



SMALL BUSINESS ADMINISTRATION

[Docket Number SBA 2012-0019]

Request for Proposal Platform Pilot

AGENCY: Small Business Administration

ACTION: Notice and request for comments.

SUMMARY: The Small Business Administration (SBA) is announcing a pilot where federal agencies will test a new request for proposal (RFP) platform (RFP-EZ) to streamline the process through which the government buys web design and related technology services from small businesses for acquisitions valued at or below the simplified acquisition threshold (SAT). RFP-EZ is one of five projects sponsored by the Office of Science and Technology Policy's Presidential Innovation Fellows Program, which leverages the ingenuity of leading problem solvers from across America together with federal innovators to tackle projects that aim to fuel job creation, save taxpayers money, and significantly improve how the federal government serves the American people.

Under the RFP-EZ pilot, which will initially run from [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] through May 1, 2013, agencies will identify individual procurements valued at or below the simplified acquisition threshold that can be set aside for small businesses to test a suite of functional tools for: (1) simplifying the development of statements of work, (2) improving agency access to information about small businesses, (3) enabling small businesses to submit quotes, bids or proposals (collectively referred to as proposals) electronically in response to a

solicitation posted on Federal Business Opportunities (FedBizOpps); (4) enhancing efficiencies for evaluating proposals, and (5) improving how information (including prices paid by federal agencies) is captured and stored. The pilot will be conducted in accordance with existing laws and regulations.

Interested parties are encouraged to review and comment on the functionality of RFP-EZ, as described at www.sba.gov/rfpez and highlighted in this notice. Responses to this notice will be considered for possible refinements to the RFP-EZ platform during the pilot and as part of the evaluation of the benefits and costs of making RFP-EZ a permanent platform fully integrated with FedBizOpps, the System for Award Management and agency contract writing systems.

DATES: Comment Date: Interested parties should submit comments in writing to one of the addresses below on or before [INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Effective Date: This pilot RFP EZ initiative will be effective on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Please submit comments only (do not submit proposals) via one of the following methods:

- Online at: www.sba.gov/rfpez Please include your name, company name (if any), and cite “RFP-EZ initiative” in your correspondence.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Identify your comments by SBA Docket Number SBA 2012-0019 and follow instructions for submitting comments. SBA will post all comments to this notice on www.regulations.gov. If you wish to submit confidential business information (CBI) as defined in the User Notice at

www.regulations.gov, you must submit such information to Sean J. Greene, Associate Administrator for Investment and Special Advisor for Innovation, 409 Third Street, S.W., Washington, DC 20416, or send an email to rfpez@sba.gov. Highlight the information that you consider to be CBI and explain why you believe SBA should hold this information as confidential. SBA will review your information and determine whether it will make the information public.

FOR FURTHER INFORMATION CONTACT: Sean J. Greene at 202-205-6513. You may also email questions to rfpez@sba.gov.

SUPPLEMENTARY INFORMATION:

A. Background

Over the past two decades, the Federal Government has taken increasing advantage of technology to improve the efficiency and effectiveness of the acquisition lifecycle, from performing market research to recording contractor performance information. A number of government-wide systems provide support for functions commonly performed by all agencies. For more than 10 years, “FedBizOpps” (accessible at www.fedbizopps.gov) has served as the single “one-stop” government-wide point of entry for posting solicitations over \$25,000, allowing commercial business suppliers to search, monitor and retrieve opportunities in federal government markets. FedBizOpps has significantly enhanced access to information on government acquisitions by capturing a wide variety of business documents associated with upcoming acquisition opportunities – including notices, solicitations, and other related acquisition information maintained at central points or on agency websites. FedBizOpps allows potential offerors to search and download information from a central point using a consistent process to

locate business opportunities that they can then evaluate for suitability. It allows government buyers to streamline the preparation and issuance of notices and solicitation information.

While FedBizOpps has enabled agencies and their contractors to make important advances over the paper-based processes that it replaced, it currently does not address a number of functionalities that could further improve the efficiency and effectiveness of the federal acquisition process for both sellers and buyers. This limitation is especially problematic for small businesses, including start-up small businesses considering the federal marketplace (new entrants), and those that are non-traditional government contractors. All of these businesses are potentially challenged by the complexity the various applicable rules governing federal contracting and information on upcoming acquisitions.

Examples of how FedBizOpps current functionality could be enhanced include the following:

1. FedBizOpps makes notices of proposed contract actions available in a standardized web format and allows sellers to quickly access, browse, and download solicitation information related to such notices through a direct link, but does not support vendor creation of electronic proposals in response to a solicitation. As a result, contractors must download solicitations and separately generate their own proposals; there is also no consistent or easy way to pose questions on solicitations, other than to generate e-mails.

2. FedBizOpps has streamlined and eliminated transaction steps for agencies by allowing them to post notices and solicitations without rekeying information and maintaining individual agency websites, but does not simplify the process for generating

statements of work (SOW) or tracking incoming proposals to support the evaluation of proposals.

