

2018

A guide to doing business with the

Consumer Financial Protection Bureau
(CFPB)



Consumer Financial
Protection Bureau

consumerfinance.gov

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The Consumer Financial Protection Bureau (CFPB)

Who we are

- Founded as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act which was signed into law in July 2010
- Hold primary responsibility for regulating financial products and services aimed at the American consumer
- Have jurisdiction over banks, credit unions, payday lenders, mortgage servicers, foreclosure relief services, debt collectors, and other financial services

What we do

- Write rules, supervise financial companies, and enforce federal consumer financial protection laws
- Restrict unfair, deceptive, or abusive acts or practices
- Take consumer complaints
- Promote financial education
- Research consumer behavior
- Monitor financial markets for new risks to consumers
- Enforce laws that outlaw discrimination and other unfair treatment in consumer finance

Our commitment to Minority-Owned and Women-Owned Businesses (MWOBs)

The Office of Minority and Women Inclusion (OMWI) maintains a commitment to the continuous improvement of Bureau MWOB inclusion practices at all levels of business activities.

To ensure that to the maximum extent possible MWOBs compete for a fair portion of Bureau procurements, OMWI, in coordination with the Office of Procurement, develops and implements standards and procedures in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act. By way of its Good Faith Effort directive, OMWI also advocates for contractor and subcontractor inclusion of women and minorities in the workplace.

FY17 CFPB minority-owned and women-owned utilization

	Minority- Owned	Women- Owned	Minority and Women- Owned
MWOB Contract Actions	333	300	500
CFPB Total Contract Actions	1391	1391	1391
MWOB Percent of Total Contract Actions	24%	22%	36%
MWOB Obligations in Dollars	\$39,028,281	\$20,248,894	\$51,995,823
CFPB Total Obligations in Dollars	\$168,832,226	\$168,832,226	\$168,832,226
MWOB Percent Obligations	23%	12%	31%

Our commitment to small businesses

Our small business goals

As the main economic drivers and job creators in America, small businesses play a crucial role in the U.S. economy. The CFPB fully recognizes the importance of small businesses and is committed to partnering with them for contracting opportunities.

To ensure that small businesses receive a portion of federal procurements, Congress has established annual goals of 23% for the amount of contract dollars that should be directed towards different socioeconomic categories of small businesses. The CFPB, in its commitment to promoting small businesses, has individually set a higher goal of 28.5%. For FY17, the CFPB achieved 30.1%, exceeding the agency's goal by more than 1.5% and the FY17 government overall percentage of 22.85% by more than 7%.

CFPB vs. government small business dollars

(as a percentage of total eligible dollars FY17)



Historical obligations by product/service categories

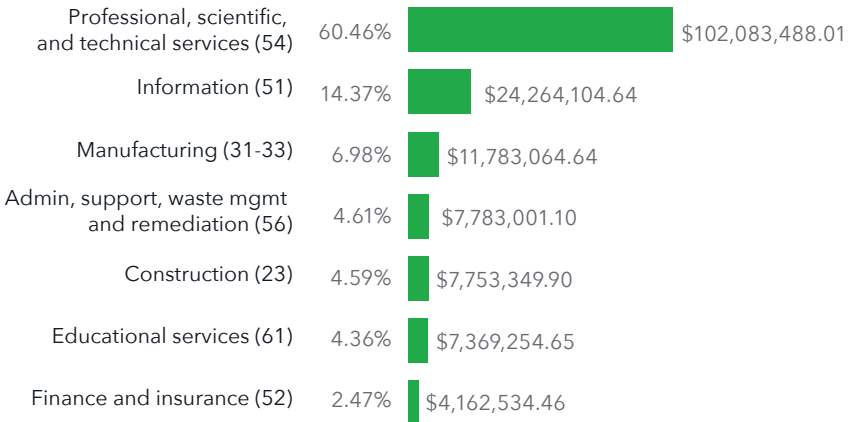
In FY17, the CFPB used 92 different NAICS codes, but Professional, Scientific, and Technical services was the most common.

NAICS stands for North American Industry Classification System.

It is the standard numbering system used by North American businesses and government to classify business establishments by their economic activity or process of production (www.census.gov/eos/www/naics).

