











## August 2017

## Tip of the Month:

# Obtain Proper Authority Before Executing Changes or Work Not Included In Your Contract

One costly mistake many government contractors make all too frequently each year is performing changes or work outside of their contract at the request of government employees who lack proper authority. It's usually not a problem for contractors to go the extra mile to provide excellent service as long as there is no expectation of getting paid for that extra mile. A recent article published at smallgovcon.com titled "CORs Weren't Authorized To Order Additional Work—So Contractor Goes Unpaid" highlights another expensive lesson learned the hard way. So how can your company avoid finding itself in this undesirable circumstance? Here are a few suggestions.

- 1. Develop a process that addresses how your team responds to requests outside of your contract.
- 2. Have a team project kick off meeting, and include this process on the agenda as a discussion item.
- 3. Ensure your team knows how to distinguish work within the scope of your contract and work beyond or outside of scope. Also, everyone should understand that only

- the Contracting Officer can authorize changes (a Contracting Officer's Representative (COR) does not have such authority).
- Designate a single point of contact on your team to submit all requests for changes or work outside of scope to the Contracting Officer, and wait for approval before proceeding.
- Document everything. Email is the suggested method to request, receive, and document approval from the Contracting Officer.

If a member of your team mistakenly performs work directed from an unauthorized commitment, take responsibility for it, and always continue performing your contract. Politely ask the Contracting Officer about options for requesting an equitable adjustment, and as a last resort, ask about the agency's *contract ratification* process. A *contract ratification* is the process government agencies use to seek approval for payment of an unauthorized commitment. Going through the contract ratification process may likely be your best option for compensation if a change request or request for equitable adjustment is denied. Upon completing the ratification process, the government may ultimately pay for the work, but there is no guarantee, and if you do get paid, expect a long delay as the ratification process does not always move quickly.

**Tip of the Month Action Item:** Take preventative measures to protect your business from performing unauthorized commitments by developing a process for handling changes or work requests outside of scope, educating your staff, and briefing the process before each project.

#### PTAC News You Can Use:

## **Getting Assistance With Small Business Certifications**

Federal, state, and local procurement agencies have goals to support small businesses as well as various types of diverse and disadvantaged small business groups. These certifications can help to open doors for small businesses seeking opportunities in the government marketplace. At the federal level (and in some states), a small business can benefit by competing in an environment of limited competition through contracts set aside exclusively for small firms and similarly situated entities. Examples include but are not limited to Women Owned, Minority Owned, and Veteran Owned Small Businesses.

However, knowing what certifications exist, understanding the eligibility requirements, and dealing with the paperwork to go through the process can be cumbersome. Another challenge is that federal small business certifications usually don't qualify firms for state small business certifications, and getting certified in one state, will likely not count in other states.

Fortunately, small business certification assistance is one of the areas of support offered by the NJIT PTAC at no cost to you. Is it worth going through the process? The answer is YES! Though there are no guarantees that certification will lead to a contract, if you are eligible for a certification, but choose not to obtain it, you will limit opportunities available to your business. You may even miss out on your ideal contract opportunity if it is set aside for the certification you are eligible for but chose not to obtain.

If you would like to learn more about small business certifications available to your small business, and how the NJIT PTAC can assist, give us a call.

You can also gain access to the following on-demand courses to learn more about federal small business certifications through our partnership with Govology.com. **Contact your NJIT PTAC counselor to obtain your coupon code for FREE access, then follow the links below to register.** 

<u>Understanding and Obtaining the SBA's WOSB and EDWOSB Certifications</u>

<u>Understanding and Obtaining Veteran and Service Disabled Veteran Certification</u>

<u>Understanding and Obtaining HUBZone Certification</u>

<u>Understanding, Obtaining, and Leveraging the SBA's 8(a) Certification</u>

#### **SBA Unveils New and Improved HUBZone MAP**



The SBA recently unveiled a new HUBZone Mapping tool. This tool is primarily used to determine if your business is eligible for HUBZone certification. If you've

never checked to see if your business is in a qualified census tract, which might make your firm eligible for HUBZone Certification, or if you have previously checked and found that you were not in a qualified census tract, plug your address into the <a href="SBA's New HUBZone">SBA's New HUBZone</a> mapping tool. If you see the green box indicating "qualified HUBZone" pictured above, call the NJIT PTAC office to discuss additional eligibility criteria and for assistance with navigating through the HUBZone application process.

#### **Live Webinars**

Contact your NJIT PTAC Counselor for a Free code

Subcontractor Expectations in Federal

Contracting

Introduction to Firm Fixed Price Contracts



**Date:** August 10, 2017

Time: 1 p.m. EDT



**Date:** August 24, 2017

Time: 1 p.m. EDT

## Local Events, Workshops, Conferences

Aug 8, 2017 9:00 am - 12:00 pm SAM Registration Workshop (Beginners)

Aug 16, 2017 9:30 a.m. - 10:30 p.m.

<u>Contracting Alliances & Relationships Seminar @ NJIT PTAC Newark, NJ (Intermediate - Advanced)</u>

Aug 16, 2017 9:30 a.m. - 10:30 p.m.

<u>Contracting Alliances & Relationships Seminar @ BCLS, Burlington, NJ (Intermediate - Advanced)</u>

Aug 17, 2017 10:00 a.m. - 12:00 p.m.
Essex County State Contracts & Competitive Purchasing Workshop

Aug 17, 2017 6:00 p.m. - 8:00 p.m. SBDC and NJBIA Bilingual Procurement Event (Beginner - Intermediate)

Aug 18, 2017 8:00 a.m. - 1:30 p.m. SHCCNJ Diversity Expo and Breakfast

### Recommended Reading:

Watchblog: Trends in Federal Contracting

In this article, Watchblog, a blog administered by the U.S. Government Accountability Office, examines dominant trends in government contracting over the last few years. It is a must-read jam-packed with interesting data about government spending. For instance, did you know that in 2015 "the federal government spent more than \$430 billion on contracts for goods and services—almost 40 percent of all discretionary spending?"

This article is just a small sample of what you'll find on Watchblog. We recommend following Watchblog via email and social media outlets as it provides fascinating perspectives, including current challenges facing our government that your firm might just have solutions to help resolve. CLICK HERE to read the full article.

#### **About Your PTAC:**

The New Jersey Institute of Technology Procurement Technical Assistance Center (NJIT PTAC) is funded in part through a cooperative agreement with the Defense Logistics Agency's Office of Small Business Programs. Our mission is to help small businesses succeed in the government marketplace. To get assistance and support from the NJIT PTAC, you must first become a client by completing our online client application at <a href="http://njitptac.ecenterdirect.com/signup">http://njitptac.ecenterdirect.com/signup</a>.

You can also contact us via phone at (973) 596-3105.

For additional information online, please visit our website at www.njit.edu/ptac.

#### **Client Prerequisites:**

Any business seeking to become an NJIT PTAC client must meet the following requirements:

- 1. New Jersey-based small business (excluding Union County businesses)
- 2. Established at least two years
- 3. Customer base that demonstrates past performance
- 4. Must not be delinquent with child support or taxes
- 5. Creditworthy

- 6. Business bank account
- 7. Computer literate
- 8. Company website and email preferred