

Finding Opportunities and Providing Services to the Federal Government

A U.S. DIGITAL SERVICE GUIDE

ABOUT THIS GUIDE

Knowing how to start selling digital services to the federal government can be a daunting task for even the most seasoned business owner

This guide is intended to walk through some of the initial processes required in an effort to reduce the time it takes to bring innovative digital service companies into the government marketplace.

How to register as a small business

STEP 1

Register for a Data Universal Number System, known as D-U-N-S.

10 minutes // 1-2 business days to approve // free

A D-U-N-S number, issued by Dun & Bradstreet, is a unique code used to identify your business and establish your business credit file.

<http://fedgov.dnb.com/webform/>

STEP 2

Identify the classification of your products and services

As part of the federal registration process, you will also need to know where your products or services classify under the North American Industry Classification System (NAICS) code for administrative, contracting and tax purposes. You can search for your NAICS code using keywords which best describe your business.

The Small Business Administration uses NAICS as the basis for its size standards and all procurements utilize NAICS codes to describe the principle purpose for the acquisition.

STEP 2 continued

Common NAICS codes for digital services include:

- 511210 Software publishers
(sometimes used for SaSS solutions)
- 541511 Computer software programming services, custom

<http://www.census.gov/eos/www/naics/>

STEP 3

Register your business with the System of Award Management (SAM)

1 hour // 4 days or less to approve // free

Pre-requisites: D-U-N-S number; Tax ID number (TIN), NAICS Code(s)

SAM is the system of record for vendors doing business with the federal government. Using SAM you can self-certify your business' size and socio-economic status.

<https://www.sam.gov>

Instructional video on how to register:

<https://www.youtube.com/watch?v=9VPGVYPvch4>

SAM is also a marketing tool for businesses which allows government agencies and contractors to search for your company based on your ability, size, location, experience, ownership and more.

Qualifying for contracting opportunities set aside for small businesses

The federal government spends approximately \$500 billion in contracts every year and the current law requires that 23 percent of these dollars be awarded to small businesses.

To qualify as a “small business” you must be a for-profit business and fall below the maximum size determined by your company’s NAICS code based on average annual revenue.

- 511210 Software publishers - \$38.5M max/year
- 541511 Computer software programming services - \$27.5M max/year

Additional sub-classifications for small businesses

Companies with certain designations may also qualify for sub-classifications, such women-owned small businesses, small disadvantaged businesses, firms located in HUBZones (historically underutilized locations) and service disabled veteran-owned small businesses.

You can learn more about these at the Small Business Administration.

<https://www.sba.gov/contracting/government-contracting-programs/>

Women-owned small businesses can determine eligibility and register at [certify.sba.gov](https://www.certify.sba.gov)

Finding opportunities

Businesses interested in pursuing federal contracts have many options available to represent their company to potential government buyers, research opportunities available in the federal marketplace, and to understand the competition. These listed below are not the exhaustive list, but demonstrate a variety of ways in which the government seeks out business opportunities.

FedBizOpps

Federal business opportunities for contractors are listed at FedBizOpps. Federal agencies are required to use this site to communicate available procurement opportunities and their vendor requirements to the public and interested potential vendors for all contracts valued over \$25,000.

<https://www.fbo.gov>

Dynamic Small Business Search

Pre-requisite: SAM Registration, Small Business

Classification

DSBS is a tool contracting officers use to identify potential small businesses for upcoming contracting opportunities. Businesses can also use DSBS to identify other vendors for joint ventures and teaming, a common strategy for vendors new to providing digital services.

<http://dsbs.sba.gov>

Challenge.gov

Pre-requisites: Typically none, determined by challenge rules

Challenge.gov is a listing of challenge and prize competitions, all of which are run by more than 80 agencies across federal government. These include technical, scientific, ideation, and creative competitions where the U.S. government seeks innovative solutions from the public, bringing the best ideas and talent together to solve mission-centric problems. Depending on the type of challenge, there is no prior registration with the federal government required as prizes can be won by individuals, teams, or companies.

