Government Contracting 101+

A Comprehensive Review

Dallas Metropolitan SBDC

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Workshop Agenda

1. Key Items to know

2. Selected Government Procurement Regulations and Registration

3. Social Economic Certifications

4. Cyber Security Compliance

5. Business Operations

6. Business Development

1. Key Items to know

1.1 PROCUREMENT CLASSIFICATION CODES

1.2 TYPES OF GOVERNMENT CONTRACTS

1.3 GOVERNMENT PURCHASE OPTIONS

1.4 DEBRIEFING GUIDE FOR SUBMITTED PROPOSALS

1. Key Items to Know

1.1 Federal Procurement Classification Codes

CAGE - Commercial and Government Entity Code: A unique identifier assigned by the Department of Defense (DOD) for entities located in the U.S. and its territories. Go to www.sam.gov/portal/public/SAM/

NAICS - North American Industry Classification System: These are mandatory codes identifying type of activity (e.g. agriculture, construction, manufacturing, etc.) that an entity performs, as well as the type of product or service offered. Go to http://www.census.gov/eos/www/naics/

Product service codes? Also referred to as the United States government uses federal supply codes, product service codes to describe the products, services, and research and development purchased by the government.
http://support.outreachsystems.com/resources/tables/pscs/

NSN- National Stock Number: An NSN is a way of identifying items within the National Supply System managed by the Defense Logistics Agency. It consists of 13 digits, the first four of which point to the item's Federal Supply Class, and the rest stand for a particular item.

NIGP- National Institute of Governmental Purchasing (NIGP) Commodity Book has been prepared for the use of bidders, vendors, and state and local agency personnel. Go to https://nsite.nigp.org/nigp/home

1.2 Selected Types of Government Contracts

Firm-fixed-price contracts: The contractor agrees to deliver goods or services for a set price, regardless of actual costs.

Cost-reimbursement contracts: Allow contractors to be reimbursed for their actual costs plus a fee.

Time-and-Materials Contracts: Are used when the scope of work is hard to define in advance.

IDIQ Contracts: provide flexibility for the government to order a specific quantity of goods or services over a set period without specifying exact amounts or delivery schedules.

Incentive Contracts: offer financial incentives to contractors for completing work ahead of schedule or under budget.

Sole-Source Contracts: The government awards a contract to a single contractor without a competitive bidding process.

Multiple-Award Contracts: allow the government to award contracts to multiple vendors for the same goods or services.

GSA Schedule Contracts: allow the government to purchase commercial goods and services from pre-approved suppliers at pre-negotiated prices.

1.3 Government Purchase Options

Texas Municipal Code Sec. 252.2015
Sec. 252.0215. COMPETITIVE BIDDING IN RELATION TO HISTORICALLY UNDERUTILIZED BUSINESS.

A municipality, in making an expenditure of more than $3,000 but less than $50,000, shall contact at least two historically underutilized businesses on a rotating basis, based on information provided by the comptroller pursuant to Chapter 2161, Government Code.

If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the municipality is exempt from this section.

Federal Acquisition Regulations

- The micro-purchase threshold is— (i) $20,000 in the case of any contract to be awarded and performed, or purchase to be made, inside the United States; and (ii) $35,000 in the case of any contract to be awarded and performed, or purchase to be made, outside the United States. (FAR 13.2)
- 2 or more responsible (competitive, quality, delivery) small businesses. (FAR 19.5)
- 1 to 3 quotes from GSA schedule holders. (FAR 8.4)
- 2 or more quotes from responsible EDWOSB and WOSB. (CFR 127.503)
- 1 to 2 or more quotes from a responsible SDVOSB (FAR 19.14)
- 2 or more quotes from responsible HUBZone companies. (19.1305)
- 1 requirements and search letter for 8a contractor. (FAR 19.8)

1.4 Debriefing Guide for Submitted Proposals

The unsuccessful offerors may request a debriefing from the contracting officer within **three days after receiving the notice of exclusion from the competition. If the offeror does not submit a timely request, the offeror need not be given either a pre-award or a post-award debriefing. Offerors are entitled to no more than one debriefing for each proposal.**

Debriefings may be done orally, in writing, or by any other method acceptable to the contracting officer. The contracting officer should normally chair any debriefing session held. Individuals who conducted the evaluations shall provide support. At a minimum, pre-award debriefings shall include:

