

# Federal Government Acquisition & Contracting Overview



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# Learning Objectives

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- 1. An understanding of basic contracting methods used to buy goods and services
- 2. Know about different types of solicitations
- 3. Roles & responsibilities of players in acquisition process
- 4. Basic knowledge of the Acquisition/Contracting process
- 5. Basic knowledge of Contract Types
- 6. How to prepare for Federal Contracting opportunities
- 7. Importance of professional certification

# Overview

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- Governance
- The Players – Roles & Responsibilities
- The Contracting Process – Phases & Activities
- Types of Solicitations
- Relationships
  - Between Cost, Time and Complexity
  - Between Cost & Procurement Cycle Time
- Takeaways
- Questions ???

# Governance

- Driven by federal law and regulations – Competition In Contract Act (CICA)
- Regulations:
  - Determine who does what - responsibilities
  - Specify how it gets done – process, systems, tools, procedures, etc.
- FAR – Federal Acquisition Regulations
  - Codifies uniform policies for acquisition of supplies/services for executive agencies
  - 52 parts – plus numerous clauses/provisions
- Agency FAR Supplement (i.e., NFS, DFARS, etc.)
  - Supplements FAR requirements to reflect unique NASA/Agency policy

# Types of Solicitations

- Invitation for Bid (IFB)
  - Used when requirements are extremely well-defined (little/no ambiguity)
  - Contract award based on lowest price only
  - Most often used for construction contracts and some supply purchases
- Request for Proposal (RFP)
  - Used when technical, schedule, and/or cost factors play a role in decision making
  - Contract award based on best value – often involves tradeoffs between technical, schedule and cost considerations
  - Most often used for wide variety of service contracts (including A&E/construction)
- Request for Quote (RFQ)
  - Used for smaller, less complex purchases – commercially available products/equipment/supplies and services (typically under \$100k)
  - Contract award usually based on lowest price
  - Most often used for equipment and supplies
- Sole Source
  - Only one source available to provide goods or services
  - Typically involves a unique type of good or service (proprietary) for which there exists no commercially available alternative, or for which development of an alternative sources would not be realistic or viable (cost/schedule/technical)
  - Requires justification, review and approval – varies depending on complexity and dollar value
  - Must be publicly posted for public scrutiny

# The Players – Roles & Responsibilities

- Program/Requirements Manager
  - Identifies the needs for supplies/service required to support their programs
  - Defines all technical, schedule and cost requirements:
    - Defines technical requirements and standards
    - Develops SOW/PWS and all related technical documentation
    - Delivery schedule
    - Develops independent government estimate (IGE)
  - Works in consultation with CO to prepare and submit procurement requests
  - Identifies/secures funding
  - Post-award: Performs inspection & acceptance of deliverables (COR functions)

# The Players – Roles & Responsibilities

- Contracting Officer (CO):
  - Only person legally authorized to bind the government
  - Ensures that contracts are authorized by law
  - Ensures legal and technical sufficiency
  - Safeguards government interest
  - Personally signs all contracts, modifications, cure notices and corrective action
  - Only the CO can:
    - Obligate the government
    - Change delivery dates
    - Issue stop work orders
    - Modify government requirements/issue change orders

# The Players – Roles & Responsibilities

- Contracting Authority (FAR 1.602-1)
  - **Only contracting officers have authority to enter into contracts.**
  - Unauthorized commitment: Agreement that is not binding because the govt. representative lacked the authority to bind the government.
  - Delinquent obligation: Commitment made for which funding has not been appropriately set aside (fiscal obligation).
  - Ratification: Act of approving an unauthorized commitment by an official who has the authority to do so.
  - Violators subject to disciplinary action and can be held liable for unauthorized commitments.

# The Players – Roles & Responsibilities

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- Contracting Officer Representative (COR):
  - Performs administrative functions that are not technical in nature, including:
    - Reviewing invoices/bills for accuracy
    - Verify receipt of services and/or supplies
    - Processing/approving payments for services rendered or supplies delivered.

