

Maximize Small Business Participation in Government Contracting

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Theme: Community and Regional Development

Overview

Goal Statement

- The SBA can help small businesses win Federal contracts set aside for them. By September 30, 2019, maximize the percent of federal contracts by exceeding the 23 percent awarded to small businesses

Challenge

- For the last 4 fiscal years, the Federal Government awarded at least 23 percent of contract dollars to small businesses. However, some federal agencies do not meet their agency specific small business contracting goals.
- Agency buying offices may not be fully aware of the benefits of small business contracting or the set-aside requirements.

Opportunity

- The SBA has placed special attention to ensure that the statutory goal is not only met but maximized through targeted outreach to federal agencies and promotion of contracting opportunities to small businesses

Leadership

Core Team:

Office of Government Contracting

- Associate Administrator/Deputy Associate Administrator
- Office of Policy, Planning & Liaison, Director (Policy and Data)
- Office of Government Contracting, Director (Contracting)
 1. Procurement Center Representatives

Goal Structure & Strategies

- Focus on the U.S. Department of Defense (DoD) since they are the key driver in making goals
- Partner with core agencies with substantial small business eligible spend, through surveillance reviews of buying activities, sharing best practices, and providing guidance
- Utilize the Small Business Procurement Advisory Council (SBPAC) which includes the Directors of Office of Small and Disadvantaged Business Utilization from all of the agencies, and provides each agency with their small business goal, monitors monthly performance and shares best practices
- Increase outreach to small businesses promoting SBA contracting programs and opportunities

Goal Structure & Strategies

External Factors and Mitigation Strategies

- A lack of effective coordination with contributing partners both within and external to the agency; emphasis will be placed on strengthening core partnerships
- A lack of effective influence over key partners; senior leadership will engage at all levels for each agency
- Major administrative management challenges such as inadequate financial information, information technology, or acquisition capabilities; communication and information sharing will continue throughout the year
- Category Management and other consolidations of contracts due to reductions in acquisition personnel or other factors may contribute to reduced opportunities for small business; training and outreach will continue throughout the year
- An agency's primary focus is on its mission, so to that extent small business must contribute towards mission accomplishment in order for a contract to be awarded to a small business; best practices will be shared across agencies

Summary of Progress – FY18 Q2

- As of March 31, the Federal Government has achieved a small business contracting rate of 22.1%; exceeding last year at this date. (see charts in following slides)
- Service Disabled Veteran-owned and Small Disadvantaged are above goal at 3.6% and 7.8%, respectively. HUBZone and Women-owned are below goal at 1.5% and 3.9%, respectively. (see charts in following slides)
- The Big 7 agencies constitute 91% of total dollars. DoD, DOE, HHS, NASA, and DHS are under goal; VA and GSA are above goal. (see charts in following slides)
- The Federal Government has awarded \$39.8 billion in contracts to small businesses, more than the prior two fiscal years. (see charts in following slides)

Key Milestones

The SBA will follow four strategies: 1) partner with other agency small business utilization offices, 2) conduct surveillance reviews, and 3) educate and train procurement center representatives; and 4) develop scorecards and analysis to inform senior leadership.