- The agency's evaluation of significant elements in the offeror's proposal;
- A summary of the rationale for eliminating the offeror from the competition;
- Reasonable responses to relevant questions about whether source selection procedures contained in the solicitation, applicable regulations, and other applicable authorities were followed in the process of eliminating the offerors.
- You NEVER argue with the contracting officer because it is too late at that point, even if you are going to file a protest. However, I strongly suggest you consider everything before you protest after the award. I have never seen one turned around (not saying it has not been done). But the time to protest is before the award.
- You can ask questions for clarification and understanding. Be careful to not ask questions that can be answered Yes or No.

2. 1 Government Procurement Regulations and Registration

Federal	https://www.ecfr.gov/current/title-48
State of Texas	https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2269.htm
City of Dallas	https://codelibrary.amlegal.com/codes/dallas/latest/dallas_tx/0-0-0-50715#JD_Chtr.Ch.XXII
Dallas County	Purchasing-Manual-Revised-2022.pdf

Government Websites

- Federal: SAM.gov
- **State of Texas:** https://comptroller.texas.gov/purchasing/
- **City of Dallas:** https://dallascityhall.com/departments/procurement/Pages/default.aspx
- **City of Fort Worth:** https://www.fortworthtexas.gov/business
- **City of Irving:** https://www.cityofirving.org/1663/Doing-Business-With-the-City
- **City of Arlington:** https://www.arlingtontx.gov/business
- **City of Plano:** https://www.plano.gov/1126/Procurement---Division-of-Finance
- **City of Lancaster:** https://lancaster-tx.com/319/Doing-Business
- **City of Mesquite:** https://mesquiteecodev.com/business-resources/start-a-business
- **Dallas Independent School District:** https://www.dallasisd.org/departments/procurement/procurement-services
- **Fort Worth Independent School District:** https://www.fwisd.org/departments/procurement-services
- **Dallas College:** https://www.dallascollege.edu/business-industry/pages/do-business-with-us.aspx
- **Tarrant County College:** https://www.tccd.edu/community/business/
- **Parkland Hospital District:** https://www.parklandhealth.org/how-to-do-business-with-parkland
- **JPS Health Network (JPS):** https://jpshealthnet.org/vendors
- **DFW Airport:** https://www.dfwairport.com/business/opportunities/procurement/supplier-self-service/
- **Dallas Area Rapid Transit:** https://www.dart.org/about/doing-business/procurem
- **Trinity Metro:** https://www.procuretm.org/pages/about-procurement

4. Socio Economic Certifications

Private

Regional Government/Taxing Authorities

State of Texas

Federal

Key Questions

- **Private**

Women Business Council-Southwest: wbcsouthwest.org /817-299-0566/ Women Business Enterprise (WBE), Women Owned Small Business (WOSB), State of Texas HUB

Dallas/Fort Worth Minority Supplier Development Council: dfwmsdc.com/214-630-0747/ Minority Business Enterprise (MBE), State of Texas HUB, Small Business Enterprise (SBE).

- **Regional Governments**

North Central Texas Regional Certification Agency (NCTRCA): nctrca.org/817-640-0606/ Airport Concessionaire Disadvantaged Business Enterprise (ACDBE), Small Disadvantaged Business Enterprise (SBE), Minority/Women Business Enterprise (M/WBE)

