



PROCUREMENT CONFERENCE

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Using the New Simplified Acquisition Threshold to Your Advantage



Gloria Larkin

- President, CEO
- Creator of the **FAST™** Process and the **KickStart Program™**
- Clients have won \$5+ billion in federal contracts
- Nationally recognized federal contracting business development expert
- American Express Procurement Advisor
- Quoted in Wall Street Journal, Washington Post, INC Magazine, Bloomberg
- Author of *“The Basic Guide to Government Contracting”* and *“The Veterans Business Guide”*
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Target  Gov

Agenda

- What is the Simplified Acquisition Threshold (SAT)
- What is the Micro Purchase Threshold (MPT)
- Why both are important to you
- Decision-makers using MPT and SAT
- How to use both to your advantage
- Proactively marketing your services and products using the SAT and MPT

MPT and SAT Game Changer

- In 2019, all acquisitions between \$10,000 and \$250,000 per transaction are automatically set-aside for small business
- Provided that government decision-makers can find the small businesses who can actually perform the work or provide the products.
- This will amount to billions of dollars in revenues to small businesses
- IF they can adapt and plan an proactive process to pursue those opportunities under \$250,000 per transaction.

Micro Purchase Threshold (MPT)

- National Defense Authorization Act (NDAA) of **2017** increased the micro-purchase threshold from \$3,500 to \$10,000 for limited entities
- National Defense Authorization Act of **2018** increased the micro-purchase threshold from \$3,500 to \$10,000 for **all** government entities
- Any purchase between \$1 and \$10,000 per transaction is considered a micro purchase

Simplified Acquisition Threshold (SAT)

- National Defense Authorization Act (NDAA) of 2017 increased the Simplified Acquisition Threshold (SAT) from \$150,000 to **\$250,000** for all entities
- Any opportunity between **\$10,000** and **\$250,000** must be set-aside for small business, IF two or more appropriate small businesses can be found

Government agencies do not have to wait for FAR updates!

Not a lawyer -- legalese:

- The NDAA of 2018 was to update the definitions in the Federal Acquisition Regulations (FAR) at 48 CFR Part 2.1. The 2018 OMB Compliance Supplement made clear that entities were not to implement the higher thresholds until the FAR definitions were updated and became effective. OMB's M-18-18 changed this and allows for early adoption.
- By issuing M-18-18, the OMB is requiring all federal agencies to adopt exceptions to the FAR definitions, making the increases in both the micro-purchase and simplified acquisition thresholds effective as of the date of M-18-18, June 20, 2018
- Entities are not required to increase the micro-purchase and simplified acquisition thresholds but, if they wish to do so, must update their procurement policies and procedures to reflect the change in thresholds.
- *Handouts include the legal background documents*

Why both are important to you

- **MPT:** Any service or product you sell under \$10,000 can be purchased via the government purchase card and you are paid immediately
- **SAT:** Any non-IDIQ transaction between \$10,000 and \$250,000 are reserved exclusively for small businesses
- All set-aside types can participate in both MPT and SAT
- GSA manages the purchase cards and related limits, they may take a while to implement this process.

Decision-makers involved with MPT and SAT

Government's three layers:

- Small Business (OSDBUs, PCRs, SBRs)
- Contracting and Acquisition (COs, KOs, CSs)
- Program Managers and End Users (PM, COTR, COR, etc.)

Preparation to use MPT and SAT to your advantage

- Homework! Identify opportunities
- Use agency forecasts, USASpending, FPDS-NG, FBO.gov
- Create killer capability statements, one for each target
- Fix your business cards! (before the next event)
- Update your email signature line to include all important information
- DO NOT MASS EMAIL

Tools to use for MPT and SAT success

- Government data scraping tool: Acquisition Gateway
- You must be able to be found using their tools!
- SAM registration: Large and small business -- customer-specific keywords and phrases in hidden fields: call or email me for help
- SBA registration: small business only! keywords and phrases in four specific fields, plus past performance
- Agency-specific registrations
- Proactively market your business for MPT and SAT

Proactively marketing using the SAT and MPT

- Identify specific agency targets
- Identify specific agency decision-maker targets
- Create an easy-to-understand listing of services/products available under \$10,000 MPT
- Offer specific solutions under \$250K SAT
- Proactively reach out once a month to specific decision-makers with non-salesy messaging
- Attend in-person events

TargetGov's Rule of Three™

- Never reach out to any decision-makers for a meeting to discuss MPT or SAT
- This includes all targets!
- Agencies, Primes, Teaming Partners, Subs
- Until:
- You have identified at least three solid opportunities to discuss
- Be prepared, no matter with whom you are meeting, to discuss at least 3 upcoming opportunities
- Use: Forecast, sources sought, recompetes, FPDS, EZGovOpps, USASpending, other data resources

Recap

- ✓ What is the Simplified Acquisition Threshold (SAT)
- ✓ What is the Micro Purchase Threshold (MPT)
- ✓ Why both are important to you
- ✓ Decision-makers using MPT and SAT
- ✓ How to use both to your advantage
- ✓ Proactively marketing your services and products using the SAT and MPT

FAST™ Process

- Do you want to dramatically increase revenues?
- The proprietary, proven **TargetGov FAST™ Process** is the most cost-effective approach to *planning, positioning, pursuing and winning, profitable* government contracts. You can take advantage of our 20+ year track record and national reputation for success to build your revenues.
- The **TargetGov FAST™ Process** leverages where you are now: your strengths, core competencies, past performance and relationships and propels you to higher revenues. Large, mid-size and small businesses see dramatic results and high ROI.



- An affordable market entry program for companies under \$1M in federal revenue
- This program is specially designed for small companies wanting to make an accelerated entry in the federal marketplace.
- It is a unique combination of training and consulting – leaving you with the knowledge you need and actual tools for implementing the plan.

The logo for KickStart™ features the word "KickStart" in a bold, black, serif font. The letters "k", "i", "c", "k", "s", "t", "a", and "r" are in black, while the "t" at the end of "Start" is in a smaller, black, sans-serif font. Below the letters "k", "i", "c", "k", "s", "t", and "a" are three overlapping arrows pointing to the right. The first arrow is blue, the second is a darker blue, and the third is green. The entire logo is set against a white background within a large, light gray circular frame.



Handouts

- Session Slides
- OMB's M1818 Memorandum
- GSA's Class Deviation 2018-01 raising the SAT
- TargetGov's Rule of Three™
- FAST™ Process and KickStart Program™ information

Questions?

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