

Additional Viewer Submitted Questions and Answers

- 1. Is there a database or some resource (in each Government Agency) that is frequently updated that Government contractors can access that will give them useful information that will help them make a decision as to whether to bid or not to bid? Is there another database or resource for Government staff to see the names of all qualified contractors that meet the requirements of a respective solicitation put out by their agency?**

Databases such as SAM (System for Award Management) can be used, along with contract/schedule websites, to identify potential participants. Finally, the RFI process and social media also provide options to identify interested and qualified vendors.

I am not aware of a database containing the names of vendors qualified to meet specific solicitations. However, agencies may have a list of such vendors for that agency's use.

- 2. How are you establishing a relationship with the client if your company/business is not aware of an opportunity posted by a Government Agency?**

Vendors should target specific agencies, conduct research to see how and what those agencies buy, and begin building relationships with those agencies. The relationship should begin well before the requirement is posted in FedBizOps.

- 3. RFIs are a market research tool. With respect to RFIs, you appeared to be skeptical of those which sought engineering input. I find that many of our RFIs are attempts to narrow the technical scope to ones which are relevant and biddable. How can we best bridge the gap between requirements developed exclusively by agencies through their internal expertise and market research other than RFI, and RFIs that engage the vendor community to help define the approach?**

Some of the RFI's require as much information as a full proposal. Other avenues might be through the use of a blog, such as Interact with a specific question related to the issue. Consider having white papers on specific issues and then inviting the contractors in for one-on-one discussions. Last week at a conference I heard a customer talk about receiving white papers from contractors and then taking a "bus trip" to visit the contractor's site to see the operation and ask more questions. Since these visits and discussions are well in advance of the release of the RFP there should be no procurement integrity issues. While the visitors tend to be program managers and technical staff, I believe that including the contracting staff will assist in ultimately framing the requirements when it's time to develop the actual solicitation. Through discussions and site visits, customers often hear and see things that prompt further questions that can help develop a clearer understanding of possible solutions. You don't get that spontaneity on a RFI response.

Federal Acquisition Institute
Acquisition Seminar: To Bid or Not to Bid: An Industry Perspective
October 29, 2014

4. What mediums are typically used to give feedback on outcomes of RFIs?

One viable medium would be FedBizOps. Another would be social media tools such as INTERACT at GSA.

5. What is the ROM for marking up labor rates, for example if a person's NET (take home) labor rate is \$50/hr, in general can we expect to see a 100% markup to \$100/hr?

This answer depends on the company, their size, and their cost structure. Does the company have a deeper hierarchy (more layers) or a flatter organization? Overhead can be a significant cost driver and is handled differently by different corporations depending on the number of indirect staff and target applied rates. Consider also that in many cases the labor bid rate is based on a pool of resources, not the salary of an individual. Besides the direct labor costs and overhead, the company needs to address fringe benefits, general and administrative cost, possibly materials/handling fees, capital cost of money, and finally profit. Each company employs a different mix of these elements.

6. Panel members talked about open competition and that actions not just words matter. Understood. You also talk about establishing a relationship and talking with the agency and that if the first time you see a solicitation is when it is published, that you don't even turn in a proposal/application. Where do you look for the information? My concern is that if as COs we're trying to be open and honest with full competition, why would we talk to individuals about it ahead of time? Other than what is on a published business forecast?

The Mythbusters campaign encourages early engagement with industry, especially for large and/or complex requirements. Oftentimes a vendor may seek clarification of the information in the forecast or some other innocuous clarification. We can and should oblige them in this regard. A vendor should not be shut out because they took the initiative to seek clarity on a requirement. All vendors have this opportunity.

You are correct, there must be a balance between clarifications and disclosure of information that could be harmful to competition. Also see response to question 18.

7. Having spent more of my adult life in private industry than the Federal Government, I understand BOTH the good of allowing an incumbent to win another bid on a re-compete, and I also know the idea of getting fresh thinking into a program office...so...where do you draw the line on the relative weighting an incumbent should get for an RFP evaluation when "knowledge of the program" or "prior experience with X, y or z is preferred"?

I don't believe an incumbent contractor should be "allowed to win" on a re-compete. I think they should compete just as fiercely as anyone else. Contracting officers should welcome innovation and new market entrants, but understand that using phrases such as "Knowledge of the program" or "experience with X is preferred" can significantly threaten

Federal Acquisition Institute
Acquisition Seminar: To Bid or Not to Bid: An Industry Perspective
October 29, 2014

competition. If vendors feel that a requirement is “wired” for a particular firm, they will not submit a bid. We get our best prices and solutions in a competitive environment.