- **State of Texas**

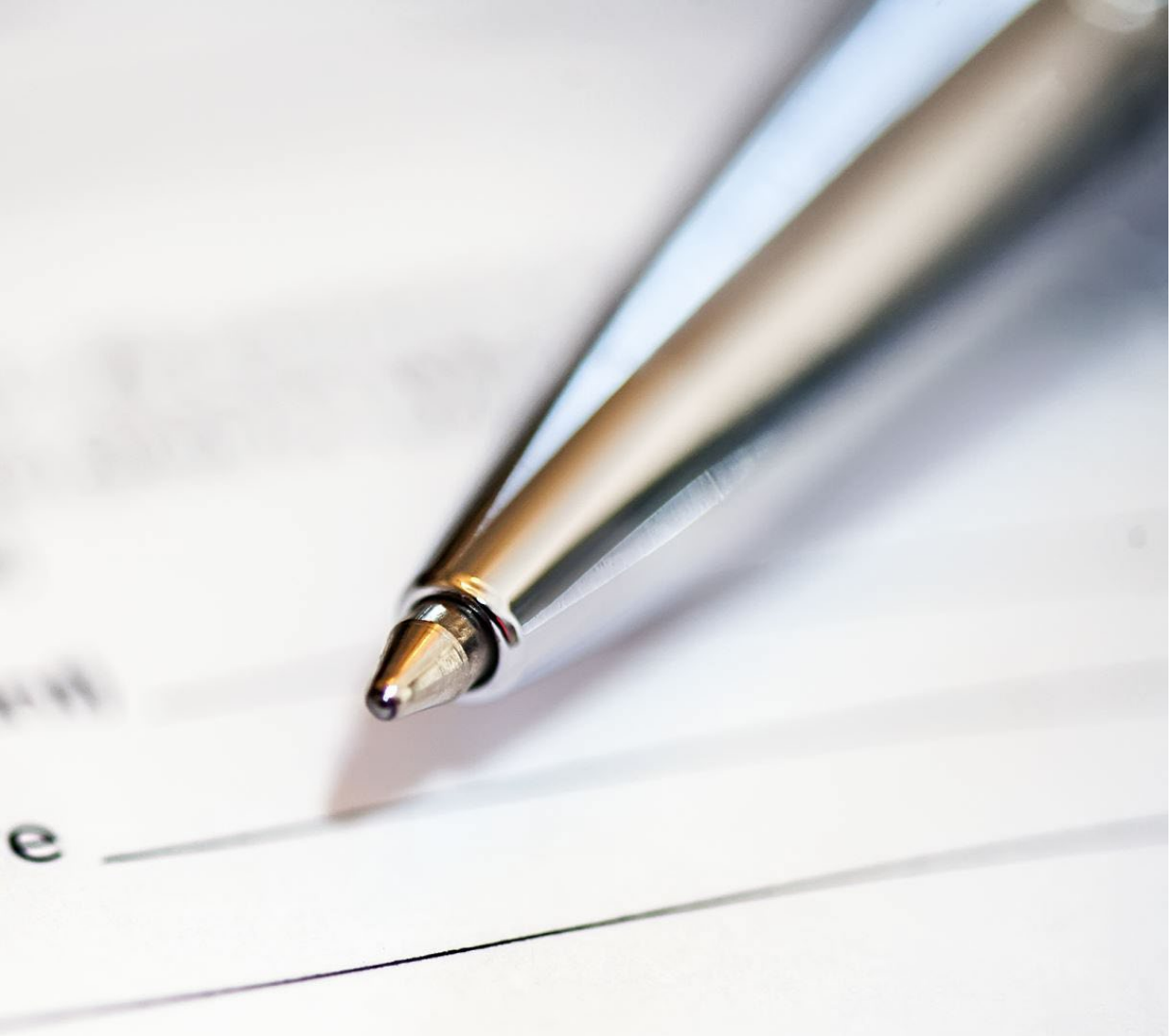
Historically Underutilized Business (HUB): comptroller.Texas.gov/purchasing/vendor/hub/888-86-5881/ HUB

Texas Unified Certification Program: txdot.gov/ ACDBE, Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE)

Texas Department of Transportation Civil Rights Division: txdot.gov/ ACDBE, Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE)

- **Federal**

U.S Small Business Administration (SBA): sba.gov/8a Business Development Program, HUBZone, WOSB/EDWOEB/SDVOSB



Key Questions

- Where do these certifications fit in the contracting process?
- Can you do business without these certifications?

5. Cyber Security Compliance

Effective December 2014

The Federal Acquisition Regulation (FAR) and Defense FAR Supplement (DFARS) prescribe contract clauses intended to protect the following types of unclassified information within the supply chain:

 Federal Contract Information (FCI). FCI is information not intended for public release, that is provided by or generated for the Government under contract to develop or deliver a product or service to the Government, but not including information provided by the Government to the public (such as that on public websites) or simple transactional information, such as that necessary to process payments.

 Controlled Unclassified Information (CUI). CUI is information that the Government creates or possesses, or that an entity creates or possesses for or on behalf of the Government, that a law, regulation, or Government-wide policy requires or permits an agency to handle using safeguarding or dissemination controls.

