

SAP&amp;DC

# PTAC Link

PROCUREMENT TECHNICAL ASSISTANCE CENTER - CONNECTING BUYERS &amp; SUPPLIERS

Progress Through Regional Cooperation In The Alleghenies

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### Last Government Contracting 101 Classes for 2015 - Huntingdon!

The Southern Alleghenies PTAC is pleased to announce our final presentation of "Government Contracting 101" in Huntingdon. The Government Contracting 101 class is a **FREE** half-day training event that will give businesses an idea of what it takes to get into contracting with Federal, State, and Local governments, and resources provided by the PTAC. We have previously presented this class in 2013.

Our Blair and Bedford County classes on May 6th and 15th respectively, went well and we were pleased to present the class to the attendees!

## Quick Guide to Product & Service Codes in Government Contracting

### What is a PSC Code? How is it used in federal contracting?

If you read my previous post about the [North American Industrial Classification System](#) or NAICS, you know these codes represent one of the tools used by government agencies to classify acquisitions and procurements for goods, services and solutions. I referenced '*one of the tools*' because there is another classification system in use that is frequently misunderstood by many companies, or worse, not known to then whatsoever. Unfortunately, lack of knowledge and a lack of understanding of these classification systems can cost your company time, money, situational awareness and visibility, Why? They are key in how Government agencies describe requirements, and how industry describes offerings agencies might buy in support of requirements.

What is this other system? It's Product and Service Codes, or PSCs used to 'describe products, services and research and development (R&D) purchased by the federal government.' They differ from NAICS Codes in that PSC Codes describe "WHAT" was bought for each contract action reported in the federal services will be used. NAICS and PSC Codes look different, too. NAICS Codes a six position numeric values and PSC Codes are four position numeric or alphanumeric values.

When compared to NAICS Codes, PSC Codes are much more granular. NAICS Codes are segregated into industry sectors represented by the first two digits or a NAICS Code such as '54 - Professional Scientific and Technical Services.' The current NAICS Code system consists of **twenty industry sectors**. Product and Service Codes start with three categories, R&D, Services and Products, that are then broken down into 102 [classes](#) indicated by the first one or two digits of a PSC Code. In a given fiscal year there are twice as many PSC Codes referenced as NAICS Codes. To that end more than 2500 PSC Codes were referenced in FY14 contract actions. This is due in part to the many different PSC Codes attributed to multiple NAICS Codes in a fiscal year. For example, under the NAICS Code 541519 - Other Computer Related Services, [343 PSC Codes](#) were referenced in FY14 initial obligations valued at \$6.2 billion.

Conversely, the PSC Code 7510 - Office Supplies was attributed to [295 NAICS Codes](#) during FY14 on initial award actions valued

If you are interested and would like more information, please visit the link below if interested:

[Huntingdon County](#)- Juniata College J-CEL, June 23, 9:00 AM to 12:00 PM

If you have any questions, please don't hesitate to contact us at [ptac@sapdc.org](mailto:ptac@sapdc.org), or 814-949-6528.

### Regional ImpAct Award Winners

SAP&DC hosted its first Region ImpAct Award recognition ceremony, held at Bedford Springs, Bedford, PA, on May 14, 2015. Companies in the 6-count region were honored (see list below picture), and SAP&DC was fortunate to have State Senators, State Representatives, County Commissioners, regional PREP partners and past Governor's ImpAct Award winners among the guests honoring these companies. As a bonus, companies that were honored on the regional level traveled to Hershey, PA on May 21, 2015 where the winners were announced at the Governor's ImpAct Award 2015 Winner (companies in bold won the Statewide award).

Let's take a moment to give a round of applause and kudos to our regional nominees & winners on their business achievements!

at \$230 million. What these two examples demonstrate is the need for industry to leverage both classification types in marketing and market research activities. You can find more information about Product and Service Codes in a [manual](#) maintained by the General Services Administration as well as a [spreadsheet](#) located on FPDS-NG that lists all of the current PSC Codes.

