

Alaska Procurement Connection

A Monthly Newsletter From Your Procurement Technical Assistance Centers

Federal Agencies Fail to Reach SB Goals – Again

Contributed by K. Anderson (anksa@uaa.alaska.edu)

With small businesses struggling more and more to get a piece of the contracting pie, Democrats on the House Small Business Committee released their sixth annual Scorecard Report. The report, which measures 22 federal agencies on their ability to meet small business contracting goals, found that contracts to small businesses declined 31 percent even though the federal marketplace grew to \$295 billion. Overall, the federal government will receive a grade of “D” for the 2004 Scorecard report.

The failure of the federal government to reach their small business contracting goals cost small firms \$1.6 billion in contracting opportunities for FY 2004, a record loss according to the report. While 10 agencies received failing grades, it was also concluded that five agencies have received a D or F grade for all six of the past reports. These failing agencies are: US Agency for International Development, the Department of Energy, the Department of Education, the Environmental Protection Agency, and the Department of Defense.

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Hello, again, from the Fairbanks PTAC

Contributed by Mary H. Sheehan (fmmhs@uaf.edu)

Yes, if you have already heard the rumor, it’s true, I’m back! If you are wondering why I’m back, here are some reasons to ponder over:

- Ice fishing isn’t that much fun.
- Greenspan’s continuous warnings to us baby boomers of retirement threats.
- Hey, if Michael Jordon can retire 4 times, I can too!

Oh well, regardless of the reason, I am pleased and happy to be back. For those of you that I have not met (i.e., new to government contracting since I left the scene), I previously was the Director of the Fairbanks PTAC Subcenter from 2000-2004. I have experience in government contracting, having worked in procurement at all levels — as a logistics supply technician, a purchasing agent, a contract specialist, a contract administrator, and a contracting officer. I have worked for the U.S. Army, U.S. Air Force, and both the Army and Air National Guard. I invite you to phone the Fairbanks office to discuss your business’ pursuit of federal, state and local government contracts.

May we all have a wonderful and prosperous 2006!

February 2006

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Check out the PTAC Calendar of Events for Upcoming Opportunities!

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University of Alaska
Small Business
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EC/EDI Corner

Contributed by Mary Wheeler (fnmaw@uaf.edu)

Subcontracting Opportunities Directory

The Subcontracting Opportunities Directory on the U.S. Small Business Administration website lists the contact information for large businesses that have submitted subcontracting plans. Click on the link for the state you want to look at, and you will find name, contact information and contractor type listed for each firm that has submitted a subcontracting plan.

This site can provide useful information to help market your business to prime contractors.

— <http://www.sba.gov/GC/indexcontacts-sbsd.html>

DOL Compliance Assistance Web Portal

On December 9, 2005, the U.S. Department of Labor (USDOL) announced its new Compliance Assistance Web Portal, designed to help members of the business community understand and comply with federal employment laws and regulations administered by USDOL. This easy-to-navigate portal is a central gateway to compliance assistance resources, state labor links, e-tools and regulations. Users do not need to know the name of a particular law to locate key information. The portal features links for finding compliance information by topic (i.e., Wages & Hours Worked); by audience (i.e., New and Small Businesses); and by major law (i.e., Fair Labor Standards Act). What's New features updates on laws and regulations and the Updated Employment Law Guide.

— <http://www.dol.gov/compliance>

Forms.gov

Forms.gov is a government website that describes itself as “The U.S. Government’s Official Hub for Federal Forms” and as “a common access point to federal agency forms.” The home page offers four options for locating these forms. These options are:

- Form number (such as SS-4).
- Agency (such as Department of Defense).
- A list of all agencies /sub-agencies you can search (i.e., Department of Defense/Air Force). The subjects in this list are abbreviation, agency/bureau name and document count.
- Form Name (A-Z) – an alphabetical list with columns – agency, form number, form name, form instructions and revision date.

The home page also has links to Frequently Used Forms (tax forms, Social Security forms, etc.) and Still Cannot Find a Specific Form Here? (suggests links to check- FirstGov, GSA Library...).

— <http://www.forms.gov>

From Invention to Innovation Handbook Available

Contributed by Carolyn Pratt (carolyn@trendalaska.org)

Developing a new technology or innovative idea for profitability can be a long journey across tough terrain. Often projects get abandoned. However, every year, hundreds of products make it to market and the creator, the economy, and the user all benefit. To increase the probability that a technology will be profitable, an understanding of the commercialization process is required. An excellent publication titled “From Invention to Innovation” is available from the U.S. Department of Energy’s Innovation program.

The handbook guides the inventor through the commercialization process—from concept to engineering prototype to production to market penetration. The process requires inventors to answer questions about the market, competition, business structure, and legal and regulatory requirements. It includes a section that asks inventors to identify the obstacles, or the rough terrain, lying between them and the market and to build strategies to overcome them. It illustrates how major barriers to successful commercialization fall into definable categories. Once those barriers are broken down into components, the inventor can develop a sequence of tasks to overcome them. What makes this such a valuable resource is the professional planning instructions *and* systematic, realistic execution.

