Tip:</b> Readers will visit your web site for additional information. Make sure your website is constantly updated and government-focused.	<ul style="list-style-type: none"> <li>• DUNS</li> <li>• Socio-economic certifications: 8(a), HUB Zone, SDVOB, etc.</li> <li>• NAICS (Top 3)</li> <li>• CAGE Code</li> <li>• Accept Credit and Purchase Cards</li> <li>• GSA Schedule Contract Number(s)</li> <li>• Other federal contract vehicles</li> <li>• BPAs and other federal contract numbers</li> <li>• State Contract Numbers</li> </ul>
Your logo, address, phone numbers (voice, mobile and fax) email, web site and other related contact information	

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**

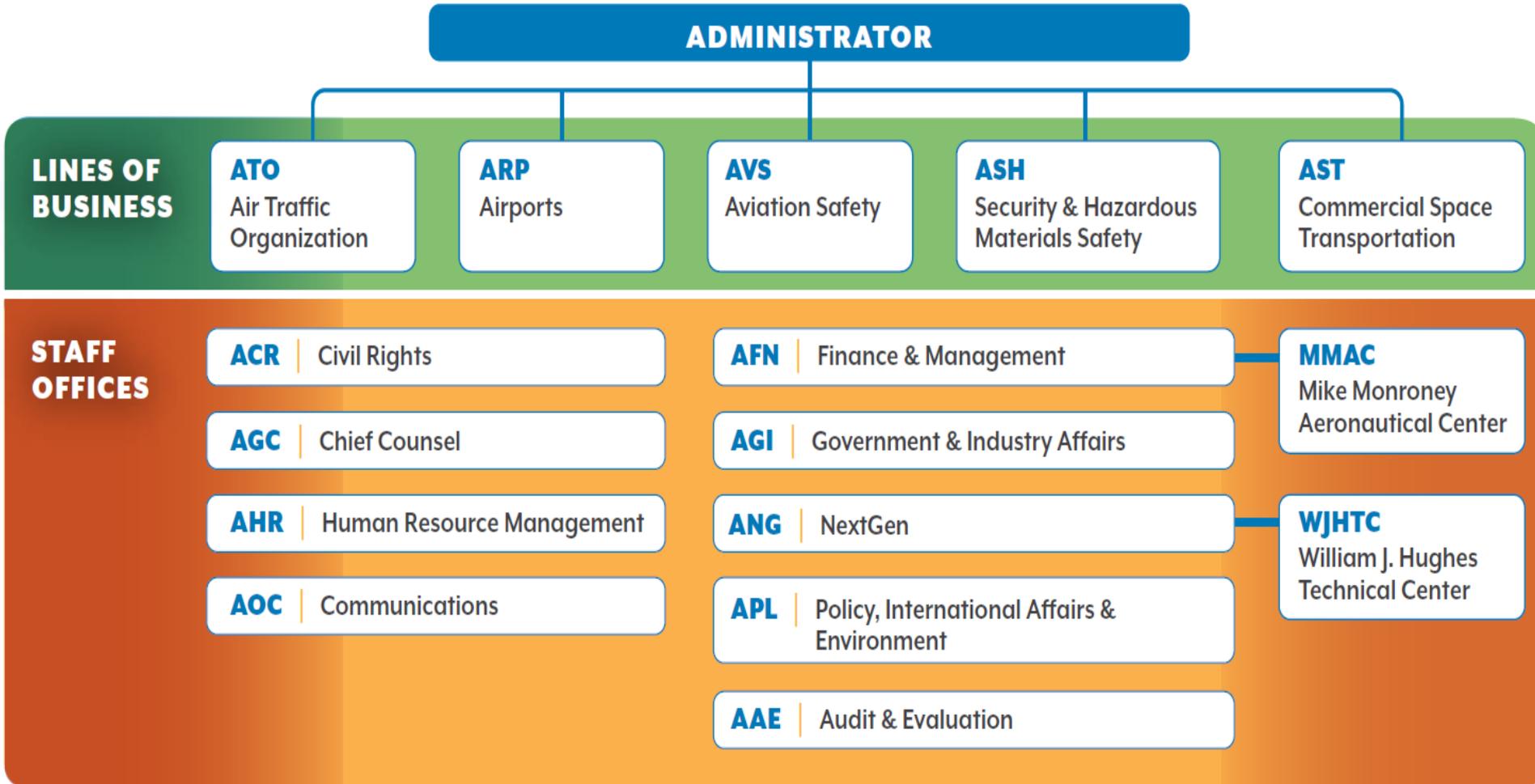


# Lesson 3

## Succeeding in the FAA Marketplace



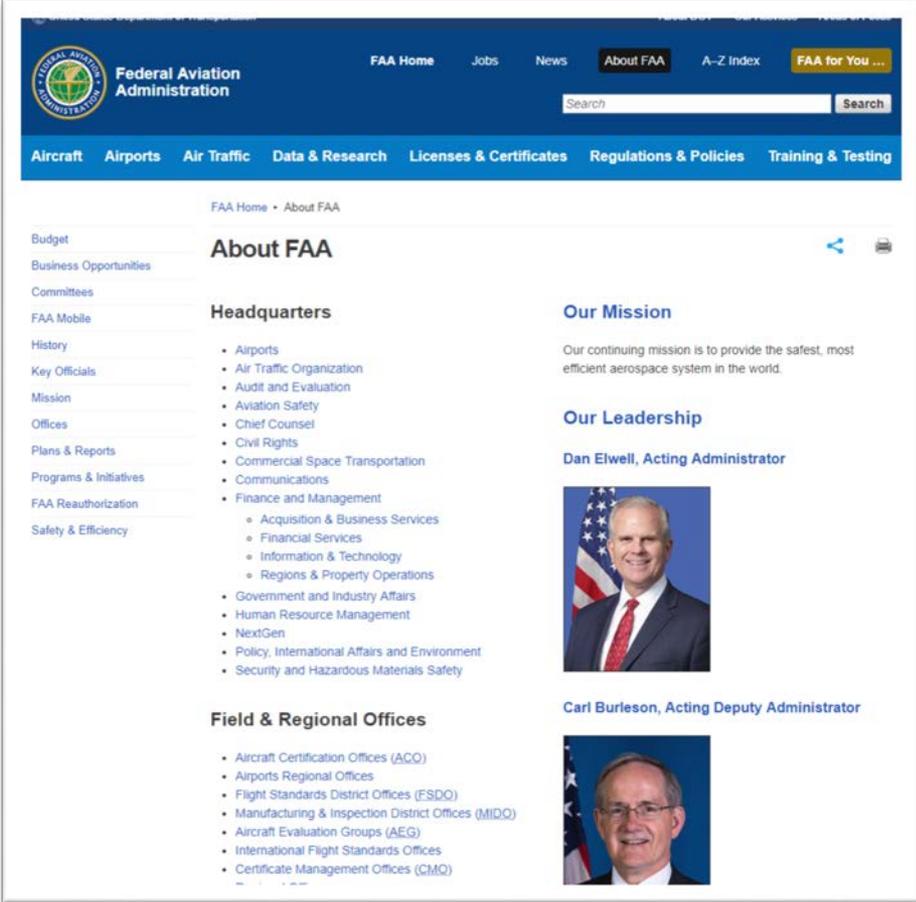
# Learn the Organization



# 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

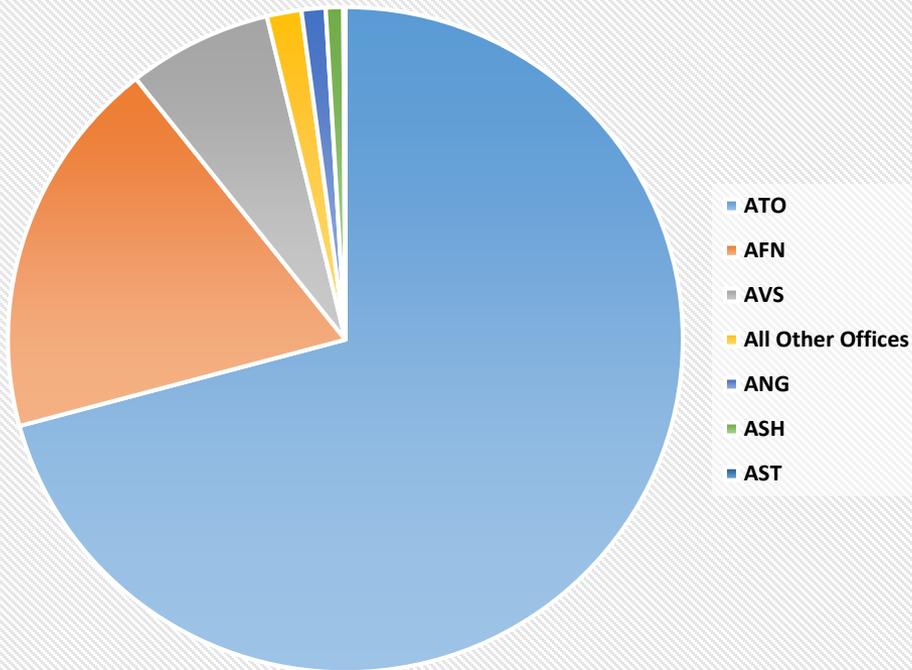


The screenshot shows the FAA website's 'About FAA' page. The header includes the FAA logo, 'Federal Aviation Administration', and navigation links for 'FAA Home', 'Jobs', 'News', 'About FAA', 'A-Z Index', and 'FAA for You ...'