### How PSC Codes are used

Agencies use PSC Codes during acquisitions and procurements to indicate the prevalent product and service to be purchased. You can find PSC Codes referenced on forecasts and pre-solicitation documents as shown below:

**U--Curriculum Development Support Services**  
 Solicitation Number: W9124N-14-R-0020  
 Agency: Department of the Army  
 Office: Army Contracting Command, MCCC  
 Location: MCCC - Presidio of Monterey (RC - West)

**Original Synopsis**  
 Mar 14, 2015 9:41 am

**Synopsis:**  
 Added: Mar 14, 2015 9:41 am  
 The Defense Language Institute Foreign Language Center (DLIFLC) has a requirement for Curriculum Development Support. The successful Contractor shall provide support for three primary functional areas: 1) Content Editing 2) Production, Design, and Multimedia Coordination and 3) Programming. These functional areas are in support of development of instructional materials and their related documentation and ancillary materials for resident foreign language courses at the DLIFLC that run from two (2) to sixty-four (64) weeks. These materials are delivered in a military classroom setting as well as through online programs to a larger professional linguist community. All students and departments currently use MacBook Pros and iPads for instructional needs. However, all materials developed must be platform neutral (i.e. accessible on all desktop and mobile devices). DLIFLC operates in a dynamic environment where mission requirements and priorities can change

**GENERAL INFORMATION**  
 Notice Type: Procurement  
 Posted Date: March 14, 2015  
 Response Date: April 28, 2015  
 Archiving Policy: Automatic, on specified date  
 Archive Date: May 26, 2015  
 Original Set Aside: N/A  
 Set Aside: Total Small Business  
 Classification Code: U -- Education & training services  
 NAICS Code: 611 -- Educational Services/611710 -- Educational Support Services

As well as in executed purchases found in the Federal Procurement Data System as shown below:

Award ID (Mod#):	0001 (0) <a href="#">View</a>	Award Type:	EPA CALL
Vendor Name:	<a href="#">XEROX CORPORATION</a>	Contracting Agency:	<a href="#">GAO_EXCEPT_CONTROLLER_GENERAL</a>
Date Signed:	January 31, 2014	Action Obligation:	\$129,500
Referenced IDV:	<a href="#">GAO14886001</a>	Contracting Office:	<a href="#">GAO_ACQUISITION_MANAGEMENT</a>
NAICS (Code):	PRINTING MACHINERY AND EQUIPMENT MANUFACTURING ( 333292 )	PSC (Code):	OFFICE SUPPLIES ( 7510 )
Vendor City:	MC LEAN	Vendor DUNS:	038805122
Vendor State:	VA	Vendor ZIP:	221924237
Global Vendor Name:	<a href="#">XEROX CORPORATION</a>	Global DUNS Number:	048581852

From the standpoint of industry being visible, PSC Codes should be included in the System for Award Management (SAM) profile, and in the SBA Dynamic Small Business Search (DSBS) profile if you are a small business concern. Think of it this way. If an agency is conducting market research based on "WHAT" they intend to purchase and you don't have PSC Codes listed, they you're likely to be "seen" as often as this guy:

If we look at PSC Codes from the perspective of a company's situational awareness, **not including** PSC Codes in your efforts to identify customers, competitors, spending trends, competition, contract and contract vehicle types used, etc. just means you have a limited view of the field of play, even within an agency you might already do business with.

Additionally, different parts of Government use PSC Codes in execution of statutory reports for tracking acquisition and procurement activity and trends.



### Export Impact

- DelGrosso Foods
- **Guy Chemical**
- Small Tube Products

### Community Impact

- **JWF Industries**
- Makdad Industrial Supply
- Omni Bedford Springs
- Reliance Bank
- Wessel & Company

### Entrepreneur Impact

- Geochemical Testing
- **New Pig - Ben Stapelfeld**
- Prime Design Solutions
- Problem Solutions
- Universal Forensics

### Job That Pay

- American Eagle Paper Mills
- DeVilbiss Healthcare
- Gardner Denver, Inc.
- **Huntingdon Fiberglass Products, LLC**
- NPC, Inc.

### Small Business Impact

- Burnt Cabins Grist Mill
- Fulton Precision Ind.
- **In-Shore Technologies**
- MDL Mfg. Industries
- NE Reihart & Sons, Inc.

**Small business federal contracting would change under Chabot bill**

### Importance of PSC Codes to Government

If you're not familiar with PSC Codes or don't hear about them often, don't let that fool you into thinking they're not a factor now, or in the future. In 2012 the Department of Defense issued a [memo](#) describing how it uses 'a taxonomy that maps Product Service Codes, as set forth in the Federal Procurement Data System Product and Service Codes Manual (referenced earlier) to support strategic sourcing and the Better Buying Power initiatives.'