- 8. Do you have a dollar threshold for working time for any given proposal. This is with the understanding that the more money involved will probably take more time.**

In our experience, if this exists it will vary by company size and other factors such as interest in gaining a new client or build corporate past performance in a specific area of expertise. Outside factors, such as the economy, can also contribute.

- 9. What is your criteria of initiating a protest? In order to avoid protests I go out of my way to avoid open competition whenever possible and try to use contract vehicles like NASA/SEWP or NITAAC or ARMY CHESS ITES-2S where protests are rare or restricted. Or I try to sole source the requirement if possible. What is your feeling about vendors that aggressively initiate protests which have no real merit but are nothing more than very expensive nuisances and are strategic to avoid an award to a competitor?**

We think very carefully before initiating a protest. Do we have real grounds for a protest? Will there be repercussions from the customer that would affect future deals? Initiating a protest can be costly to a contractor both in legal fees as well as customer good will. I have seen awards where we had a good reason to protest and did not go through with it. However, in tough economic times, we’ve seen unsuccessful incumbents protest just to keep the business a little longer. Others protest because the debriefs or “explanations” contained so little information that the contractor believes the contracting office is hiding something and that only through a protest would relevant information surface. Good debriefs actually take away reasons to protest. Yes, occasionally mistakes are made in the evaluation and that can come out in a debrief. I once asked about the evaluation of product on a solutions deal, and the CO responded that they had not evaluated the product. Given product was more than 50% of the deal that was a big error. We did not protest as the customer was valuable to us in the long term.

- 10. RFP - BIDDING - Key Staff Qualifications: Another thing I noticed about some RFP's, when I was a Government Contractor, is that often times the RFP does not specifically state who has to get a clearance and at what level. It may generally state that a clearance is required by all staff assigned to the contract. Also they often times never indicate whether the clearance requirement flows down to all subcontractors (whether they are administrative, janitorial, etc.) How can we get the message to government agencies that this is required?**

Great observation. I’m adding it to my list of things to check for in the RFP review. I would recommend that if the RFP does not clearly state who should obtain a clearance, the question should be addressed during the Q&A or solicitation open period.

Federal Acquisition Institute
Acquisition Seminar: To Bid or Not to Bid: An Industry Perspective
October 29, 2014

11. Can't the vendors see when something was awarded (and to whom) when the award is entered into FPDS-NG?

Not always. FPDS-NG is not a super friendly system, and it's difficult to search for awards if you don't have details. I can usually find an award once I know who received it. Also, not all contracting activities enter the data in a timely fashion.

12. What is your batting average for winning contracts that you propose on...So if you propose on 10 contracts, how many would you expect to win? Alternatively, if you are a small business what drives your business, the competitive RFPs or directed (sole source awards)?

Contract win rate is a sensitive subject. Companies want to maximize the return on their bid & proposal dollars with a higher win rate. That generally speaks to bidding on deals with a higher likelihood of a win. When we review the deals we are selective and rarely bid deals where we have no knowledge of the customer mission.

13. Based on what was just said about LPTA, why are procurement shops pushing so much for them? It is supposed to save us money but my experience has been otherwise. As a COR, we don't like the level of risk associated with them either.

The use of LPTA will continue and will likely increase as long as there are budget pressures. LPTA is one of many tools available to COs, and used under the right circumstances, will result in best value to the government (risk included). However, it is important to educate your Government PMOs on the program risks related to LPTA acquisition. The PMs and COs need to align interests as the PM's interests include bringing in an operational program within budget while the CO's interests include awarding a contract that saves money and avoids protests. We also need to emphasize the importance of good requirements definition especially in LPTA procurements. This is critical to ensuring that what is delivered is what was wanted. A government leader once told me, "When a project fails the PM and/or the Contractor get the blame - No one ever goes back and reviews the evaluation factors."

14. In our agency we also read all proposals for technical acceptable before reviewing price. Our problem ends up with vendors living up to their proposals under fixed price contracts.

Performance is a critical issue and it is an important component of a contractor's reputation. Most contractors want to do a good job and we take the past performance evaluations seriously. With the advent of the Integrated Award Environment (IAE) contracting activities will be able to see a broad picture of the contractor with FAPIIS, C-PARS and PPIRS all with a single sign-on. "Reputation management" will be critical to contractors as a more comprehensive view of company information, including past performance, is readily accessible by our customers. We ask that you are fair in the evaluations, and provide timely feedback.