3. Although FedBizOpps is available to the public, the federal marketplace has largely remained an enigma for new entrants and many small businesses – particularly new firms that have little or no past performance and lack familiarity with the types of products and services different agencies commonly acquire. In addition, there is also no easy way for federal agencies to gather information about the capabilities of small businesses and the prices they charge for various products and services.

As stated above, failure to address these and other shortcomings has created barriers to entering the federal marketplace for small, high-growth businesses and new entrants, and perpetuates inefficiencies for contracting and program offices that could be eliminated with better use of technology. Closing these gaps can enable the government to leverage the untapped talents of these entities and meet taxpayer needs with products and services that are both more effective, innovative, and less costly for taxpayers. To successfully close these gaps, new functionalities must be deployed to meet the unaddressed needs of small businesses, new entrants, and contracting agencies.

1. For small businesses and new entrants, these needs include:

(i) Making the language in statements of work easier to understand and consistent between procurements for the same need;

(ii) Making it easier to seek clarification from the government on notices and solicitations as offerors consider and prepare proposals; and

(iii) Enabling contractors to create proposals electronically in response to solicitations and providing templates and other tools to help them navigate through the proposal development process, including pre-populating information, where possible, to

complete standard forms for proposals, such as the SF 1449, Solicitation/Contract/Order for Commercial Items.

2. For agencies -- both procurement offices and program offices – these needs include:

(i) Providing statements of work templates for repetitive needs which can be searched easily by small businesses and new entrants;

(ii) Improving access to information on the capabilities of small businesses and new entrants and the availability of historical pricing information; and

(iii) Providing for the ability to pre-populate solicitation forms and track proposals.

B. RFP-EZ

RFP-EZ is a suite of open source web-based applications that are designed to make it easier for small businesses, including “new entrant” small businesses that have historically not done business with the federal government, to discover and submit proposals on promising small dollar contracting opportunities in the federal marketplace that match their strengths. Equally important, RFP-EZ is designed to reduce burden and improve efficiency for contracting and program offices looking for low-cost, high-impact solutions from these sources. RFP-EZ has been developed to enable new efficiencies within the existing regulatory framework for conducting small dollar purchases, including policies and procedures set forth in Part 13 of the Federal Acquisition Regulation (FAR) governing procurements under the SAT, Part 5 requiring posting of notices of solicitation in FedBizOpps for actions over \$25,000, and Part 4 addressing registration. Specifically, RFP-EZ software supports the following functional tools:

1. SOWComposer is designed to help program and contracting offices write clear, easy to understand SOWs through a template-driven process that enables users to develop, store, retrieve for re-use, and share within or among agencies descriptions of requirements by document, section, or subsection. The software allows contracting offices to comment and edit SOWs, finalize and post them to FedBizOpps (after agreement is reached with the program office), and recognize an SOW on FedBizOpps that was created by SOWComposer. It enables program and contracting offices to quickly retrieve agreed-upon “best in class” plain language requirements descriptions for re-use, which, in turn, should make posted solicitations more understandable and easily discoverable when searched by the small business community.

2. BidMaker is a web-based interface that is intended to simplify and reduce burden for small businesses to bid on government solicitations in several ways. For example, this tool allows small businesses to respond directly online to a solicitation supported by an SOW that has been created by SOWComposer, rather than having to download a solicitation and develop a bid “offline.” It also permits small businesses to pose questions to buying offices directly online for more efficient clarification of issues identified in solicitations and gives buying offices the ability to place limitations on the size of proposals to keep costs down for buyers and sellers. If a small business decides to submit an offer, the tool provides instructional “helper text” to facilitate the development of bids and simplified proposals. Small businesses may save draft proposals for later review and refinement, and pre-populate required forms with previously stored information (either on the instant procurement or a future solicitation, such as about their capabilities or proposed solution to meet the government’s requirements) to avoid

redundant data entry. The system will ask only once for information that may be required on multiple forms.

3. BidMonitor aims to help contracting officers sort through incoming proposals generated by BidMaker. It allows contracting and program offices to see a list of all current, active SOWs generated by SOWComposer and bid upon by BidMaker, key identifying information from incoming proposals (e.g., name of the offeror, date offer was submitted, and summary information about the firm drawn from the System for Award Management), see the full text of proposals, have an archived online discussion about proposals received, and review an archive of prices previously paid to the bidding entities by the same or other agencies.

4. RFP-EZ Marketplace allows small businesses to register for an account, sign up to receive email alerts when new deals are posted matching profile information, search SOWs through multiple dimensions, such as by category, and send messages to agency points of contact to ask public, on the record questions. In addition, SOWs can be linked to and are indexable by well-known commercial search engines to give greater access to the public.

5. Portfolio Browser permits agencies to identify a list of small businesses who have previously performed work for the government before and view a profile of the firm showing the name of the firm, location of the firm, small business status, prices previously paid by the government for the products and services of this vendor or currently offered estimated pricing (including catalog pricing, if any). Searches could also be conducted on any of these elements.