Send a request to TREND at email@trendalaska.org for a copy or download the .pdf version at http://www.eere.energy.gov/inventions/resources_pub.html

“It is better to know some of the questions than all of the answers.”

—James Thurber

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Several factors lead to the overall decline in small business contracts. One primary barrier continues to be contract bundling. A bundled contract is when a number of small contracts are lumped together into one large contract, making it too large for small businesses to compete. This has been a continual barrier to small businesses, dating back to the Federal Acquisition Streamlining Act of 1994 when the consolidation of certain contracts was first encouraged.

Lack of action on critical initiatives designed to assist small businesses is also impeding small business growth. This is particularly true for women-owned businesses. The women's procurement program, signed into law in 2000, has yet to be implemented costing \$33 billion in lost contracting opportunities over the past five years.

The federal government's inability to meet its contracting goal is made worse by procurement laws that exempt agencies from having to do business with small firms. One example is the Transportation Security Administration, which was created in 2001 and has grown to \$1.6 billion. However, in 2004 the agency contracted only 6 percent of its work with small firms, due in part to the fact that the agency has no small business requirement, the report said.

In a number of instances the federal government has set itself up to fail by allowing agencies to set small business goals below statutory levels. Forty-one percent of the agencies evaluated in this report have established goals lower than their historic achievement, or goals below the mandated levels.

Accurate reporting of data also continues to be a problem. Discrepancies in contracting data were identified in Scorecard IV, where the counting process used to track the contracting data was identified as flawed. Initially, the administration announced the creation of the Federal Procurement Data System – Next Generation (FPDS-NG) to resolve the issue and to serve as the main system where all federal agencies record their contracts. Unfortunately, the new system is not an improvement over the old process, which continues to be tainted with inflated and inconsistent numbers, not to mention miscoding of contracts.

A complete copy of Scorecard VI can be accessed on our website at: <http://www.ptacalaska.org> under "what's new."

SBA Increases SB Size Standards

Contributed by Megan Luna (anmcl1@uaa.alaska.edu)

The U.S. Small Business Administration (SBA) has adjusted size standards for determining whether a business is small as of December 5, 2005. The comment period for the new size standards closed on January 5, 2006. These changes were made to reflect the effects of inflation on small business revenues. The most recent adjustment of this kind on the part of SBA was made in February of 2002. According to SBA, the general level of prices has increased 8.7 percent as measured by the Gross Domestic Product (GDP) since the 2002 size standards adjustment.

The purpose of this action is to maintain the value of size standards in inflation-adjusted terms and to restore eligibility to businesses that may have lost their small business status due solely to price level increases rather than from increased business activity. SBA estimates that approximately 12,000 businesses will regain small business status because of this rule since inflation has no impact on industry size standards based on number of employees, this rule affects monetary size standards only.

For federal contracting purposes, this rule applies to solicitations, excluding non-competitive 8(a) contracts, issued on or after January 5, 2006. For non-competitive 8(a) contracting actions, the new size standards are applicable to offers of requirements that are accepted on or after January 5, 2006.

As a result of this change, some vendors may need to recertify in ORCA to reflect the new size standards. The size standards data in ORCA is automatically populated from data in CCR. The size standards data in CCR comes directly from SBA. Recertification will ensure that your current ORCA record reflects any changes made by SBA.

Renewal of your ORCA registration can be done at anytime by going to <http://orca.bpn.gov>. Once on the ORCA homepage, enter your DUNS number and Marketing Partner Identification Number (MPIN) where prompted to begin renewal. Review your existing information, make changes if necessary, and then select the "Submit" button at the end of the questionnaire. Your registration will be active for another 365 days from the date of change. For more information regarding changes in small business size standards, visit the website below.

— <http://www.sba.gov/size/indexwhatsnew.html#inflIFR>



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Comments Sought on CAS Thresholds

Contributed by Megan Luna (anmcl1@uaa.alaska.edu)

The Office of Federal Procurement Policy has proposed the following increases to Cost Accounting Standards (CAS) thresholds:

- Contract applicability – from \$500,000 to \$550,000;
- Applicability to a business unit – from \$7.5 million to \$8.5 million;
- Waiver authority – from \$15 million to \$17 million;
- Full coverage – from \$50 million to \$56.5 million;
- Disclosure statement submissions by a company (other than educational institutions) – from \$50 million to \$56.6 million;
- Disclosure statement submissions by a segment of a company – from \$10 million to \$11.5 million; and
- Disclosure statements submissions by educational institutions – from \$25 million to \$28.3 million.

The above changes are in accordance with Section 807 of the National Defense Authorization Act, which provides for adjustment of acquisition-related thresholds every five years. Comments may be submitted via email to casb2@omb.eop.gov. The deadline for comments is February 10, 2006.

For the full text on this proposed rule, visit www.regulations.gov, and search for Document ID FFPO-2005-0002-0001.