Federal Acquisition Institute
Acquisition Seminar: To Bid or Not to Bid: An Industry Perspective
October 29, 2014

I have noticed one “quirk” with fixed price contracts and performance. In the course of the price proposal we are asked to demonstrate how the fixed price was derived by showing a build of labor categories and rates. The price build is evaluated to see if the contractor understands the requirements. However, after award the risk of performing and completing the project then falls to the contractor. At this point, we find some contracting activities asking for burn rates, tracking the labor by hours, and seeking to approve changes in the labor structure. These efforts are more appropriate to cost-type or T&M/Labor hour contracts where the government takes the risk. In a fixed price environment, it should be up to the contractor to determine how to best staff the project to ensure completion. Performance would thus be evaluated based on the timely delivery of the product/service/solution that meets the requirements of the contract.

- 15. While I understand the commentary regarding hesitance to ask questions during an industry day to not give yourself away to your competitors, it seems somewhat contradictory to a statement made about questions sent during Q&A and that they are sometimes geared to sending messages about the requirement(s). Wouldn't it be prudent to gear some questions during an Industry day to helping the government in that respect ahead of time?**

Yes, it would be a good idea to provide that information early in the acquisition cycle such as at Industry Day but when competition is fierce the culture is to stay silent and listen. Other ideas for advance interaction might be blogs such as GSA's Interact, request for white papers, and meetings with industry associations to get member feedback. GSA did all of these for their OASIS contract and the resulting RFP was easily understood by industry despite requiring a very new style of RFP response. The GSA Alliant 2 team is using Interact to explore ideas on cyber-security requirements. The OASIS team asked for white papers on some topics. After submission, contractors were invited to one-on-one meetings with GSA to further explore the white paper ideas.

Personally, I use the RFP Q&A to guide contracting activities when they seem to have “lost their way” regarding requirements of the specific contract vehicle. For example, a contracting activity required subcontractors to a prime to each submit their GSA Schedules. The question might help them to understand that subcontractors work under the Prime's GSA Schedule and do not need to have a GSA Schedule.

- 16. If a vendor has both fixed price contract (O&M), and a DME contract (cost plus fixed fee), how do you make sure or find out if the vendor is not double dipping? Meaning, how do you find out if the contractor is using DME time/funds for the O&M work which is fixed price? In other words, how do you find out or make sure that they are not charging twice for the same time, as they don't report anything for the fixed price contract?**

If you have a contractor working on a Cost type contract, they most likely have an approved Cost Accounting Standards (CAS-covered) system, including a timecard system. These are audited by the government and include floor checks of timecards. Reputable contractors will

Federal Acquisition Institute
Acquisition Seminar: To Bid or Not to Bid: An Industry Perspective
October 29, 2014

have ethics training and compliance programs in place to ensure employees understand how to account for their labor hours.

17. Generally speaking, how much of your company's resources are tied up in making bids for the Government (percentage estimate) ?

While our focus is certainly on delivering work currently awarded, we also recognize that performing well is our best marketing tool. In several companies managerial personnel participate in the business development cycle to include working on proposals. This may come as a surprise, while many companies have dedicated proposal centers, almost as many do not.

18. You said to use our best judgment on whether something is going to give an advantage. What happens if there is an advantage that you did not foresee?

This should very rarely, if ever, happen. As the CO, you must know the requirement and the process well enough to gauge the information that may be harmful if disclosed to just some. Again, in our business, the element of fairness must always prevail. I would recommend that you look to using social media tools such as blogs to ensure consistent information is provided to a wide range of potential vendors. One such tool used at GSA is Interact. We've had great success with this tool.

19. I am a Business Opportunity Specialist with a portfolio of 41 8(a) Firms. I see Agencies pick the same firms over & over again for 8(a) set aside contracts. Is there any way to level that so that more 8(a) participants have access to those contracts? It is very frustrating to see opportunities go to the same vendors while others continue to struggle to get that 1st Government contract.

Since this is a program managed by the SBA, I assumed they have safeguards in place to protect against repetitive awards to the same vendor. Isn't the contract technically between the agency and SBA, with SBA subcontracting to the 8(a) firm? Perhaps this issue is better addressed in SBA's regulations.

20. Can you provide an example of adequate RFI? Talking about the topic is informative and seems easy to give the right answer. Sometimes, reality may seem a gray area.

RFI's come in many forms. Some are draft RFPs complete with requirements and a request for a ROM price; and yes, some companies have to go through approval hurdles to provide a ROM. Some are looking for specific firms with a certain capability; and others are seeking information on a specific technology. I suggest for readability that you keep it simple and focused. A 50 page technical response with three past performances can't be an easy or quick read. I think it's a good idea to ask about vehicles that would be appropriate to the product/service/solution being acquired.