



Overview

- Analysis and Strategy Development
- Proposal Preparation and Submission
- Proposal Negotiations, Clarifications, and Award
- Common Proposal Mistakes
- Subcontracting and Teaming

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Objectives

- By the end of this workshop, participants will be able to:
 - Use their knowledge of the government criteria for evaluating offers (along with a strong understanding of how to build the four technical sections required irrespective of the Solicitation) to build a quality proposal
 - Distinguish the difference between a prime/subprime arrangement versus a contractor team arrangement, and understand roles and responsibilities under each

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Proposal Strategies

What you need to consider when preparing a proposal

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Analysis and Strategy Development

- Questions you should ask yourself:
 - What do you want to sell?
 - Who currently sells this to the government?
 - How do you sell commercially? To the government?

Internal Roles and Responsibilities

- Who will be responsible for what?
 - Data gathering
 - Proposal preparation
 - Authorized negotiators
 - Digital certificates
 - Identrust – <http://www.identrust.com/>
 - Operational Research Consultants (ORC) – <http://aces.orc.com/>
 - Pricing negotiations
 - Contract administration
 - Ordering and discounting policies
 - Contract compliance




FAS Strategies

- Pricing strategies
 - Defining customers and customer classes*
 - Basis of award
 - Which customer or customer class most resembles the buying habits of the federal government?
 - Competitive research
- Proposal presentation strategies

*Customer classes are the commercial customers that you sell to, for example end users, schools, and OEMs (Original Equipment Manufacturers).

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Proposal Preparation and Submission

- Digital certificates
 - Required to submit proposals electronically through GSA's eOffer system
 - Electronic credentials
 - Asserts identity of an individual
 - Encrypts and decrypts data for secure transmission
 - Allows authorized negotiators to electronically sign documents

<http://eoffer.gsa.gov/>

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Preparation of Offer

- Prepare and assemble the following:
 - Corporate and financial information
 - Marketing collateral and warranty information
 - Price lists
 - Technical narratives
 - Labor category descriptions (services only)
 - Commercial practices
 - Subcontracting plan, if applicable

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Technical Proposal: Four Factors

- Corporate experience
 - Number of years of experience
 - Organization size
 - History of activities contributing to the development of expertise and capabilities
 - Organizational, accounting controls, and manpower
 - Marketing plan
- Relevant project experience (for services)
 - Two project descriptions for each SIN completed within the last two years or ongoing
 - Demonstration of similarity to SIN description(s)
 - Customer reference information
 - Project narratives
- Products

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Technical Proposal: Four Factors

- Past performance evaluation from Open Ratings, Inc., a D&B Company
 - 1 copy of completed past performance evaluation
 - 1 copy of order form with up to 20 customer references
 - Explanation for any negative feedback
 - Valid for 1 year from date of issuance
- Quality control narrative (1, regardless of number of SINs)
 - Internal review procedures for quality standards
 - Project supervisors for quality control
 - Use of subcontractors
 - How potential problems will be addressed
 - Procedures for insuring quality performance while meeting urgent requirements
 - Strategies for managing and completing multiple projects for multiple agencies simultaneously



Commercial Sales Practices Chart

Column 1 Customer	Column 2 Discount	Column 3 Quantity/Volume	Column 4 FOB Term	Column 5 Concessions




Proposal Negotiations, Clarifications and Award

- Negotiations
 - Determine pricing strategies in advance and stick to them
- Final proposal revision
 - Finalize pricing
 - Basis of award
 - Contractor understands administrative
 - Requirements of contract
- Contract award



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Responding to PBS IDIQ Solicitations

Technical & Quality Proposal Factors <ul style="list-style-type: none">▪ Past Performance▪ Overall Corporate Experience▪ Management Plan	Price Proposal <ul style="list-style-type: none">▪ Standard Form (SF) 1449 or 1442 (construction)▪ Cost Structure▪ Bid Schedule▪ Pricing Worksheet▪ Representations and Certifications▪ SF 24, Bid Bond▪ GSA 527, Contractor's Qualification and Financial Information
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PBS Proposal Evaluation

- Determination of Responsibility
- Price Reasonableness
- Unbalanced Prices
- Total Evaluated Price
- Non-Price Factors
 - Past Performance
 - Overall Corporate Experience
 - Management Plan

Contractor Responsibility Standards

- Purchases shall be made from, and contracts shall be awarded to, responsible prospective contractors only
- FAR 9.104-1 requires contractors be determined as responsible by the Contracting Officer
- Contracting Officers are required to review the information contained in the Federal Awardee Performance and Integrity Information System (FAPIIS) and the Excluded Parties List (www.epls.gov)
- Past Performance Information Retrieval System (PPIRS) is the official system used by the federal government
- Contractor Performance Assessment Reporting System (CPARS) provides a record of both positive and negative performance (CPARS feeds into PPIRS)

