

✓ Home ✓ Insights ✓ Industries ✓ Government Contracting

ARTICLE

October 21, 2022

The BDO GovCon Week Ahead - October 2022

October 24, 2022

Good Luck & Good Fortune Coming to Small Business Contractors in the New Year

It has long been the policy of the U.S. federal government to provide practicable opportunities in its acquisitions to small business concerns. The government has experimented and expanded on procedures throughout the years in attempts to make this vague policy into something actionable with real recordable results. While some have been unsuccessful, there have been two recent reforms that show a lot of promise in promoting the accessibility of federal funds for small businesses.

Each federal agency is required to set fiscal year (FY) small business goals and, to some extent, flow those down to large business contractors. In most cases agencies have been provided the latitude to determine their own annual goals, which include specific percentages for small business use in general. On October 4, 2022, the Office of Management and Budget (OMB)

moved away from that practice and is directing agencies to set their Small Disadvantage Business (SDB) goals to at least 12% for FY23. Historically, it has been common to see the SDB goal for agencies and large contractors to be set at close to 5%. As a result, large contractors should be prepared to adjust their own subcontracting and small businesses should be looking for an increase in opportunities.

The federal government also has a requirement for agencies to publish small business compliance guides surrounding certain regulations. However, beyond that general requirement there is very little detail of what those resources should look like, including how to provide notice to small businesses that they are available, and the level of accessibility. On October 10, 2022, the One Stop Shop for Small Business Compliance Act was signed. This new law requires the Small Business Administration Office to establish one centralized website within six months, so that small businesses can access the expansive number of resources in one location. The website will provide federal law updates on a regular basis, as well as new requirements that must be complied with. Small businesses should be sure to monitor this development as this new website could serve as a major resource.

For more information, please visit this <u>link</u> and this <u>link</u>.

Insights from BDO's Center of Excellence for Government Contracting

BDO is a proud Platinum Sponsor of Deltek's ProjectCon!

Register today and explore the session catalog. BDO will be presenting the following sessions:

- First-Time Cobra Implementation: What You Should Know
- Aligning Business Processes & People with Your Costpoint ERP
- Mergers & Acquisitions Integration
- ► How to Use Project User Roles to Easily Manage Project Access and BI Reporting

King & Spalding

October 10, 2022

Congress Extends Funding for Small Business R&D Ahead but Not Without Conditions

In the last week of September, the House passed an extension of the Small Business Administration's (SBA) federally funded Small Business Innovation Research (SBIR) and Small Business Technology Transfers Research (STTR) programs through 2025. The SBIR and STTR programs are administered by various federal agencies including the Department of Defense (DoD) and provide competitive awards for domestic small businesses to conduct research and development projects that have the potential for commercialization. However, with this extension, the House included several changes designed to prevent abuse of the program and to limit foreign influences.

Changes to the SBIR and STTR programs include tightened benchmarks, designed to encourage award holders to move towards commercialization and prevent "SBIR mills" from abusing taxpayer funding. The extension also excludes firms that have ties to foreign countries of concern, including China, from receiving awards. Additionally, the extension mandates disclosures of technology licensing or intellectual property sales to foreign countries of concern in the five years preceding a proposal's submission. These disclosures are effective retroactively meaning current award holders will need to make disclosures as well. Finally, the extension mandates that the Government Accountability Office (GAO) seek additional ways place stricter limitations on awards even for prime contractors.

Though the SBIR and STTR programs were extended, both government contractors seeking to win awards under these programs and contractors already holding SBIR and STTR awards should familiarize themselves with the additional oversight requirements and potential limitations introduced by the extension as they prepare bids to ensure compliance.

For more information, please visit this <u>link</u>.

Insights from BDO's Center of Excellence for Government Contracting

The Service Contract Act – A Practitioner's Guide

November 9, 2022

9:30 AM to 3:30 PM

Credit: 6 SHRM Professional Development Credits (PDCs)

GSA National and BDO USA, LLP are pleased to invite attendees to a full-day (6-hour) training program on compliance with the Service Contract Act (SCA). This event highlights timely technical updates, best practices, and key takeaways on many important SCA topics

Register now

October 3, 2022

<u>Polaris Governmentwide Acquisition Contract - Maximize Your Score on SDVOSB and</u> HUBZone Bids

The General Services Administration (GSA) has released Polaris Governmentwide Acquisition Contract (GWAC) Requests for Proposal (RFP) for the HUBZone Pool (47QTCB22R0006) and Service-Disabled Veteran-Owned Small Businesses (SDVOSB) Pool (47QTCB22R0007). Proposals are due no later than 4 p.m. Eastern Time on Nov. 4, 2022. Proposals must be submitted electronically via the Polaris Submission Portal (PSP). This portal is accessible at: https://polaris.app.cloud.gov

The government anticipates up to a maximum of 60 awards for each pool.

Contractor business systems, certifications and clearances are not minimum or mandatory requirements; however, Offerors who demonstrate having these systems, certifications, and clearances within their proposal will receive additional evaluation points against the total of 95,000 points.

Offerors claiming credit for accounting system and audit information must provide verification from the Defense Contract Audit Agency (DCAA), Defense Contract Management Agency (DCMA), any cognizant federal agency (CFA) or third-party certified public accountant (CPA). Offerors must provide a copy of a Pre-Award Survey of Prospective Contractor Accounting System (SF1408) or a letter from the auditing agency/CPA, on auditing agency/CPA letterhead, indicating unequivocally that the Offeror's accounting system has been audited and determined adequate for determining costs applicable to a cost-reimbursement type contract or order in accordance with Federal Acquisition Regulation (FAR) 16.301-3(a)(3). The accounting system audit and adequate determination by third-party certified public accountant can add 750 points to the total score.

Offerors claiming credit for an approved purchasing system must provide verification from DCMA, or any CFA, of an approved purchasing system for contractor compliance when subcontracting. Verification requirements include a copy of the Offeror's most recent official Contractor Purchasing System Review (CPSR) report. If the CPSR report is not available, a letter provided by the auditing agency, on auditing agency letterhead, verifying the approval of the purchasing system can be submitted. A third-party CPA firm cannot approve a purchasing system or provide the verification. However, a third-party CPA firm can assist the Offeror preparing for a DCMA or CFA review. An approved purchasing system can add 1,000 points to the total score.

As noted above, additional points are available for Capability Maturity Model Integration, Facility Clearance Level and various International Organization for Standardization levels.

For more information, please visit this <u>link</u>.and ths<u>link</u>.

Insights from BDO's Center of Excellence for Government Contracting

GovCon Webinar Series: The Keys to SCA and DBA Compliance

October 19, 2022

12:00 PM to 1:00 PM EST

CPE: 1 credit

Join our Government Contracting professionals for a discussion of the Service Contract Act (SCA) and the Davis Bacon Act (DBA). This session will include an overview of the SCA and DBA applicability, requirements, compliance challenges and tips on building compliance programs. We will then dive deeper into certain facets of the SCA and DBA that are more complex or found to result in higher consequences of non-compliance. Current enforcement environment and insights on the Department of Labor (DOL) audits and investigations will also be discussed.

Register now