FY17 obligations by NAICS code

Total obligations: \$168.8M | Contract transactions: 1,391
(NAICS 1st 2 digits in parentheses)

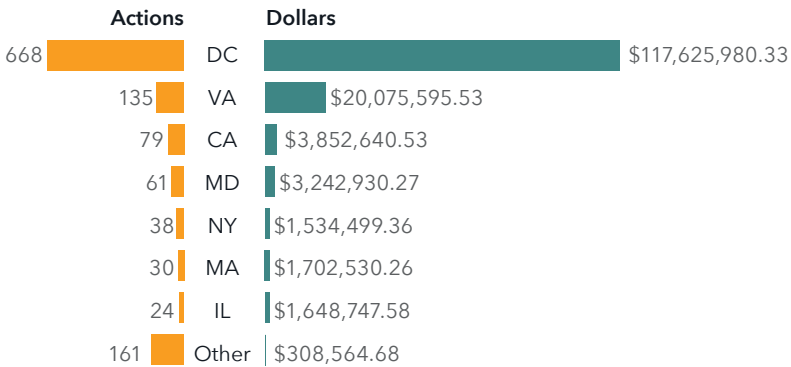


Where we are doing business

In FY17, 35 different states served as the principal place of performance for CFPB contractors, but the District of Columbia, Virginia and California comprised over 83% of total obligated dollars.

FY17 action obligations by principal place of performance

NOTE: Data is pulled from FPDS and is meant to be a historical snapshot for informational purposes, not a predictor of future places of performance by the Bureau.



Opportunities

We openly communicate contract opportunities using a variety of government portals and websites.

1. Federal Business Opportunities (FedBizOpps), www.fbo.gov
2. General Services Administration (GSA) eBuy, www.ebuy.gsa.gov
3. Solutions for Enterprise-Wide Procurement (SEWP), www.sewp.nasa.gov, for IT products and product-based services.
4. Forecasted opportunities on www.consumerfinance.gov

Finding opportunities and selling to the government

The acquisition process begins when an agency decides to seek goods or services from the private sector. The federal contracting community most commonly uses the following three procurement methods:

- **Open Market Acquisitions** (unrestricted, and various **small business set-aside** competitions, including 8(a) set-asides, are performed under this procurement method)

🗨 8(a) program

A Small Business Administration (SBA) program intended to provide assistance to economically and/or socially disadvantaged business owners. The initiative, which originated out of Section 8(a) of the Small Business Act—hence its name—provides participants with access to a variety of business development services, including the opportunity to receive federal contracts on a sole-source or limited competition basis.

- **Government Purchase Card (GPC) program**, also known as the GSA SmartPay Program, provides charge cards to government agencies/departments to procure goods and services under the micro-purchase threshold.
- **General Services Administration (GSA) Federal Supply Schedules.** (Orders can be procured from pre-existing contracting vehicles)

In addition, all MWOBs and small businesses should consider partnering with other firms to sell to the federal government; for example, you might seek to perform as a subcontractor for a vendor [prime contractor] that is active in federal contracting.

Open market acquisitions

Federal agencies can buy from commercial vendors in a variety of ways. Competition among multiple companies for federal procurement opportunities helps ensure that the government will obtain the highest quality work at the best value.

Open market federal solicitations are published at www.fbo.gov, the federal government's procurement portal, which lists upcoming procurements valued at or over \$25,000. Companies wishing to compete for an open market contract must submit a bid or proposal to do the work. The agency then selects the best offer and awards the contract to the winning firm.

Small business set-asides

The Small Business Program helps assure that small businesses are awarded a fair proportion of government contracts by reserving certain government purchases exclusively for participation by small business concerns.

The determination to make a small business set-aside is usually made by the Contracting Officer (CO).

Under the set-aside program, every acquisition for supplies or services that has an anticipated dollar value exceeding \$3,500 (micro-purchase threshold) but not over \$150,000 (simplified acquisition threshold) is automatically reserved for

small businesses, unless there is not a reasonable expectation that offers will be obtained from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery. If one acceptable offer is received, the CO is required to make the award to that firm. If no acceptable offers are received, the set-side will be withdrawn, and goods or services may be solicited on an unrestricted basis.

