



# CONCORDANT

*Harmonized Customer Solutions*

## ADVANCE Casper

Aerospace Industry & Defense Industry Conference

Federal Acquisition: Starting up as a Fed Contractor in Wyoming



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**GENERAL DYNAMICS**  
Information Technology



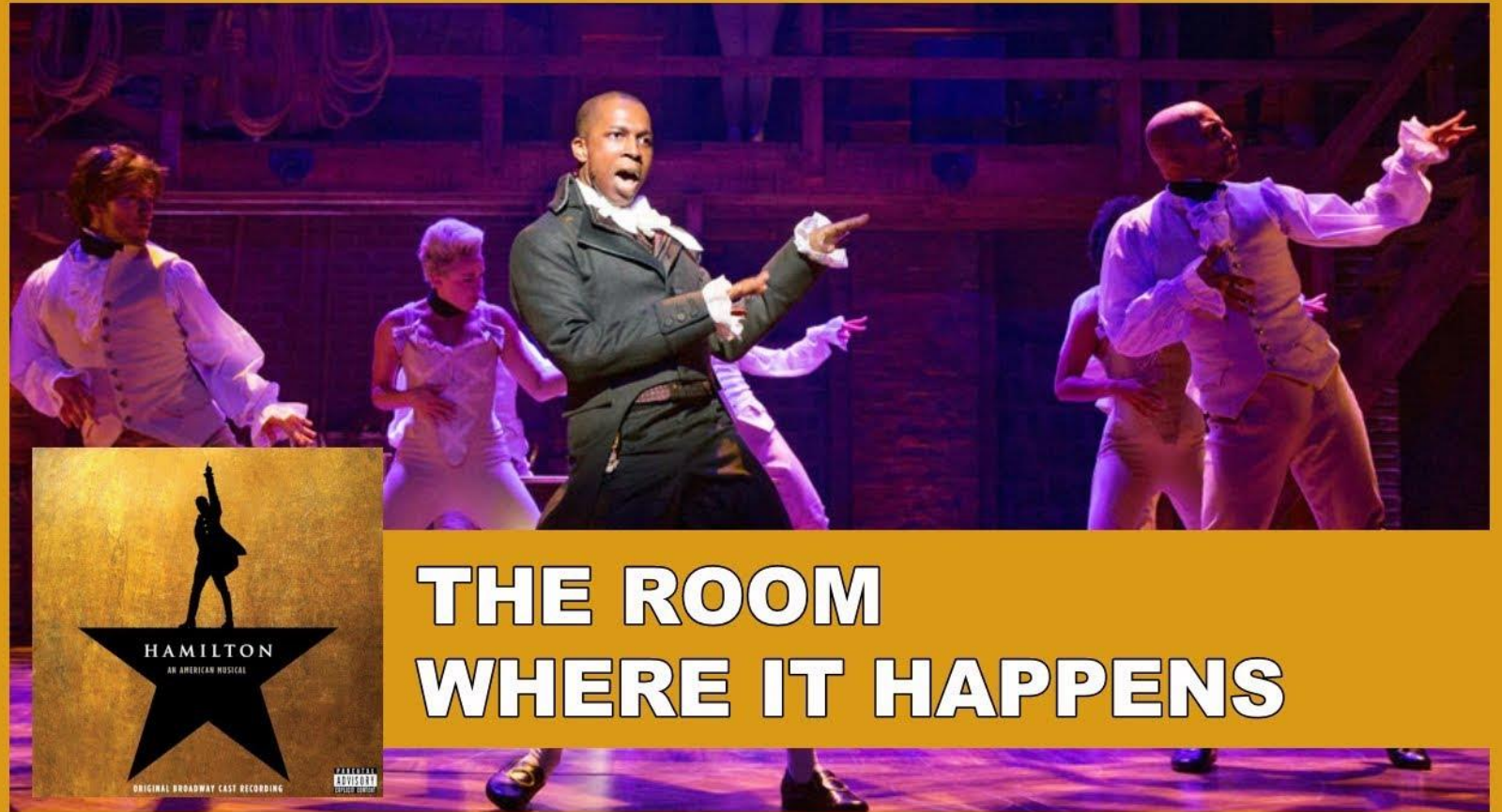
# Disclaimer

- While I am an attorney, this presentation is not legal advice





- Concordant helps government customers run



# Acquisition 101: The Feds

- The US Federal Government is the largest purchaser of goods and services in the world
- Government's goal is to conduct 23% of prime contracting with Small Biz
- Fed Acquisition accounts for about 15% of the national GDP

# What is the FAR?

- The Federal Acquisition Regulation (“FAR”) is found in Title 48 of the Code of Federal Regulations.
- It consists of 37 Chapters (Chapter 1, some 2,000+ pages, which applies to all agencies, and then various agency supplements plus the Cost Accounting Standards).
- There’s a lot there. And it changes.