. A search bar is also present. The main navigation bar lists 'Aircraft', 'Airports', 'Air Traffic', 'Data & Research', 'Licenses & Certificates', 'Regulations & Policies', and 'Training & Testing'. The 'About FAA' page content includes a left sidebar with links like 'Budget', 'Business Opportunities', 'Committees', 'FAA Mobile', 'History', 'Key Officials', 'Mission', 'Offices', 'Plans & Reports', 'Programs & Initiatives', 'FAA Reauthorization', and 'Safety & Efficiency'. The main content area is titled 'About FAA' and features a 'Headquarters' section with a list of departments such as Airports, Air Traffic Organization, Audit and Evaluation, Aviation Safety, Chief Counsel, Civil Rights, Commercial Space Transportation, Communications, Finance and Management (with sub-items: Acquisition & Business Services, Financial Services, Information & Technology, Regions & Property Operations), Government and Industry Affairs, Human Resource Management, NextGen, Policy, International Affairs and Environment, and Security and Hazardous Materials Safety. Below this is a 'Field & Regional Offices' section listing entities like Aircraft Certification Offices (ACO), Airports Regional Offices, Flight Standards District Offices (ESDO), Manufacturing & Inspection District Offices (MIDO), Aircraft Evaluation Groups (AEG), International Flight Standards Offices, and Certificate Management Offices (CMO). On the right side, there are sections for 'Our Mission' (providing the safest, most efficient aerospace system), 'Our Leadership' (featuring a portrait of Dan Elwell, Acting Administrator), and 'Carl Burleson, Acting Deputy Administrator' (featuring a portrait of Carl Burleson).



# 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

Top 5 FAA Contracts		
Contract	Vendor Name	Avg. FY14 – FY18
DTFA0102D03006	Harris	\$286,095,582
DTFA0196C03008A	Raytheon	\$35,768,138
DTFA0196C03008C	Raytheon	\$39,182,134
DTFAWA11D00004	Unicom	\$38,947,386
DTFAWA11D00051	Noblis	\$46,003,193

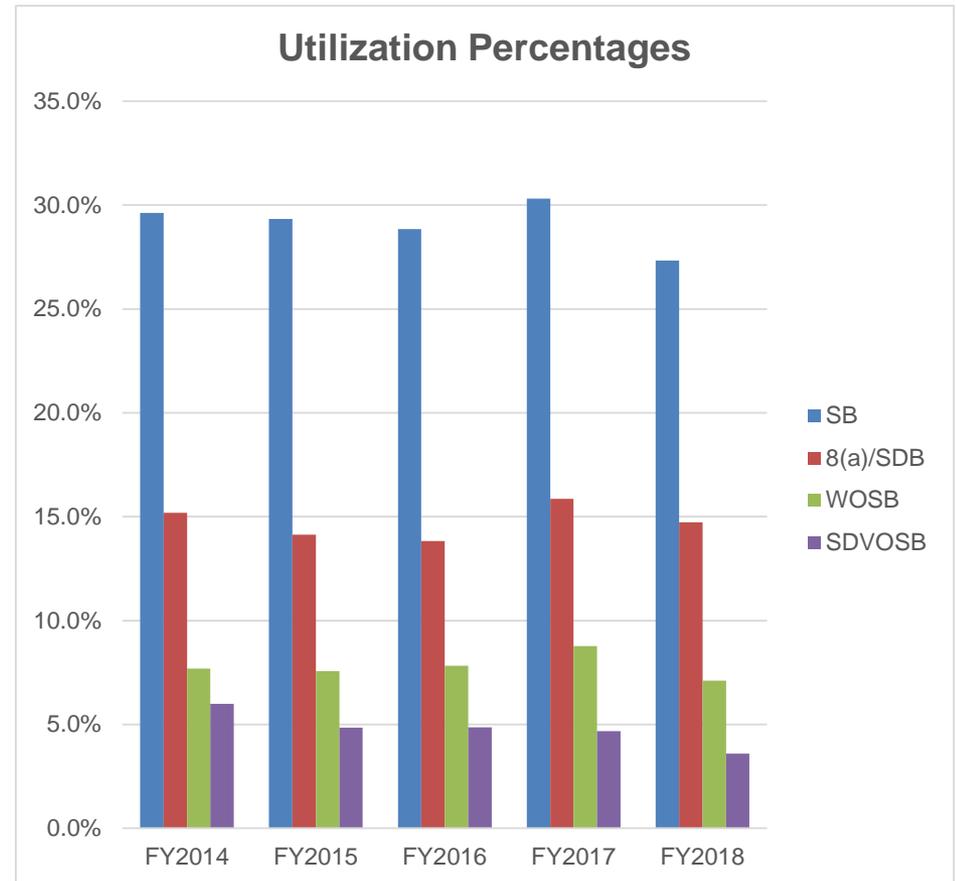
Top 5 FAA Competition Categories		
Contract	Avg. FY14 – FY18	% of Total Obligations
Full and Open Competition	\$3,032,277,960	69%
Not Competed	\$440,787,710	10%
Competed Under SAP	\$435,904,474	10%
Full and Open after Exclusion of Sources	\$295,980,116	7%
Not Competed Under SAP	\$105,225,067	2%