<https://www.challenge.gov>

Micro-Purchasing

Pre-requisites: SAM Registration, Ability to Accept Federal Purchase Card transactions

Agencies have the authority to make direct purchases without requiring competition for orders less than \$3500 as a means of administrative convenience. These requirements are not typically posted and are usually initiated by the agency needing a particular good or service.

In order to facilitate the use of micro-purchases for open source coding services, the new Micro-purchase Marketplace is the place to bid on discreet open-source issues that are under the \$3500 “micro-purchase” authority. This effort is being piloted by 18F.

<https://micropurchase.18f.gov>

Contract vehicles

Contracting officials use procedures outlined in the Federal Acquisition Regulation, known as the FAR, to guide government purchases. A “contract vehicle” is a broad term to define a method under which a company may pursue and close a sale.

One of the most common contracting methods used by the government is consolidated purchasing programs including GSA schedules, Government Wide Acquisition Contracts (GWACs) and other multiple award vehicles.

These vehicles offer government buyers a qualified pool of vendors with pre-negotiated rates for products and services sold to the federal government.

GSA IT Schedule 70

Schedule 70 is among the most widely used acquisition vehicles in the government for information technology purchases, and is the largest GSA Schedule in terms of number of contract-holders and sales.

Schedule 70 Overview

<http://www.gsa.gov/portal/category/100519>

Plain-Language Guide to Schedule 70

<http://www.gsa.gov/portal/category/100406>

IT Schedule 70 Startup Springboard

<http://www.gsa.gov/portal/content/125886>

GSA Schedule 70 FAST Lane

The FAST Lane program is designed for government agencies to have quicker access to emerging technologies and innovative suppliers. Using the GSA FAST Track program, a Schedule 70 application can be awarded in 30-45 days.

<http://www.gsa.gov/portal/content/122754>

Understanding the market

What the government intends to buy and how much it has to spend is all in the public domain. Understanding the budgetary priorities of agencies can help a savvy small business identify opportunities and focus their sales and marketing strategy.

<https://www.whitehouse.gov/omb/budget/Overview/>

Federal Procurement Data System

The Federal Procurement Data System (FPDS) is the repository of all federal contracting data for contracts in excess of \$3500. With this system, you can learn about federal contracting opportunities as well as which agencies have contracts, what agencies buy, and which vendors have contracts.

<https://www.fpds.gov>

USASpending.Gov

USASpending.gov is a searchable database that contains information for each federal award including names of business, amount received and the funding agency.

<https://www.usaspending.gov>

OSDBU.Gov

Many federal agencies have what is known as an Office of Small and Disadvantaged Business Utilization (OSDBU) or an Office of Small Business Programs (OSBP). These offices work within their agencies to identify opportunities to incorporate small businesses as vendors to their agencies. Each OSDBU holds trainings and events to help small businesses identify if there are opportunities with the agency.

<http://www.osdbu.gov>

<http://www.gsa.gov/aboutosbu>

Find Teaming Partners

Finding partners who already hold a prime contract is a common way for new companies to enter government contracting. By teaming with established partners you increase your competitive advantage, performance capabilities, government relationships, and add invaluable experience. Many of the tools highlighted here, such as dsbs.sba.gov, fbo.gov and usaspending.gov can be used to identify companies who have recently been awarded new government contracts.

ADDITIONAL RESOURCES

Small Business Administration

<https://www.sba.gov/contracting/getting-started-contractor/register-government-contracting>

Federal agency acquisition and procurement links

<https://oamp.od.nih.gov/acquisition-offices/contract-tool-box/federal-links>

Digital Services Playbook

<https://playbook.cio.gov>

TechFAR

<https://playbook.cio.gov/techfar>

18F

<https://18f.gsa.gov>

United States Digital Service

<http://usds.gov>



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