Common Proposal Mistakes

- Inaccurate D&B/CCR
- Unstable financials; company too young
- Not reading the solicitation requirements
- Not answering to the specific SOW
- Not questioning RFP ambiguities
- Parroting language in the SOW
- Not conducting a quality check for grammatical errors and consistency

Subcontracting & Teaming

Finding a partner for achieving your federal contracting goals

Subcontracting & Teaming

- Provides a single solution
- Integrates complementary offerings
- Allows focus on core capabilities
- Increases competitive edge, market share, & visibility
- Builds direct relationships & provides additional opportunities with customers

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GSA Mentor Protégé Program

- **Mentor-Protégé** program encourages GSA prime contractors to assist small businesses
- Eligible small businesses can act as suppliers or provide services or subcontractors for primes with an approved subcontracting plan negotiated with GSA
- Mentor firms are responsible for selecting protégés
- Participants must draft an agreement and submit a Mentor-Protégé Program application to the Office of Small Business Utilization (OSBU) for approval

<http://www.gsa.gov/portal/content/105301>

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GSA Mentor-Protégé Program

- Protégé developmental assistance can include:
 - Management guidance relating to:
 - Financial management
 - Organizational management
 - Overall business management/planning
 - Business development
 - Loans
 - Engineering and other technical assistance
 - Rent-free use of facilities and/or equipment
 - Temporary assignment of personnel to the protégé for purpose of training

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Mentor Requirements

- Must be eligible to receive federal contracts or subcontracts (cannot be listed on the Excluded Parties List System – www.epls.gov)
- Must be either:
 - A large business prime contractor currently performing under an approved subcontracting plan; or
 - A small business prime that can provide developmental assistance
- Must provide semi-annual reports detailing the assistance provided and the cost incurred in supporting protégés

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Protégé Requirements

- Must be eligible to receive federal contracts or subcontracts (cannot be listed on the Excluded Parties List System)
- Must be one of the following:
 - Small Business
 - Small Disadvantaged Business
 - Women-Owned Small Business
 - HUBZone Small Business
 - Veteran-Owned Small Business
 - Service-Disabled Veteran-Owned Small Business

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GSA vs. SBA Mentor-Protégé Programs

GSA	SBA
Provide developmental assistance that will enhance the ability of protégés to perform as contractors and subcontractors	Provide developmental assistance that will enhance the ability of protégés to perform as contractors and subcontractors
Protégés must be a small or disadvantaged small business concern	Protégés must be in the developmental stage of the 8(a) Business Development program
Protégés can only have 1 mentor within the GSA Mentor-Protégé Program	Protégés can only have 1 mentor within the SBA Mentor-Protégé Program
Mentor firms may have more than 1 protégé	Mentors must receive SBA approval to have more than 1 protégé

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Subcontracting

- **Subcontract** is any legal instrument entered into by a subcontractor to furnish supplies or services for performance of a prime contract
- Includes but is not limited to:
 - Contracts
 - Purchase orders
 - Changes and modifications to purchase orders/contracts
- In a prime/subprime arrangement:
 - Sub does not have privity of contract with the Government
 - Sub does not have to hold a GSA contract
 - Prime retains responsibility for performance
 - Invoicing is based on prime's GSA price list
 - Subcontracting can count towards large business/prime's subcontracting goals

Subcontractor Flow-Down

- Subcontractors are bound by the same rules and regulations that govern the prime's contract
- Many FAR and agency clauses must be included in the subcontracts
- It is the prime's responsibility to make subcontractors aware of this



Contractor Team Arrangements (CTAs)

- Allow for two or more GSA Schedule contract holders to “combine” products and/or services into one offering, enabling them to compete for an order they would not have qualified for individually
- All CTA members:
 - Hold a GSA contract
 - Are responsible for their respective offerings
 - Are responsible for tracking sales and remitting IFF for their portion
 - Are governed by their respective GSA contract pricing, terms, and conditions
 - Have privity of contract with the government
 - Can interact directly with the government

<http://www.gsa.gov/portal/cta>

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CTA Documentation

- CTA documentation should include:
 - All team members and their respective GSA contract number
 - Products and services each member will provide
 - Price and/or discount of each product or service offered
 - Team lead (if applicable)
 - Team member(s) responsible for delivery, warranty, invoicing, and payment
 - Acknowledgement that any dispute regarding the distribution of payment will be resolved without the government’s involvement (in cases where payments are received and distributed by team lead)

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Contractor Team Arrangements

- Team lead is typically the company initiating the CTA
- Team lead typically serves as buyer's main POC
- If one invoice is issued for the team, the team lead responsible for distribution
- Buyers can be responsible for submitting separate payments directly to each team member
- Sales tracking is important – each team member is responsible for reporting and remitting IFF on their provided products and services
- Cannot charge more than the GSA-approved price list