For contracts over \$150,000, the CO is required to set it aside if there is a reasonable expectation that offers will be obtained from at least two responsible small business concerns and that the award will be made at fair market prices. In some cases, the CO will first do market research by issuing a “Sources Sought Notice” asking for small businesses to respond with a brief written statement of their qualifications to provide a particular good or service. If the CO determines that at least two competitive offers will be received, the procurement will be set aside. The agency can also set aside a procurement for a particular type of small business such as a HUBZone (a small company that operates and employs people in Historically Underutilized Business Zones) or an SDVOSB (a service-disabled veteran-owned small business).

Government Purchase Card

Federal government agencies began using the purchase card in the late 1980s as a way to acquire small-dollar items in a more efficient manner than open market acquisitions.

The Bureau has a Purchase Card program where holders can go directly to the supplier or service provider for their micro-purchase (i.e., under \$3,500) needs.

GSA Schedules

Federal agencies often select potential vendors from the General Services Administration (GSA) Schedules, also referred to as Multiple Award Schedules or Federal Supply Schedules (FSS). Administered by the GSA, the schedules deliver millions of commercial supplies and services at volume discount pricing to government purchasers.

Whether your firm sells everyday items like cleaning supplies or provides specialized services like language translation or event planning, the schedules likely have a contract category that fits your business. To be listed on the GSA Schedules, contractors must offer to sell their products or services to the government at what the GSA considers to be a fair and reasonable price. Federal agencies throughout the government may then buy from the vendor at the schedule-listed price or ask listed vendors to compete for specific procurements.

Becoming a schedule contractor is a multi-step process and can take several months to complete. More information: www.gsa.gov/portal/category/100635.

Sole source procurements

The government may also award a contract to a company without holding a competition. This kind of award is called a sole source and is available only under special circumstances (e.g., only one firm can perform the work, national security concerns) set out in federal law.

Subcontracting

Small firms can partner with other companies that have government contracts or are bidding as prime contractors. Smaller companies often fill niches that complement a prime contractor's services. Large firms bidding on contracts valued at \$700,000 (\$1.5 million for construction) or more, and that have subcontracting possibilities, must submit an acceptable subcontracting plan that set percentage (based on the contract's total value) and dollar goals for the award of subcontracts to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone, small disadvantaged business and women-owned small business concerns.

Subcontracting can present minority-owned, women-owned and small businesses with opportunities that might otherwise be unattainable because of limited resources, staffing, capital, or experience.

Working with the federal government

Federal government contracts represent a tremendous sales and revenue opportunity for all businesses, but especially minority-owned, women-owned and small businesses because: the U.S. Government is the world's largest customer; it buys all types of products and services in both large and small quantities; and it is required by law to provide opportunities for minority-owned, women-owned and small businesses.

Definition of Minority-Owned and Women-Owned Businesses (MWOBs)*

Includes both small and other than small businesses.

Minority:

An individual who falls within one or more of the following race and ethnic categories: Hispanic or Latino, Black or African American, Native Hawaiian or Other Pacific Islander, Asian, and American Indian or Alaska Native.

Minority-Owned Business:

- a. more than 50 percent of the ownership control is held by one (1) or more minority individuals; and
- b. more than 50 percent of the net profit or loss accrues to one (1) or more minority individuals.

* 12 CFR 4.62, Chapter I, Part 4, subpart D

Women-Owned Business:

- a. More than 50 percent of the ownership or control is held by one (1) or more women;
- b. more than 50 percent of the net profit or loss accrues to one (1) or more women; and
- c. a significant percentage of senior management positions are held by women.

Definition of a small business

A small business is a sole proprietorship, partnership, corporation, or other legal entity that meets the following criteria:

- Is organized for profit
- Has a place of business in the United States
- Makes a significant contribution to the U.S. economy by paying taxes or using American products, materials or labor
- Does not exceed the numerical size standard* for its industry (see table below for commonly used services by the Bureau)

CFPB's commonly used services

Industry group	Size standard*
Other computer related services (541519)	\$27.5M
All other information services (519190)	\$27.5M
Administrative management and general management consulting services (541611)	\$15M
Advertising agencies (541810)	\$15M
Computer systems design services (541512)	\$27.5M

Source: Small Business Administration

* Size standards are based on revenues over a 3-year period or as a number of employees over a 12 month period.