# Agency's Spend Profile

Top 5 FAA SB NAICS Codes	Average Obligations FY14 – FY18
541330	\$276,812,736
541511	\$148,206,564
541519	\$110,134,169
541611	\$80,725,281
541990	\$66,450,461

Top 5 FAA SB PSC	Average Obligations FY14 – FY18
R425	\$1,851,876,915
R499	\$447,759,062
AD26	\$320,253,566
AD21	\$287,084,984
N061	\$283,461,305



# Learn the FAA AMS

Federal Aviation Administration

FAST Home FAST Index FAQs Contact Us

Search

AMS Policy F&E Funded Capital Assets Mission Support Ops Funded Capital Investments Engineering & Management Practices AMS Building Blocks Procurement Policy, Guidance & Forms Real Property

## FAST

FAA Acquisition System Toolset

The official record for all FAA acquisition management policy and guidance.

FAST TUTORIAL

FAST

AMS Policy F&E Funded Capital Assets Mission Support Ops Funded Capital Investments Engineering & Management Practices AMS Building Blocks Procurement Policy & Guidance Real Property

Applications

- Contract Opportunities
- Contract Clauses
- PRISM (FAA only)
- Useful AMS Information

F&E Funded Capital Assets

CONCEPT & REQUIREMENTS DEFINITION INVESTMENT ANALYSIS SOLUTION

- 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



# Strategy Recommendations

**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:

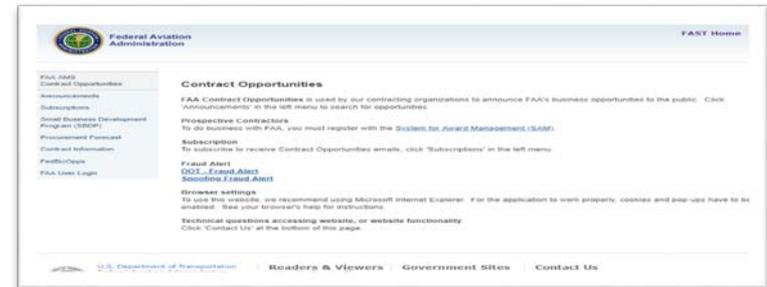
- Utilize Government business intelligence sites to identify expiring contracts:
  - Federal Procurement Data System-Next Generation (FPDS-NG)
  - USA Spending