They've gone as far as launching a web-based tool called the [PSCTool](#) that allows users (primarily DoD end-users and buyers) to find the right PSC using DoD's taxonomy. It can also help vendors ensure they use PSC Codes aligned to the DoD way of thinking. I wonder if other agencies are tapping this or creating their own?

All of this is to support the Department's effort to 'foster communication and strategic decisions by providing significant insight into the marketplace and organizational spend behaviors to create cost savings, leverage economies of scale and draw attention to procurement best practices.'

Sounds important to me.

*Article posted courtesy of  
Guy Timberlake, @GovConGuy*

## **The CVE Reverification Process is Not as Simple as Advertised for Veteran-Owned Firms**

The Department of Veterans Affairs (VA) Veterans First Contracting Program continues to attract more and more veteran-owned small business (VOSBs) and service-disabled veteran-owned small businesses (SDVOSBs).

Indeed, the ability to gain access to VA contracts set aside for VOSBs and SDVOSBs remains an incredibly popular tool among small businesses in the veteran contracting community. Much to the dismay of many potentially eligible firms, the process of applying to the VA, Center for Verification and Evaluation (CVE) to be verified as an eligible VOSB or SDVOSB is still not a cakewalk, and for good reason.

The VA has a legitimate interest in ensuring that VOSB and SDVOSB set-aside contracts are awarded to firms that are eligible to participate in the Veterans First Contracting Program, and eliminating fraud and abuse requires that VOSBs and SDVOSBs be thoroughly vetted by SVE.

Nevertheless, previously-verified VOSBs and SDVOSBs, i.e., firms that have already undergone a complete CVE examination, are finding CVE's reverification process to be no less cumbersome than the first go-around.

Reverification is not a simple process, at least not as simple as CVE would have you believe. Moreover, a previously-verified VOSB or SDVOSB will no longer be visible in the VA Vendor Information Pages (VIP) database if the firm's verification period

The chairman of the House Small Business Committee introduced a bill that would include more categories for small businesses to get federal contracts.

The bill ([H.R. 1481](#)), introduced by Rep. Steve Chabot (R-Ohio), would increase the number of industries small businesses can compete for contracts as well as identifying new ways to attract small businesses in those new industry categories.

"Small business contracting policies are intended to make sure we have a broad spectrum of small firms working with the government across industries, and when those policies are undermined, it is imperative that we find appropriate solutions," Chabot says in a March 20 [statement](#).

The bill would also require the Small Business Administration to create new small business procurement goals for agencies by Sept. 30, the statement says.

If the bill passes, the SBA would be charged with measuring how well the new regulations are working and measure its success at agencies government-wide in fiscal 2017.

Chabot says in the statement that in the last four years, the number of small businesses participating in federal procurement has fallen by over 100,000 companies.

And the number of contracts being awarded to small businesses has fallen by nearly 60 percent.

"This reduced competition ultimately increases the cost of goods and services for the federal government and diminishes the vibrancy of the

expires while in the reverification process, meaning the VOSB or SDVOSB would no longer be eligible to bid on and/or be awarded contracts through the Veterans First Contracting Program. Therefore, it is critical that a reverification application be processed and approved previously-verified VOSBs and SDVOSBs should take in order to stay verified and visible as they navigate the CVE reverification process.

### **Start the Reverification Process Early**

A VOSB or SDVOSB that waits until the last minute to begin the CVE reverification process is almost guaranteed to have its verification status ticket punched. Thus, beginning the reverification process early is key to ensuring that a previously-verified firm does not get removed from the VIP database.

In this regard, CVE will send courtesy notifications to the email address listed on a firm's VIP profile 120, 90 and 30 days prior to its verification expiration date. This means that VOSBs and SDVOSBs can submit a reverification application as early as 120 days prior to their verification expiring.

Staying verified and visible does not necessarily require that VOSBs and SDVOSBs have all the documentation uploaded to their VIP profile and submitted to SVE at the 120 day mark. Rather, previously-verified firms should view the first notification from CVE as a signal to start preparing a reverification roadmap. VOSBs and SDVOSBs should begin by familiarizing themselves with how the reverification process works and what it all entails. Previously-verified firms should also give careful consideration to any recent changes in ownership or control. In addition, they should revisit the CVE document rationale matrix to determine what, if any, required documents will need to be updated and uploaded.