CTA vs. Prime/Sub

- How do GSA Schedule Contractor Team Arrangements (CTAs) differ from Prime Contractor/Subcontractor Arrangements under Schedule contracts?
 - In prime/sub arrangements, the relationship is very tightly defined and controlled by the prime contractor; whereas, in CTAs, the roles and responsibilities are defined by the team, as accepted by the government
 - The chart on the following slide summarizes the key differences

CTA vs. Prime/Sub

Contractor Team Arrangement (CTA)	Prime Contractor/Subcontractor Arrangement
Each team member must have a GSA Schedule contract	Only the prime contractor must have a GSA Schedule contract
Each team member is responsible for duties addressed in the CTA document	The prime contractor cannot delegate responsibility for performance to subcontractors
Each team member has privity of contract with the government and can interact directly with the government	Only the prime contractor has privity of contract with the government and can interact with the government. The prime contractor is responsible for its subcontracting activities
The ordering activity is invoiced at each team member's unit prices or hourly rates as agreed in the task or delivery order or GSA Schedule BPA	The ordering activity is invoiced in accordance with the prime contractor's GSA Schedule contract, including any applicable price reductions
Total solutions, otherwise impossible under individual GSA Schedule contracts, can be put together quickly and easily	The prime contractor is limited to the supplies and/or services awarded on its GSA Schedule contract

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- ### Joint Ventures
- “A business enterprise in which two or more companies enter a temporary partnership”
 - Size matters!
 - In a joint venture both firms share, in some proportion, the responsibility and the profits or loss on a contract
 - They are considered affiliated for the purpose of that contract
 - Normally, the revenues or the employees of both firms are added together to determine the size of a joint venture
 - On some large federal procurements, a joint venture comprised of only small businesses would qualify as a small business joint venture
 - Check with the agency or the SBA if unsure
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Benefits and Challenges

Type	Benefits	Challenges
Subcontracting	<ul style="list-style-type: none"> ▪ New opportunities ▪ Past performance not always required ▪ Learn from others expertise ▪ Break into new markets ▪ Mentor-protégé 	<ul style="list-style-type: none"> ▪ Identifying primes ▪ Getting credit for work ▪ Second hand payments ▪ Growing into prime
Teaming	<ul style="list-style-type: none"> ▪ Both serve as prime ▪ Vendors usually decide terms ▪ One solution but separate pay ▪ Break into new markets ▪ Learn from others 	<ul style="list-style-type: none"> ▪ Deciding who leads ▪ Agreeing on process ▪ Knowing the rules for each kind of teaming ▪ Bad association is possible (if partner performs poorly)
Joint Venture	<ul style="list-style-type: none"> ▪ Joint past performance ▪ Limited partnership ▪ Prep process provides better positioning ▪ Sharing cost ▪ Shared resources 	<ul style="list-style-type: none"> ▪ Limited partnership ▪ Time and effort ▪ Upfront and future cost ▪ Extensive rules regarding "affiliation" for various SDBs, 8(a)s, SDVOSBs, etc ▪ Legal and accounting support recommended

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Finding Partnerships

<ul style="list-style-type: none"> ▪ Industry matchmaking events <ul style="list-style-type: none"> ▪ Both government and private industry host ▪ Government and commercial industry days <ul style="list-style-type: none"> ▪ Focus on your specific area of business ▪ Small business conferences <ul style="list-style-type: none"> ▪ Often includes matchmaking ▪ Trade Associations 	<ul style="list-style-type: none"> ▪ Follow websites, social media, and newsletters (like SBA's Sub-net) ▪ Select reputable business development database services ▪ Review awarded contractors on FedBizOpps and FFATA ▪ Reach out to GSA MAS contractors through GSA's eLibrary
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Initiating Partnerships

- Introduce
 - Use every opportunity to meet new potential partners
- Exchange information
 - Bring a sufficient supply of business cards
- Schedule a meeting
 - Set up a time within the first two weeks
- Determine value add
 - Both sides should benefit from the partnership – win/win

Initiating Partnerships

- Propose a collaboration
 - Once you find an opportunity invite them to the table
- Develop the terms/promises
 - If both sides see the potential, determine the rules of the game
- Sign an agreement or contract
 - Put everything in writing
- Implement short- and long-term goals
 - Determine if there is a real future and, if so, make a plan of attack
- Check in often to make sure both sides are experiencing success
 - Re-evaluate the partnership every 6 months to a year to make sure you continue to grow and prosper




Partnership Value Add Checklist


- Positive reputations
- Successful contracts
- Accessible location (services more than products)
- Appealing niche
- Certifications
- Memberships
- Past performance
- Steady growth

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ACTIVITY




Identifying Proposal Errors

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Questions?



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Evaluation Survey

- The **Day 2** evaluation survey has been placed in front of you
- Please take a few minutes to complete it and then place it in the envelope on your table



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