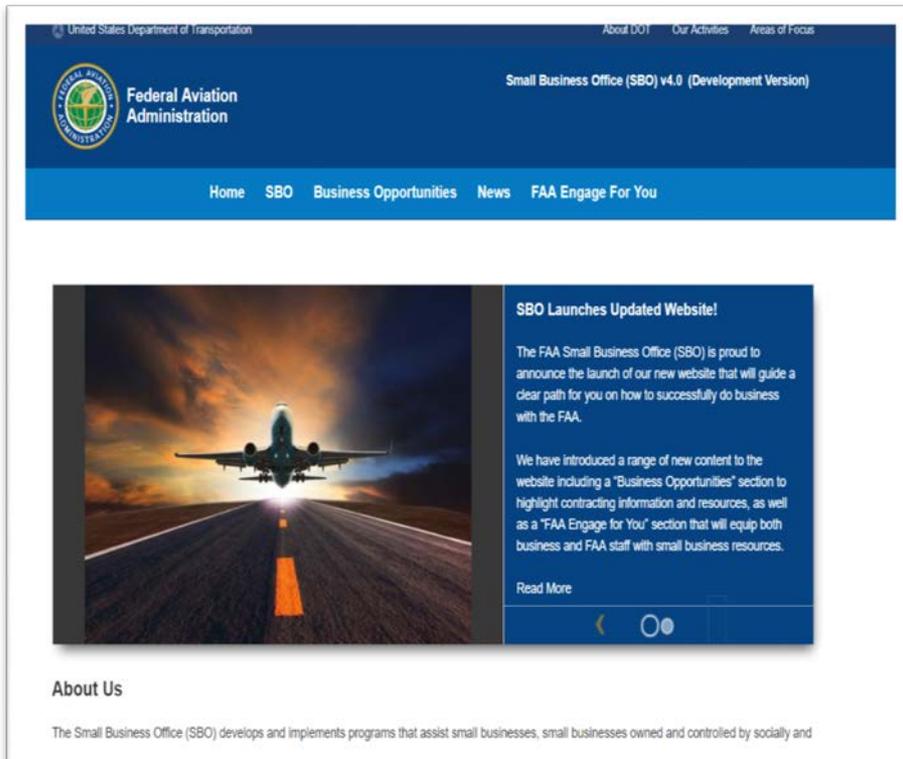
- Monitor FAA Procurement Forecast:
  - Published for planning purposes only
  - Based on the best information available at the time of publication
  - May be revised or canceled



- Subscribe to FAA Contracting Opportunities:
  - Receive notifications on FAA business opportunities that match your companies capabilities



# Strategy Recommendations - SBO



## 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

- **IRS Tax Identification Numbers (TIN):** <https://www.irs.gov/individuals/international-taxpayers/taxpayer-identification-numbers-tin>
- **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/>
- **SBA Subcontracting Network (SubNet):** [https://eweb1.sba.gov/subnet/client/dsp\\_Landing.cfm](https://eweb1.sba.gov/subnet/client/dsp_Landing.cfm)
- **VA Vets First Verification:** <https://www.vip.vetbiz.va.gov/>
- **About the FAA:** <https://www.faa.gov/about/>
- **FAA Acquisition System Toolset (FAST):** <https://fast.faa.gov/>
- **Federal Procurement Data System-Next Gen (FPDS-NG):** [https://www.fpds.gov/fpdsng\\_cms/index.php/en/](https://www.fpds.gov/fpdsng_cms/index.php/en/)
- **USA Spending:** <https://www.usaspending.gov/#/>
- **FAA Contracting Opportunities:** <https://faaco.faa.gov/>
- **FAA Small Business Office:** [www.sbo.faa.gov](http://www.sbo.faa.gov)



# Questions/Contact Us

Name	Location	Phone	Email
Richard Cutts	Headquarters	202-267-2862	<a href="mailto:richard.a.cutts@faa.gov">richard.a.cutts@faa.gov</a>
Gloria Rosier	Headquarters	202-267-7087	<a href="mailto:gloria.rosier@faa.gov">gloria.rosier@faa.gov</a>
Lakisha Davis	Headquarters	202-267-8802	<a href="mailto:lakisha.davis@faa.gov">lakisha.davis@faa.gov</a>
Deborah Hemphill	William J. Hughes Technical Center	609-485-5138	<a href="mailto:deborah.hemphill@faa.gov">deborah.hemphill@faa.gov</a>
Gerald Lewis	Mike Monroney Aeronautical Center	405-954-7704	<a href="mailto:gerald.a.lewis@faa.gov">gerald.a.lewis@faa.gov</a>
Tony Ortiz	Eastern Service Area	404-305-5780	<a href="mailto:tony.c.ortiz@faa.gov">tony.c.ortiz@faa.gov</a>
Jeri Bird	Central Service Area	817-222-4391	<a href="mailto:jeri.bird@faa.gov">jeri.bird@faa.gov</a>
Lelanie Rivera	Western Service Area	425-227-1003	<a href="mailto:lelanie.rivera@faa.gov">lelanie.rivera@faa.gov</a>