A complete list of size standards can be found at http://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf.

Small business eligibility

Under the Federal Acquisition Regulation (FAR), qualifying small businesses can receive preferences during the federal procurement process.

As mentioned previously, the CFPB and the other federal agencies establish annual goals for awarding contracts to small businesses. To help achieve these goals, the federal agencies use several preference programs authorized by the FAR. However, to be eligible for these programs, a firm must first demonstrate that it is considered a "small business" according to the FAR.

🗨️ What is the FAR?

Small businesses are highly encouraged to become familiar with the Federal Acquisition Regulation (FAR) before attempting to pursue federal contracts. The FAR is codified in Title 48 of the Code of Federal Regulations (CFR) and sets forth the requirements of contractors for selling to the government, as well as the rules for proposals and for the payment of invoices.

Part 19 of the FAR governs “Small Business Programs.”

This part describes programs giving preferences to small businesses to participate in federal procurements. You can read the FAR at www.acquisition.gov/FAR/.

Types of small businesses

Small businesses owned by socially and economically disadvantaged individuals can qualify for additional preferences in federal procurement.

Government agencies are required by law to award a percentage of contracts to small businesses. Agencies also set procurement goals for small, disadvantaged, HUBZone, woman-owned and service-disabled veteran-owned small businesses. To qualify as a small business under one of these socioeconomic categories, the company must fit the definitions set out by the Small Business Administration (SBA). These definitions are explained in the following pages.

Small Disadvantaged Businesses (SDB)

A small disadvantaged business is a small business that is owned and operated by one or more people that is considered

socially and economically disadvantaged. An individual is considered “socially disadvantaged” if they have been subjected to prejudice or bias based on their racial or ethnic identity. Individuals are seen as “economically disadvantaged” if their ability to compete in the economy has been impaired due to diminished capital and access to credit.

Businesses self-certify that they are SDBs in order to make them eligible for benefits in federal procurement. There are three ways to become certified as an SDB:

- All firms that are current participants in the SBA’s 8(a) Business Development Program are automatically deemed to be certified as SDBs
- Any firm may apply to the specific procuring agency stating they meet the eligibility standards of an SDB
- A procuring agency may accept a certification from another entity (e.g., a private certifying agency or a state or local government) that a firm qualifies as an SDB if the agency deems it appropriate.

African Americans, Native Americans, Hispanic Americans, Asian Pacific Americans and Subcontinent-Asian Americans are presumed to qualify. All individuals must have a net worth of less than \$750,000 excluding the equity of the business and primary residence.

8(a) Businesses

Some certified SDBs may also qualify for participation in the SBA’s 8(a) Business Development Program. This program helps SDBs compete in the federal and private sectors.

The focus of the program is to provide business development support such as mentoring, business counseling, training, financial assistance, surety bonding, and other management and technical assistance.

The major advantage of this program is that it allows the government to contract, on a noncompetitive basis, up to \$4 million per contract (\$7M for manufacturing) with 8(a) certified firms. Businesses must meet eligibility requirements established by the SBA each year www.sba.gov/contracting/government-contracting-programs/8a-business-development-program/eligibility-requirements.

Women-Owned Small Businesses (WOSB)

A women-owned small business is a small business that meets the following two conditions:

- At least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock is owned by one or more women
- Management and daily business operations are controlled by one or more women

Small businesses can self-certify with supporting documents or receive third-party certification with supporting documents.

Historically Underutilized Business Zone (HUBZone) businesses

The HUBZone program stimulates economic development and creates jobs in urban and rural communities by providing federal contracting preferences to small businesses. These

preferences go to small businesses that obtain HUBZone certification from the SBA.

To receive this certification, the firm must fill out an application that demonstrates that the firm meets the following criteria:

www.sba.gov/contracting/government-contracting-programs/hubzone-program

- It is a small business by SBA standards
- It is owned and controlled at least 51 percent by U.S. citizens, a Community Development Corporation, an agricultural cooperation, or an Indian tribe
- Its principal office is located within a HUBZone, which includes lands considered “Indian Country” and military facilities closed by the Base Realignment and Closure Act
- At least 35 percent of its employees reside in a HUBZone

In addition to determining which businesses are eligible to receive HUBZone contracts, the SBA maintains a listing of qualified HUBZone small businesses that federal agencies can use to locate vendors. See the Dynamic Small Business Search (DSBS), http://dsbs.sba.gov/dsbs/search/dsp_searchhubzone.cfm.

