Federal Contractors – DoD seeks more competition

In an effort to increase competition for Department of Defense “DoD” contracts, the Office of Under Secretary for Acquisition, Technology and Logistics has issued a memorandum and amplifying guidance on how contracts must be procured. This new policy seeks to change traditional methods of contracting with the intent to lower costs for certain DoD procurements.

When does this Apply?

- This guidance applies to Department of Defense contract opportunities only.
- Procurements over the simplified acquisition threshold of $150,000.
- Commercial items and construction contracts are included.
- There is an exception for emergency situations including natural disasters.

Key items for Iowa contractors:

- If a DoD solicitation is advertised for less than 30 days and only one offer is received, the Contracting Officer has now been instructed to reject the offer and re-advertise the solicitation for a minimum of 30 days.
- If a DoD solicitation was open for at least 30 days or was re-advertised and only one offer was received, the Contracting Officer has now been instructed to “conduct negotiations” with the bidder.
- The negotiations mentioned above will be based on certified cost or pricing data or other than cost or pricing data. This is a new process which will require increased financial data to be provided.


Next Steps:

1. Are my personnel trained to recognize and respond to this new guidance?
2. Incumbent Contractors Beware! Competitors which were reluctant to bid against you may change their strategy.
3. Learn how to identify these opportunities, target them and capture more business for your company.

For help with the steps above, interested Iowa businesses should contact CIRAS where you will be assigned a Government Contracting Specialist to provide one-on-one assistance. There is No Charge for counseling services if you are an Iowa business.

Who to Contact:
For further details, please contact David Bogaczyk, Program Director at 515-422-6313 or bogaczyk@iastate.edu for any additional questions.