# What is Acquisition?

- “Acquisition” means the acquiring:
  - by contract
  - with appropriated funds
  - of supplies or services (including construction)
  - by and for the use of the Federal Government
  - through purchase or lease, whether
    - the supplies or services are already in existence or
    - The supplies or services must be created, developed, demonstrated and evaluated.

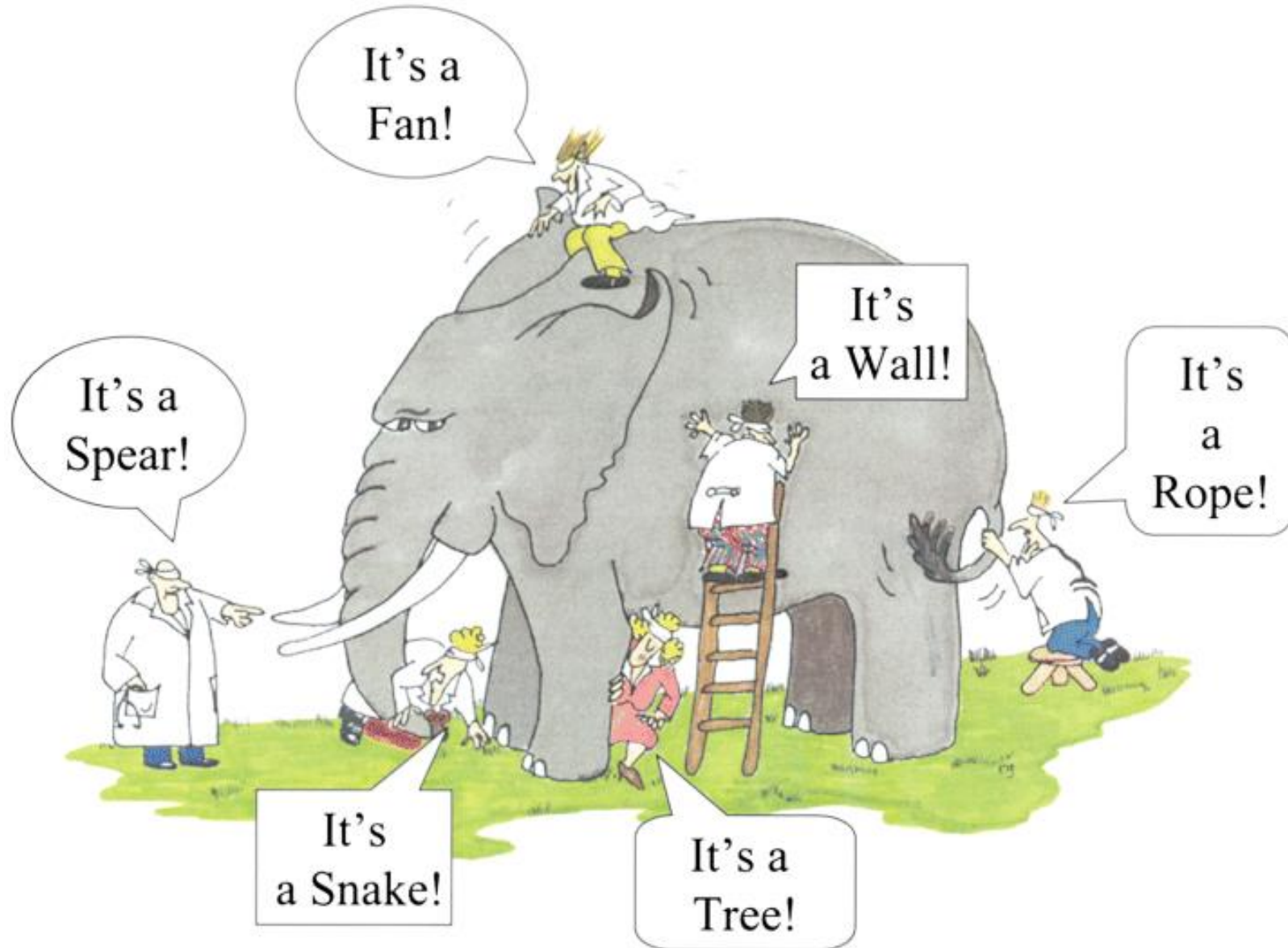
***FAR 2.101***

# FAR: the “good” news

- You don't have to know all the FAR
- You **do** have to know your contract



# The Big Picture depends on your Perspective



# More Basics

- COs
  - **Only** govt officials with authority to obligate money above micro levels
  - Written authority called a “warrant”
- CORs