Service-Disabled Veteran-Owned Small Businesses (SDVOSB)

To qualify as a SDVOSB, a business must be at least 51 percent owned by one or more service-disabled veterans. If a veteran has a permanent service-connected disability and the firm is run by a spouse or permanent caregiver, the firm can still qualify for this status.

As with small businesses in general, the SBA places the responsibility for certifying whether a business is a SDVOSB on the firm itself. To qualify as a SDVOSB, the firm must self-certify that

- At least 51 percent of the business is owned by one or more service-disabled veterans
- Management and daily business operations are controlled by one or more service-disabled veterans.

Self-certification for SDVOSBs can be supported by presenting a Defense Department Form 214 which states the owner has a service-connected disability and a letter from the U.S. Department of Veteran Affairs (VA).

Contracts are awarded through a sole-source or set-aside based on competition restricted to SDVOSBs (outlined in FAR 19.1405 and 19.1406).

Veteran-Owned Small Businesses (VOSB)

To qualify as a Veteran-Owned Small Business, a business must be:

- At least 51 percent owned by one or more eligible veterans
- Or, in the case of any publicly owned business, at least 51 percent of the stock is owned by one or more veterans and whose management and daily business operations are controlled by such veterans.

Certification requirements for different business types

Type of business	Entity responsible for certification	Certification procedure
MWOBs, including, but not limited to, small	Self-certification	Register on SAM Register with CFPB OMWI
General small business	Self-certification	Register on SAM Register on SBA's Dynamic Small Business Search (DSBS)
SDB, 8(a), HUBZone	SBA	Complete application form on SBA
WOSB	Self-certification*	Register on SAM Register on SBA's Dynamic Small Business Search (DSBS)
SDVOSB	Self-certification	Be able to produce DD Form 214 if contested, as well as receive disability rating from VA

*WOSBs may self-certify or elect to use the services of these SBA-approved Third Party Certifiers to demonstrate eligibility.

SAM: System for Award Management (www.sam.gov/portal/SAM/#1)

El Paso Hispanic Chamber of Commerce (www.elpaso.org)†

National Women Business Owners Corporation (www.nwboc.org/)†

Minority Business Enterprises (MBEs) (www.nmsdc.org/mbes/what-is-an-mbe)

† Small Business Enterprises (SBEs)-Not directly covered by OMWI outreach; covered by the nongovernmental websites in this document are provided for informational purposes only and do not represent the official views of the CFPB or other Federal government agencies.

Contracting with the federal government

To become eligible for a small business preference, a firm must:

1. Obtain a DUNS identification number

DUNS stands for Data Universal Numbering System. It is a system developed and regulated by Dun & Bradstreet (D&B) and is recognized as a universal standard for identifying and tracking over 100 million businesses worldwide. To get a DUNS number, contact D&B at (888) 814-1435 or visit www.dnb.com/us.

2. Register on the System for Award Management (SAM)

Businesses are required to register on SAM so they can do business with the federal government. They can also update or renew their entity registration, check status, and search for an entity registration and exclusion records.

3. If applicable, register with the Small Business Administration's (SBA) Dynamic Small Business Search (DSBS) page via SAM.gov

The SBA is a United States government agency that provides support to entrepreneurs and small businesses. More details about these steps can be found in the following pages.

The CFPB proposal process for contracting opportunities

Follow the four high-level steps below to start the proposal process for responding to CFPB contracting opportunities:

1. Register	Register with the System for Award Management (SAM) and Small Business Administration, if applicable
2. Identify	Identify your company based on any applicable minority-owned, women-owned or small business categories including small disadvantaged, women-owned, service-disabled veteran-owned, and/or historically underutilized business zones
3. Contact	Contact the Office of Procurement, CFPB_ procurement@cfpb.gov and OMWI, CFPB_ omwi@cfpb.gov, to introduce your company and its business capabilities
4. Respond	View fbo.gov and respond to a CFPB request for information, proposal, or quotation.