"Controlled Technical Information" (CTI) means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information would meet the criteria, if disseminated, for distribution statements B through F using the criteria outlined in DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

https://www.acquisition.gov/dfars/252.204-7012-safeguarding-covered-defense-information-and-cyber-incident-reporting

DFARS clause 252.204-7012 requires a contractor to implement, at minimum, the NIST SP 800-171 security requirements on covered contractor information systems. Contractors must implement all of the NIST SP 800-171 requirements and have a plan of action and milestones (per NIST SP 800-171 Section 3.12.2) for each requirement not yet implemented.

Failure to have or to make progress on a plan to implement NIST SP 800-171 requirements may be considered a material breach of contract requirements. False Claim Act: False Claims Act (FCA), 31 U.S.C. §§ 3729 - 3733, is a federal statute originally enacted in 1863 in response to defense contractor fraud during the American Civil War.

CMMC Is Now Official

- On September 10, 2025, the Department of Defense (DoD) published its final Cybersecurity Maturity Model Certification (CMMC) rule in the Federal Register, which takes effect on November 10, 2025 – officially launching a three-year rollout of cybersecurity requirements across DoD contracts.
- The rule that makes these new contract requirements official is called the Cybersecurity Maturity Model Certification Program and is implemented by the Defense Federal Acquisition Regulation Supplement (DFARS), which is part of Title 48 of the Code of Federal Regulations (CFR). This is different from the separate 32 CFR rule, so don't mix them up. The two important DFARS clauses that will now appear in DoD contracts are 252.204-7021 and 252.204-7025.
- The DoD is rolling the new CMMC requirements out over three years, but by the fourth year every contractor will have to be fully compliant. At the same time, the CMMC program itself is governed by 32 CFR Part 170, which was finished in late 2024 and works alongside the 48 CFR acquisition rules.
- This announcement delivers the news businesses have been waiting for, and it is now official. Beginning November 10, contracting officers will include the new CMMC requirements in new solicitations and contracts, making cybersecurity a formal part of doing business with DoD and strengthening national security through stronger cyber hygiene. In the meantime, underlying cybersecurity responsibilities remain in effect and continue to apply.
- Whether you are new to DoD contracting or simply need a refresher on this issue, the DoD Office of Small Business Programs (OSBP) and Project Spectrum have you covered.

What Is CMMC and Why Does It Matter?

- The DoD introduced Cybersecurity Maturity Model Certification (CMMC) in 2020 to ensure companies protect sensitive information when working on government contracts. The program requires contractors handling Federal Contract Information (FCI) and Controlled Unclassified Information (CUI) implement adequate cybersecurity practices to protect the defense industrial base.
- Prior to CMMC, DoD contractors were required to self-attest compliance with National Institute of Standards of Technology (NIST) Special Publication 800-171 – a set of cybersecurity requirements issued by NIST, a federal agency that sets technical standards to help improve innovation, security, and quality across industries.
- CMMC originally introduced a more robust five-level security framework that employed third-party assessments to verify cybersecurity maturity. However, after industry and stakeholder feedback, the DoD simplified the model to three levels in November 2021, aligning it more closely with NIST SP 800-171 to ease compliance. The resulting CMMC 2.0 is more flexible, particularly for small- and medium-sized businesses

- On September 10, 2025, the DoD moved to the implementation stage by publishing the final Defense Federal Acquisition Regulation Supplement (DFARS) rule that formally integrates CMMC 2.0 into defense contracts. DFARS is important to DoD contractors because it supplements the federal government's primary purchasing regulations. The new DFARS 252.204-7021 clause inserts CMMC requirements directly into contracts, making cybersecurity an essential part of doing business with the Department.

Timeline:

- Phase 1 begins November 10, 2025.
- Contracting officers will include CMMC Level 1 and 2 in new contracts.
- Companies must self-assess and submit scores in the Supplier Performance Risk System (SPRS) system.
- CMMC will eventually be mandatory after the three-year phase-in.
- This milestone marks the official transition from planning to execution. It signals to all defense contractors, especially small and medium-sized businesses, that CMMC compliance is no longer optional. As cyber threats grow in scale and sophistication, CMMC is a critical safeguard to ensure the resilience and security of the supply chain that supports our national defense.
- For Experienced Contractors, What You Should Do Right Now
- Keep your NIST SP 800-171 implementation current.
- Make sure your SPRS score is up to date.
- Map out which CMMC level applies to your business.
- Identify and begin closing any cybersecurity gaps.