# Other Players

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- Attorneys
- Budget Analysts
- Subject Matter Experts (SMEs)
- Cost/Price Analysts
- Auditors

# Acquisition/Contracting Process

- Fundamentals of Acquisition Process
  - Define Requirement
  - Prepare Statement of Objectives (SOO), Statement of Work (SOW) or Performance-based Work Statement (PWS)
  - Obtain funding
  - Perform market research
  - Determine acquisition strategy
  - Procurement/Contracting Process (negotiations/award)
  - Performance
  - Closeout

# Acquisition/Contracting Process

## ➤ Pre-Award Phase (Contract Formation)

....the first 5 bullets on previous slide

- Pre-Solicitation Conference/Industry or Vendor Days/Pre-Proposal Conference
- Release Draft RFP (optional)
- Release RFP
- Submit proposals
- Evaluate bids/proposals/quotes
- Selection(s)
- Award

## ➤ Post-Award Phase (Contract Administration)

- Performance

## ➤ Closeout

- 6 months after completion to 5 years (or more)

# Acquisition/Contracting Process

- Publicizing Contract Actions (FAR Part 5)
  - Proposed contracts > \$25K
    - Internet @ [fedbizopps.gov](http://fedbizopps.gov)
    - Response time depends on acquisition type and dollar value – 15-60 days
  - Exceptions:
    - National security
    - Unusual and Compelling Urgency
    - 8(a) Set-aside (Disadvantaged businesses)
    - Mandatory Sources
    - GSA

# Contract Types

- Contract Types
  - Fixed Price (FFP, FPIF)
    - Contract requirements (supplies/services) are very well defined, sufficient to accurately determine fair & reasonable price.
    - Majority of performance *risk assumed by contractor*.
  - Cost Reimbursement (CR, CPFF, CPAF, CPIF)
    - Requirements not well defined; unable to accurately determine final price; contractor reimbursed as costs are incurred, usually up to some limit.
    - Majority of performance *risk assumed by government*.
  - Indefinite-Delivery Indefinite-Quantity (IDIQ)
    - Lack of firm requirements (services/supply) and lack of firm delivery schedule over a longer (usually multi-year) planning horizon.
    - Permit flexibility in defining, ordering and receiving supplies/services; minimum obligation requirements usually apply.
  - Indefinite-Delivery Definite Quantity
    - Firm requirements (supplies/services) are known, but lack of firm delivery schedule over a longer (usually multi-year) planning horizon; minimum obligation requirements usually apply.
  - Requirement Contracts
    - Very general/high level requirements for supplies and services may be needed and/or known, but cannot determine exactly how much or when they will be needed.
    - *Promises all contract requirements to the contracted vendor.*
    - Do not require minimum obligation by the government.

# Preparation:

## How do I get in the game?

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- Prime Role
- Subcontractor (i.e., Mentor-Protégé Program)
- Register in System for Award Management
  - <https://www.sam.gov/>
  - DUNS Code
  - CAGE Code
  - NAICS Code
- Assess financial systems (accountability)
- Internal controls (i.e., documented P&Ps)

# Preparation: Training

- National Contract Management Association ([www.ncmahq.org](http://www.ncmahq.org))
  - The CPCM, CFCM, and CCCM are certifications awarded to candidates who meet rigorous standards, including experience, education, training, and knowledge. They are professional designations of distinction, and carry the respect of their peers in the profession. The NCMA professional certification program is designed to elevate professional standards, enhance individual performance, and distinguish those who demonstrate knowledge essential to the practice of contract management.
    - Level I
    - Level II
    - Level III
- From Industry Mentor

# Takeaways

- **It is a business decision to enter into the Federal Government Contracting Process!**
  - Ensure you have the right “expertise” on the team.
- **Know the business**
  - Check FedBizOpps **everyday!**
  - Be responsive if contacted by a federal agency!
  - Ensure you have the appropriate systems to perform the work.
- **Get out there!**
  - Go to Pre-Proposal Conferences/Vendor Days (not only meet industry, but meet the Agency players).
  - Don't wait for industry or Government agency to come to you
- **Invest in Training and Continuing Education**
  - Train the business team; get certified!
  - Maintain certifications through continuing education courses.
  - Take advantage of Webinars

# Questions?

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