Register with SBA and SAM

Gain eligibility on contract vehicles through the General Services Administration (GSA) Federal Supply Schedule (FSS) and National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP).

Registering with SAM

All government contractors must be registered on the System for Award Management (SAM).

How to register

To register at <http://www.sam.gov/portal/public/sam> you will need the following information:

- Obtain a Data Universal Number System (DUNS) Number from <http://fedgov.dnb.com/webform>
- Obtain a Federal Tax ID Number, Employer ID Number (EIN), and Taxpayer ID Number (TIN) from <http://www.irs.gov>
- Identify NAICS code(s) based on business capabilities at <http://www.census.gov/eos/www/naics>
- Provide a bank account number and routing number for electronic payments

Competing for a GSA FSS contract

Your business is eligible to obtain a GSA Federal Supply Schedule (FSS) contract once you have registered with SAM.

How to register

To register at <http://www.gsa.gov/gettingonschedule> you will need the following information:

- Get a DUNS Number from <http://fedgov.dnb.com/webform>
- Complete the Readiness Assessment for Prospective Offerors at www.vsc.gsa.gov/RA/ReadinessAssessment.pdf

- Update your Past Performance Evaluation – Register with Open Ratings and provide contact information for 6 to 20 of your customers www.ppereports.com
- Compete for a GSA FSS contract and then respond to a solicitation

Becoming a SEWP prime contract holder or subcontractor

If you offer information technology products and product based services, becoming a SEWP prime contract holder or a subcontractor is highly encouraged.

About SEWP

Solutions for Enterprise-Wide Procurement (SEWP) is a Government-Wide Acquisition Contract (GWAC) comprised of a set of pre-competed firm-fixed-price contracts.

It is managed by the National Aeronautics and Space Administration (NASA) and authorized by the U.S. Office of Management and Budget (OMB).

The current SEWP V period of performance ends 30 April 2025 and no new prime contract holders will be added until the new competition. However, current prime contract holders may add new subcontractors during the current period of performance. Contact a prime contract holder directly for more information (see www.sewp.nasa.gov/sewp5public/contractholders#/contractholderslist).

Tips for doing business with the CFPB

1. Familiarize yourself with the Bureau, its objectives and goals, and its commonly used products and services (including their NAICS codes).
2. Research NAICS codes and determine which one(s) apply to your business.
3. A firm can qualify as a business concern or qualify for a business concern program, but know which business concern(s) your firm can qualify for (i.e. minority-owned, women-owned and/or small business concerns – SDB, WOSB, etc.), and consider taking any required steps to document your qualifications.
4. Update your business profile and past performance information on SAM and the SBA's Dynamic Small Business Search (DSBS) database.
5. Consider taking steps to get on GSA Federal Supply Schedule(s) applicable to your business.
6. Routinely check FedBizOpps and the CFPB website for opportunities.
7. Contact the CFPB's Office of Procurement, CFPB_Procurement@cfpb.gov or OMWI, CFPB_OMWI@cfpb.gov.
8. Be responsive to requests for additional information.

Additional resources

Organization	Website
U.S. Department of Commerce: BusinessUSA	www.business.usa.gov
U.S. General Services Administration	www.gsa.gov
U.S. Department of Treasury: Small Business Lending	www.treasury.gov/osdbu
U.S. Department of Veteran’s Affairs	www.va.gov
Small Business Administration	www.sba.gov
Small Business Counseling	www.score.org †
Minority Business Development Agency	www.mbda.gov
US Women’s Chamber of Commerce	www.uswcc.org †
Women’s Business Enterprise National Council (WBENC)	wbenc.org †
SBA’s Dynamic Small Business Search (DSBS)	dsbs.sba.gov/dsbs/search
CFPB Supplier Diversity	CFPB_OMWI@cfpb.gov
Government Contracting Classroom	www.sba.gov/ gcclassroom
Contract Responsibilities	www.sba.gov/content/ contract-responsibilities
DLA Procurement Technical Assistance Centers (PTACs)	www.dla.mil/HQ/ SmallBusiness/PTAP.aspx

For more information, email:
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