Compliance Steps

- **252.204-7020 NIST SP 800-171-DoD Assessment Requirements.** https://www.uta.edu/research/centers/cross-timbers/cybersecurity

Note Please review the CLAUSES INCORPORATED BY REFERENCE in all agency solicitations. Register in PIEE and Upload Score in SPRS: https://www.sprs.csd.disa.mil/

- **Plan of Action and Milestones (POAMS).**

- **System Security Plan (SSP)** https://www.sysarc.com/cyber-security/how-to-create-a-system-security-plan-ssp-for-nist-800-171/

- **Incident Response Plan and Reporting Contractors have 72 hours of discovery to report to the *DIBNet portal- https://dibnet.dod.mil/portal/intranet***

- **Subcontractor Flow Down Requirements**

The Contractor shall—
(1) insert the substance of this clause, including this paragraph (g), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial items (excluding COTS items).
(2) The Contractor shall not award a subcontract or other contractual instrument unless the subcontractor has completed, within the last 3 years, at least a Basic NIST SP 800-171 Assessment posted in SPRS.

Myfpdr.com gregory@myfpdr.com 214-850-2887

Access Control: 22 sections	Media Protection: 9 sections
Awareness and Training: 3 sections	Personnel Security: 2 sections
Audit and Accountability: 9 sections	Physical Protection: 6 sections
Audit and Accountability: 9 sections	Risk Assessment: 3 sections
Identification and Authentication: 11 sections	Security Assessment: 4 sections
Incident Response: 3 sections	System and Communications Protection: 16 sections
Maintenance: 6 sections	System and Information Integrity: 7 sections

- **5. Cyber Security Compliance**

Families of Control

Effective December 2024 Cybersecurity Maturity Model Certification (CMMC)

CMMC Model	Model	Assessment
LEVEL 3	134 requirements (110 from NIST SP 800-171-r2 plus 24 from 800-172	Defense Industrial Base Cybersecurity Assessment Center (DIBCAC) assessment every 3 years. Annual Affirmation. Score not required.
Level 2	110 requirements aligned with SP-171 r2	Cybersecurity Maturity Model Certification Third Party Assessment Organization (C3PAO) assessment every 3 years or Self-assessment every3 years for select programs. Annual Affirmation. Passing score of 88.
Level 1	15 requirements aligned with FAR 52.204-21	Annual self-assignment Affirmation. All requirements are valued 1 point with maximum score of 24. Requires level 2 score of 110.

5. BUSINESS OPERATIONS

5.1 ACCOUNTING SYSTEMS

5.2 QUALITY CONTROL PLANS

5.3 RESPONDING TO AGENCY NOTICES

5.1 Accounting Systems SF1408

ACCOUNTING SYSTEM PROVIDES FOR:

- a. Proper segregation of direct costs from indirect costs.
- b. Identification and accumulation of direct costs by contract.
- c. A logical and consistent method for the allocation of indirect costs to intermediate and final cost objectives. (A contract is final cost objective.)
- d. Accumulation of costs under general ledger control.
- e. A timekeeping system that identifies employees' labor by intermediate or final cost objectives.
- f. A labor distribution system that charges direct and indirect labor to the appropriate cost objectives.
- g. Interim (at least monthly) determination of costs charged to a contract through routine posting of books of account.
- h. Exclusion from costs charged to government contracts of amounts which are not allowable in terms of FAR 31, Contract Cost Principles and Procedures, or other contract provisions.
- i. Identification of costs by contract line item and by units (as if each unit or line item were a separate contract) if required by the proposed contract.
- j. Segregation of preproduction costs from production costs.

5.2. Quality Control

QUALITY CONTROL AND QUALITY ASSURANCE ARE TERMS OFTEN USED TO DEFINE THE SAME THING, BUT THERE ARE DISTINCT DIFFERENCES. QUALITY CONTROL FOCUSES ON QUALITY REQUIREMENTS, SUCH AS ENSURING A PART MEETS SPECIFICATIONS. QUALITY ASSURANCE REFERS TO THE SUM OF ALL ACTIONS AND PROCESSES NEEDED TO DEMONSTRATE THAT QUALITY REQUIREMENTS ARE FULFILLED AT ALL TIMES.