- Contract Categories: 2 main types (lots of others)
  - Fixed Price [Risk Allocation]
  - Cost Reimbursement [got an accountant?]
- Other Methods
  - IDIQ (Indefinite Delivery, Indefinite Quantity) limits decision process to pre-approved vendors
  - GSA Schedules: MAS or FSAs make up **more than 20%** of federal procurement spending

# Perspective: Fed Customer's Contracting Officer

CO's goal is to Foster:

- Competition
- Transparency
- Integrity
- Efficiency
- Customer Satisfaction
- Best Value
- Risk Allocation
- Small Biz goals
- Uniformity

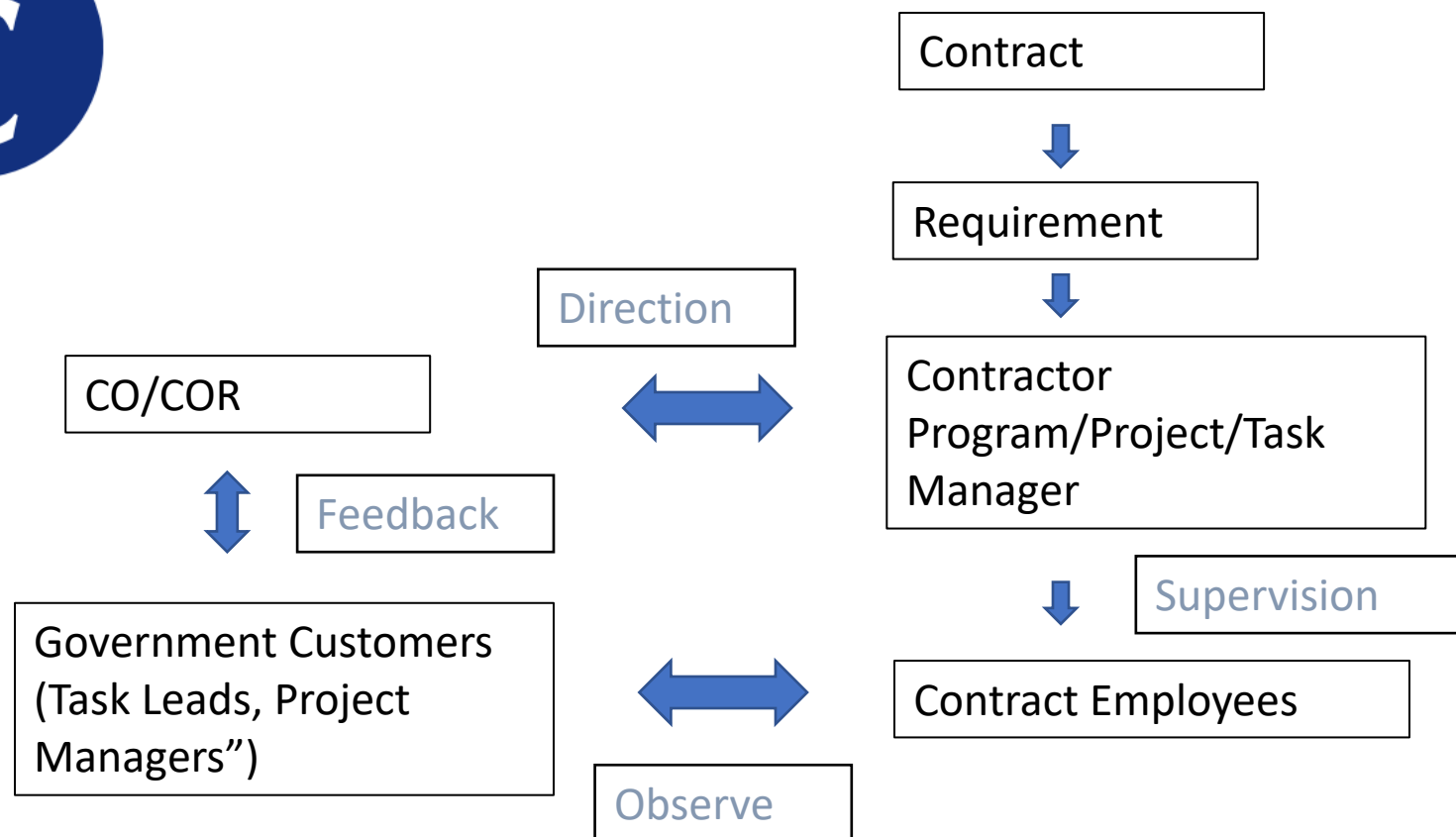
CO has a Customer and Stakeholders too

- Program office
- Signature Authority
- Funds Certifying Official
- Source Selection Authority
- Agency Legal