Additional information about the functionality of RFP-EZ may be found at www.sba.gov/rfpez

C. Pilot

SBA, in conjunction with OSTP's Presidential Innovation Fellows Program and the Office of Management and Budget, is conducting a pilot for federal agencies, on a voluntary basis, to test RFP-EZ. The purpose of the pilot is to evaluate the effectiveness of the platform in increasing access and decreasing barriers to entry to entering the federal marketplace and its potential for improving the overall efficiency of acquisitions valued under the SAT for government agencies and small businesses, and especially those small businesses that are new entrants. Pilots will be conducted in accordance with existing FAR policies set forth in FAR Part 13 addressing acquisitions under the SAT, including the basic policies in 13.003, the synopsis and posting requirements at FAR 13.105, the solicitation processes at FAR 13.106-1, and the evaluation of quotations or offers at FAR 13.106-2. Information on the pilot, including scope and length, requirements for test acquisitions, and evaluation is summarized below. Additional information, including a list of agencies participating in the pilot, will be made available at www.sba.gov/rfpez.

1. Scope and length. Under the pilot, which is initially planned to run through May 1, 2013, agencies will be encouraged to use the RFP-EZ platform for a small number of technology-oriented professional services procurements under the SAT, such as web design, that have been set aside for small businesses under one of the following North American Industry Classification System (NAICS) codes: Graphic Design Services (NAICS 54130), Customer Computer (NAICS 541511), Data Processing,

Hosting and Related Services (NAICS 518210), Video Production (NAICS 512110), Video Post-Production Services (NAICS 512191), Web Hosting (NAICS 518210), Display Advertising Services (NAICS 541850), and Media Advertising Representatives (NAICS 541840). Small businesses, including small-disadvantaged, women-owned, veteran-owned, service-disabled veteran, and HUBZone small businesses, are well represented in these service categories, providing a robust opportunity to study potential benefits and costs of the platform. Separate Administration initiatives to increase attention on the use of small business set-asides under the SAT will help to ensure ample choices for pilot candidates. An assessment of initial results (see item no. 3, below), and feedback from the public to this notice, will be used to help inform next steps, including whether the pilot should be extended and/or expanded before decisions are made on making the platform permanent.

2. Requirements for pilot procurements. When an agency selects a suitable SAT purchase for the pilot it will be required to use *SOWComposer* to create the SOW, accept offers created through *BidMaker*, and evaluate offers using *BidMonitor*. Agencies must post notices of the solicitation in FedBizOpps (if posting in FedBizOpps is otherwise required taking into account the size of the procurement). Agencies will also be required to state in the solicitation that small businesses will be required to register for an account in *BidMaker* to submit offers and inform them where they can access technical information and support for using the platform.

3. Evaluation. SBA will work with pilot agencies to evaluate their pilot results against the following criteria based on the best available data:

(i) Level of competition. The number of bids or offers received using RFP-EZ against the estimated number received for recent acquisitions for the same supply or service.

(ii) Time to prepare statement of work. The time required to develop a statement of work and seek feedback from contracting and program offices (RFP-EZ will provide functionality to collect this data).

(iii) Bid preparation. The time required to prepare an offer (RFP-EZ will provide functionality to collect this data).

(iv) Number of new entrants. The level of participation by first-time participants in federal acquisition compared to the number of such entities in acquisitions for similar requirements conducted prior to the pilot, to the extent such information is available.

(v) Customer satisfaction. Other feedback regarding the benefits and drawbacks of using the platform, such as reduction in time between the date the requirements office first develops a requisition until the date when a contractor begins to deliver services.

D. Public comment

SBA encourages the public to provide feedback on the RFP-EZ initiative, including whether the discussion above effectively captures the existing challenges to small business in federal contracting and if the proposed solutions provide a beneficial path forward. SBA especially welcomes comment in response to the following questions:

1. What process-related improvements -- especially those related to how technology is used -- do you believe would have the greatest effect in encouraging small

businesses, including new entrants, to participate in federal procurements below the SAT?

2. What specific changes or clarifications, if any, would you recommend to the functional characteristics of RFP-EZ as described above (e.g., SOW Composer, BidMaker, and BidMonitor) to encourage greater participation by small businesses, including new entrants?

3. What, if any, additional or alternative criteria would you recommend for evaluating results of the pilot?

4. What, if any, additional steps might be taken to test RFP-EZ?

5. What, if any, related regulatory changes might be considered to encourage greater small business participation in SAT purchases?

Input provided in response to this notice, along with analysis from the pilot, will be used to help inform next steps. Before any longer-term investments or regulatory changes involving information collections (e.g., involving business profiles) are pursued, SBA intends to develop and publish for public comment an analysis of impact under the Paperwork Reduction Act.

Authority: 41 U.S.C. 1122

Dated: December 14, 2012

Sean J. Greene,
Associate Administrator for Investment and Special Advisor for Innovation

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