THERE ARE SEVERAL METHODS QUALITY CONTROL USES TO COMMUNICATE AND TRACK INSPECTIONS AND ISSUES.

QUALITY CONTROL REFERS TO HOW A COMPANY MEASURES AND IMPROVES PRODUCT QUALITY AS NEEDED.

QUALITY CONTROL ENSURES THAT DEFECTIVE GOODS DO NOT GO OUT TO THE PUBLIC. COMPANIES THAT HAVE QUALITY CONTROL METHODS IN PLACE OFTEN HAVE EMPLOYEES WHO PAY CLOSE ATTENTION TO THEIR WORK.

5.3 Responding to Agency Notices

When government agencies need to buy goods and services, they issue a Synopsis Notice in SAM.gov.

The types of synopsis notices in SAM.gov include

- Request for Information. Request for Information (RFI) / Sources Sought Notice (SSN).

The purpose of a source sought is to determine if a small business can perform the work required, while the purpose of a Request for Information (RFI) is to collect written information about the capabilities of various small business suppliers.

- Request for Quote (RFQ), and

- Request for Proposals.

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6. Business Development

6.1 ANSWER THE KEY QUESTIONS

6.2 PROCUREMENT RESEARCH METHODS

6.3 CAPABILITY STATEMENTS

6. Business Development

6.1 Answer the Key Questions

- Do government agencies buy my company's products/services?
- Which agency should they focus their business development efforts on?
- Who makes the "Buy Decision"?

6.2 Procurement Research Methods

Federal Procurement Data System (fpds.gov)

Search Strings Components you may need:

NAICS Code: PRINCIPAL_NAICS_CODE: "__«

Contract Type: CONTRACT_TYPE: "___“

Signed date: SIGNED_DATE:[MM/DD/YYYY,MM/DD/YYYY]

Contracting Agency: CONTRACTING_AGENCY_NAME:"_____“

Contracting Offices: CONTRACTING_OFFICE_NAME:"_____“

PSC: PRODUCT_OR_SERVICE_CODE:"__“

Vendor Name: VENDOR_FULL_NAME:"_____“

6.3 Capability Statement

1. Format:

- Document Title - Capability Statement.
- Show company logo (color), main address, telephone, fax, email and website.
- One page, one side. Use back side if necessary
- Keep file size under 1MB.
- Tailor to specific agency, prime or opportunity.
- Readers will visit website to get more detail information.
- Use short sentences, key words and whole page.

2. Past Performance vs Experience

“There is an important distinction between a contractor’s experience and its past performance. Experience reflects whether contractors have performed similar work before. Past performance, on the other hand, describes how well contractors performed the work—in other words, how well they executed what was promised in the proposal. Experience can be considered a source selection factor or sub factor. Both experience as a factor or sub factor and past performance should be evaluated under performance risk.”

6.3 Capability Statement

Core Competencies: What is your niche in the marketplace?

Capacity (Select one to describe): What is your ability to manage projects? What equipment do you have? What is the staff size? How do you finance your projects? How do you mitigate risk? Who are your teaming partners?

Past performance: How well did you perform on a similar project? Period of performance, Contract number, Contracting office/Gov't-Prime, Contract Award/Completion Date, Dollar value, Type of contract

Past experience: Identify 2 projects with references you have performed on that are similar to target agency project.

Cyber Security Policy: Compliance with FAR 52.204.7012, IST SP 800 171 Questionnaire, Plan of Action and Milestones, System Security Plan, Incident Response Plan and Reporting and Subcontractor Flow Down Requirements

Unique Entity ID:
Cage Code:
Website:
LinkedIn address: (Optional/recommended)
YouTube presentation: (Optional/recommended)
Primary NAICS:
Primary PSC:
Year Business Started:
Socio Economic Certification:
Bonding/Insurance:
Quality Control Plan:
Contract Vehicles:
Business Certifications:
Accept credit cards:
Office Locations:

Contact: Name
Email
Cell #

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Comprehensive Review

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