### **Update and Upload All Necessary Documentation**

As part of the reverification process, VOSBs and SDVOSBs are required to provide CVE with updated documentation. In other words, any documents in a previously-verified firm's VIP profile that have been revised or amended since the prior verification need to be uploaded again in their current form. Thus, if a firm's governing documents (e.g., bylaws) have changed over the past two years, the most recent versions will need to be provided to CVE. Note, however, that the requirement to provide current information extends well-beyond just corporate documents.

Among other things, updated resumes, previously-unavailable business and personal tax returns, and current (i.e., unexpired) licenses and certifications will also need to be provided as part of the reverification process. In addition, previously-verified firms will again need to upload copies of recent checks and contracts.

In compiling all of the necessary documentation, VOSBs and SDVOSBs should also go back and review old correspondence from CVE to see if there were any issues raised, or clarification requested, during the prior verification process that now needs to be readdressed through a detailed letter of explanation (DLOE). For example, if CVE previously questioned how the qualifying owner of a VOSB or SDVOSB could engage in outside employment and still meet the full-time devotion requirement under the VA regulations, then, to the extent that outside employment continues to exist, this eligibility issue should be addressed again in a new DLOE to be uploaded as part of the initial reverification application submission.

industrial base, which threatens national security," Chabot says in the statement.

*Article posted courtesy of Ryan McDermott*

## Become a PTAC Client

To take advantage of the services and resources provided by The PTAC at SAP&DC, complete the [New Client Sign-Up form](#).

## Quick Links

[The PTAC at SAP&DC](#)

[PA Department of General Services](#)

[PA Small Business Procurement Initiative](#)

[PA Supplier Portal](#)

[PA eMarketplace](#)

[System for Award Management \(SAM\)](#)

[FedBizOpps](#)

[Small Business Administration / Contracting](#)

The goal should be to make the reverification process as smooth as possible. Thus, previously-verified VOSBs and SDVOSBs must be proactive in order to reduce the number of post-submission CVE information and documentation requests.

## Stand By and Be Quick to Respond

Even if a previously-verified firm submits a perfect reverification application, in all likelihood, CVE will still come back and ask for some (hopefully, not much) additional information or documentation.

Unfortunately, that is just how the process works. That being the case, VOSBs and SDVOSBs should closely monitor their email accounts so that any CVE correspondence does not fall through the cracks or otherwise go unnoticed or, even worse, unanswered. Also, when a request from SVE is made, previously-verified firms should respond as quickly as possible. While the correspondence from CVE may specify a 30, 15 or 10-day deadline for the VOSB or SDVOSB to submit a response, the sooner the requested information or documentation is provided to CVE, the sooner CVW can continue processing the reverification application.

In closing, the CVE reverification process is not as simple as advertised, and the consequences of being removed from the VIP database are potentially disastrous. Therefore, VOSBs and SDVOSBs must take measures to ensure that they always remain verified and visible.

*Article posted courtesy of Peter Ford, PillieroMazza, PLLC*

## About Us

The PTAC at SAP&DC is an economic development entity that bridges the gap between supplier and buyer in the government marketplace. The PTAC stands ready to support businesses in the Alleghenies region in their pursuit to secure contracts with local, state and/or federal government agencies nationwide by:

- Identifying niche government markets and specific contract opportunities
- Assisting with bid and proposal preparation
- Preparing the required vendor registrations
- Navigating your company through the requirements and procedures of government contracting
- Enhancing competition by obtaining applicable socio-economic certifications
- Providing guidance to ensure successful post-award contract performance

**Due to the generous support of our Commonwealth and Federal funding partners, services provided by the PTAC are free of charge.**

Whether you are an experienced contractor or new to the government marketplace, the PTAC will provide one-on-one counseling utilizing the following program resources to increase your share of contact awards.

**PTAC Resources**

- Electronic Bid Matching for products and services
- Military/Commercial specifications and standards
- Past procurement information and pricing histories
- State and Federal regulations guidance
- Professional training and outreach events
- Quality assurance and packaging guidance

Contact us today at [The PTAC at SAP&DC](#) to get started!



[Forward this email](#)



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Udslg#uhp rydc#z Wk#[VdihXqvxevfueh](#)0 #: [SuLvdF](#) | #[Srdf](#) | 1



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