# Perspective: Acquisition Process

- Requirements Development \*\*\*
- Market Analysis / Research \*\*\* (SAM.gov)
- Solicitation
- Evaluation & Decision (Source Selection)
- Contract Award
- Contract Performance/Delivery
- Closeout

## CONTRACT MANAGEMENT





# Procurement Process Documents

- Requirements Document (Uses results of market research to define what is to be purchased
  - Statement of Work (SOW) for Service or:
  - Performance Work Statement (PWS)
  - Commercial Product or Service market standard and specifications
  - Systems Specification or Performance Requirements for Development program
- Independent Government Cost Estimate
  - Industry not privy to this document; used to evaluate bids
- ITO: Instructions to Offerors
- Etcetera. Read everything posted on SAM.gov for any opportunity you are considering

# Moving around the Elephant: **New** Contractors “Registering to do Business”

- EIN- Employer ID Number
- NAICS codes- North American Industry Classification System
- DUNS- Data Universal Numbering System (govt moving away but still need one for now)
- CAGE code- Commercial and Government Entity
- SAM- System for Award Management (Primes and 1<sup>st</sup> Tier Subs)
- Certify.SBA.Gov login for small business contractors

Worth a Second Look:  
Consider Implications of your Structure

## **Primary Legal Forms of Business Enterprise**

- Sole Proprietorship
- Partnership
  - General Partnership
  - Limited Partnership
- Limited Liability Company
  - Partnership for tax purposes
- Corporation
  - C Corporation
  - S Corporations

Wow that's a lot. How do I win?

If you find yourself  
in a fair fight,  
**YOUR  
TACTICS  
SUCK.**

# New Contractors- Socioeconomic Categories

- Competing for Fed Contracts is Expensive
- Second place is the first loser
- But remember those Small Biz goals? 23% of a very big number.
- Break that 23% down a little further:
  - WOSB's 5%
  - Economically Disadvantaged 8(a): 5%
  - SDVOSB: 3%
  - HUBZone: 3%
    - *only program not focused on the ownership of the business, but rather on the location of the business and its employees.*



# Other Considerations for New Smalls: Past Performance

- Which Came First- the Chicken or the Egg?
- Subcontracting
- Joint Ventures
- Get *really good* at something very specific

# Other Considerations for New Smalls: Defense Contract Audit Agency (DCAA)

- Some contract types (like cost reimbursable) require specific accounting systems
- Capable of accounting for the direct and indirect costs associated with the contract
- Contractor can be audited at any time – even before a contract is awarded.
- In order to pass an audit, the contractor must be able to show its system is capable of:
  - » Segregation of direct, indirect, and unallowable costs
  - » Job cost accounting
  - » Indirect cost pools and allocation bases
  - » Indirect rate computations
  - » Timekeeping

# Other Considerations for New Smalls: DISCO



# Other Considerations for New Smalls: DISCO

- No not that kind of Disco.
- Defense Industrial Security Clearance Office (DISCO) regulates contractors that are involved in work that requires access to classified material
- Another Chicken or the Egg scenario
- Cleared Work requires a Facilities Clearance (DD254)
- Get a Sponsor

# Other Considerations: CMMC

- Cybersecurity Maturity Model Certification (CMMC) is a framework of various cybersecurity standards and best practices that **is a requirement** for government contractors working with the Department of Defense (DoD).



# What about Wyoming?

- Wyoming ranks 50/50 among the states in Small Biz fed contracting \$\$
  - But that still amounts to more than \$206M a year, and is growing rapidly
  - COVID was a catalyst for change in delivery of services to Fed Govt
- Wyoming has no individual income tax and it's one of only two states that doesn't levy a corporate income tax or a gross receipts tax.
- Wyoming has a pro-business University with world-class support
- Wyoming has the highest ratio of Congressional representation in the United States
- Concordant is working with all the above authorities and industry to bring winning businesses to Wyoming

Get Help: Comply... and Win.

