

Tribal Economic Development Principles-at-a-Glance Series

How American Indian Procurement Technical Assistance Centers Can Help Native Businesses



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Can Help Native Businesses**

This is the eleventh in a series of economic development primers produced by the Division of Economic Development (DED), Indian Affairs Office of Indian Energy and Economic Development (IEED), to offer answers to fundamental questions about creating jobs and expanding economies in Native communities.

If you would like to discuss the subject in more detail, please contact the Division of Economic Development at (202) 219-0740.

What are American Indian Procurement Technical Assistance Centers (AIPTACs)?

AIPTACs provide technical assistance, usually free of charge, to Native American-owned businesses or tribally owned enterprises that are performing or seek to perform federal, state and local government and private sector procurement contracts. The Department of Defense (DoD) Defense Logistics Agency (DLA) has designated tribal government procurements as eligible for Procurement Technical Assistance Center (PTAC) guidance.

What is meant by “federal procurement”?

“Federal procurement” is the federal government’s purchase of goods and services.

Why should tribal and Native-owned businesses be interested in federal procurement?

The U.S. government is the largest purchaser in the world. In 2011, it bought more than \$600 billion in products and services.¹ Because the federal government makes large purchases, procurement can be profitable for the contractors selected to meet the government’s needs. Where a Native firm is the contractor, the revenues it earns may enable it to expand operations and increase hiring in a tribal community.

Federal procurement also represents a significant untapped opportunity for Native small businesses. The Native American Contractors Association (NACA) reported that in FY 2012 the federal government purchased \$32 billion worth of goods and services from U.S. Small Business Administration (SBA) 8(a) (minority) businesses, which amounts to only about 8 percent of total federal procurement. It also reported that in 2010 Native American-owned companies

¹ U.S. Small Business Administration, “Government Contracting 101: Guidebook for Small Business,” January 2012, p. 5.

represented just 1.3 percent of all federal procurement. At the same time, the federal government's objective is to deliver 23 percent of eligible federal contracting dollars to small businesses.² That 23 percent is comprised of small businesses, women-owned small businesses, small disadvantaged businesses, 8(a) businesses, HUBZone businesses, veteran-owned small businesses, and service disabled veteran-owned small businesses.

Who created PTACs and why?

Congress authorized the Procurement Technical Assistance Program (PTAP) in 1985 to expand the number of businesses capable of selling products and services to the federal government.

How many PTACs are there in the U.S.?

There are 93 PTACs throughout the U.S.

How many are AIPTACs?

Six are AIPTACs.

Who administers AIPTACs?

DoD, through the DLA, administers all PTACs, both Native and non-Native.

What services can the AIPTACs offer my Native business?

AIPTACs serve as a bridge between federal buyers and suppliers and are staffed by counselors familiar with federal contracting as well as government contracting at state and local levels. They can help your company identify contract opportunities, understand contracting requirements, and prepare and submit bids. They can also help your business with the certifications required to do business in the federal marketplace, including registering in the System for Award Management (SAM) and obtaining a DUNS number, a CAGE Code, and NAICS codes. They also can provide training to help your business ready itself for government procurement, and help it prepare and update a Capability Statement.

Where can I find the nearest AIPTAC?

²U.S. Small Business Administration: <http://www.sba.gov/community/blogs/small-businesses-receive-2225-percent-small-business-contracts-fy-2012-0>.

You can locate them by following this link: <http://www.dla.mil/smallbusiness/pages/ptac.aspx>.

Here is a map showing locations of the AIPTACs:

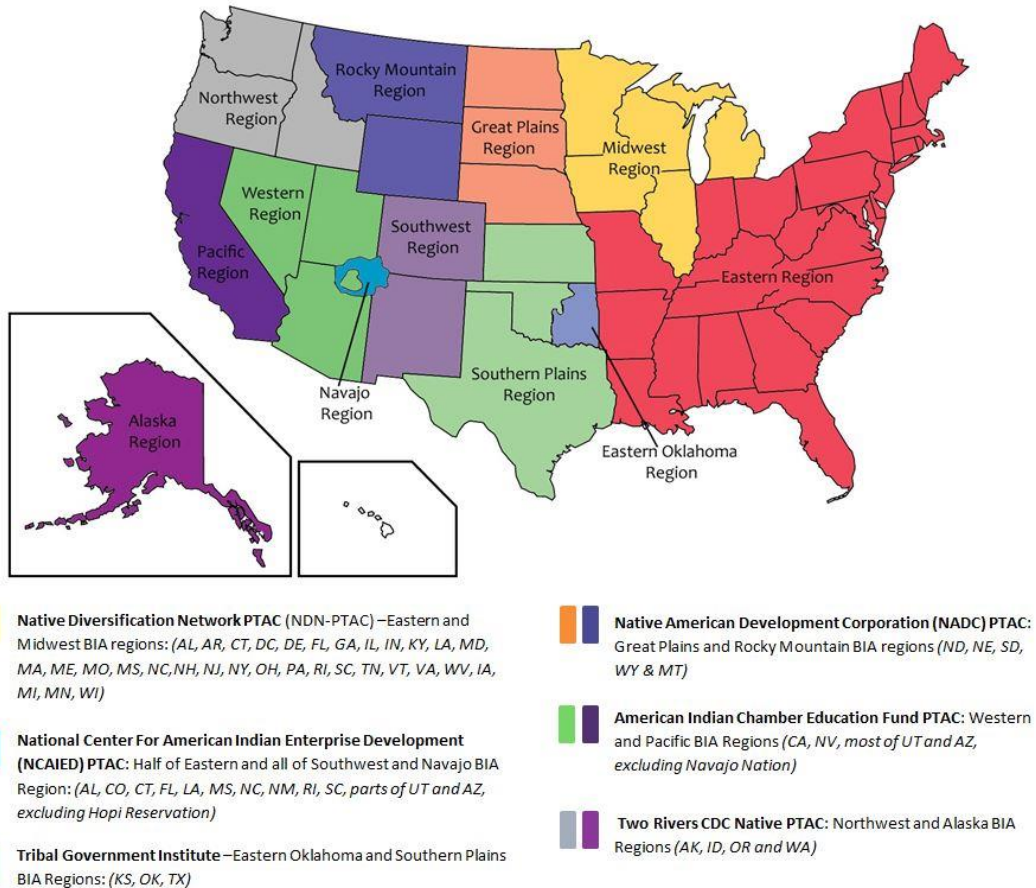


Image reprinted with permission of the Association of Procurement Technical Assistance Centers, <http://www.aptac-us.org/contracting-assistance-for-business/find-an-american-indian-ptac/>.

How can an AIPTAC help my business identify federal procurement opportunities?

An AIPTAC can alert you to government contracting opportunities on a daily basis and advise you about which of them your business might be qualified to pursue.

What is the GSA's System for Award Management (SAM)?

The System for Award Management (SAM) serves as the federal government's vendor database for procurement purposes. SAM is a valuable marketing tool because it is a key resource federal

purchasers use to find prospective vendors and verify their identities and qualifications. To be a seller in the federal space, a Native firm must register in the SAM (<http://www.sam.gov/>). A AIPTAC can help your business register in SAM and help you update your SAM profile every 12 months as is required. To learn more about preparing a profile for and registering on SAM, please consult the “SAM User Guide” at the following web address:
https://www.sam.gov/sam/transcript/System_for_Award_Management_v2.7.pdf.

What is SBA’s Dynamic Small Business Search (DSBS)?

The Dynamic Small Business Search (DSBS) is a database of only small businesses that is linked to SAM and administered by the SBA. This site also is used by federal purchasers, and in the same way they use SAM. Native firms must register in this site at the same time they register in SAM, and they also have to update this profile at the same time as SAM.

What is a DUNS number?

DUNS stands for “data universal numbering system.” Dun & Bradstreet created this nine-digit numbering system to establish a unique identity for a particular business. Once a firm obtains this number, it can register in SAM. This enables federal procurement officers and other interested parties to locate it, obtain its contact information, and find other details about it.

What is a “CAGE Code”?

This is a unique five-character code that is assigned to suppliers of products and services used by federal agencies to identify and pay vendors. A CAGE code is assigned once a vendor properly registers itself in SAM. The first and last characters are numerals and the remaining characters can be numerals or any letter except for “T” or “O”.

What are NAICS codes?

NAICS is an abbreviation for the North American Industry Classification System. The federal government uses this system to identify businesses based on the products or services they offer. The Small Business Administration also uses NAICS codes to help define whether a business meets the definition of a “small business.” NAICS codes can be found at
<https://www.census.gov/eos/www/naics>.

What is a Capability Statement?

A Capability Statement is a summary of a firm's technical and business expertise and skills that details its performance history as well as specific projects it has undertaken. Formatted for the government marketplace, it may also list awards and other honors the firm has earned, and may provide a description of the qualifications of its key management personnel. Because a Capability Statement is a resume for the firm, it should be regularly updated so that it can be furnished on short notice to prospective federal and private sector buyers. Again, an AIPTAC can help you put together an acceptable Capability Statement.