Milestone Summary				
Key Milestone	Milestone Due Date	Milestone Status	Owner	Comments
FY18 Q2: Chair three SBPAC meetings, provide updates on programs, and share best practices	3/31/18	Completed	G CBD	
FY18 Q2: Join training event with DoD PCR specialists	3/31/18	Completed	G CBD	
FY18 Q3: Chair three SBPAC meetings, provide updates on programs, and share best practices	6/30/18	On track	G CBD	
FY18 Q3: Release FY17 Small Business Procurement Scorecard	6/30/18	On track	G CBD	
FY18 Q4: Chair three SBPAC meetings, provide updates on programs, and share best practices	9/30/18		G CBD	
FY18 Q1: Work with 24 CFO-Act agencies to set small business procurement goals for FY 2018 (start FY18 Q3)	12/31/18		G CBD	
FY18 Q1: Chair three SBPAC meetings, provide updates on programs, and share best practices	12/31/18		G CBD	
FY18 Q2: Chair three SBPAC meetings, provide updates on programs, and share best practices	3/31/19		G CBD	
FY18 Q2: Conduct Surveillance Reviews (30 in FY18)	9/30/18		G CBD	
FY18 Q3: Release FY18 Small Business Procurement Scorecard	6/30/19		G CBD	
FY18 Q3: Chair three SBPAC meetings, provide updates on programs, and share best practices	6/30/19		G CBD	
FY18 Q4: Chair three SBPAC meetings, provide updates on programs, and share best practices	9/30/19		G CBD	
Outreach events	TBD		G CBD	
Target marketing campaigns	TBD		G CBD	

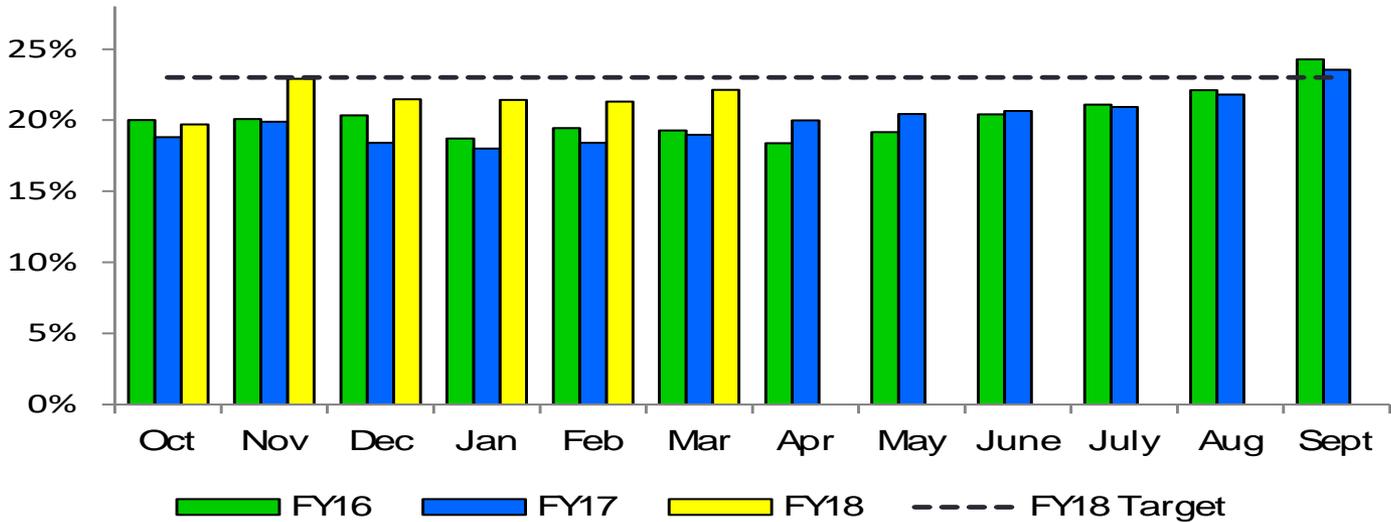
Key Indicators

- Key Indicator: Percent of federal prime contracting dollars awarded to Small Businesses
 1. FY 2019 Target: 23%
 2. FY 2016 Baseline: 24.34%
- Indicators: Percent of prime and subcontracts to Small Disadvantage Businesses
- Indicators: Percent of prime and subcontracts to Women-Owned Small Businesses
- Indicators: Percent of prime and subcontracts to HUBZone Small Businesses
- Indicators: Percent of prime and subcontracts to Service-Disabled Veteran-Owned Small Businesses
- Indicators: Number of jobs supported from federal contracts to small businesses

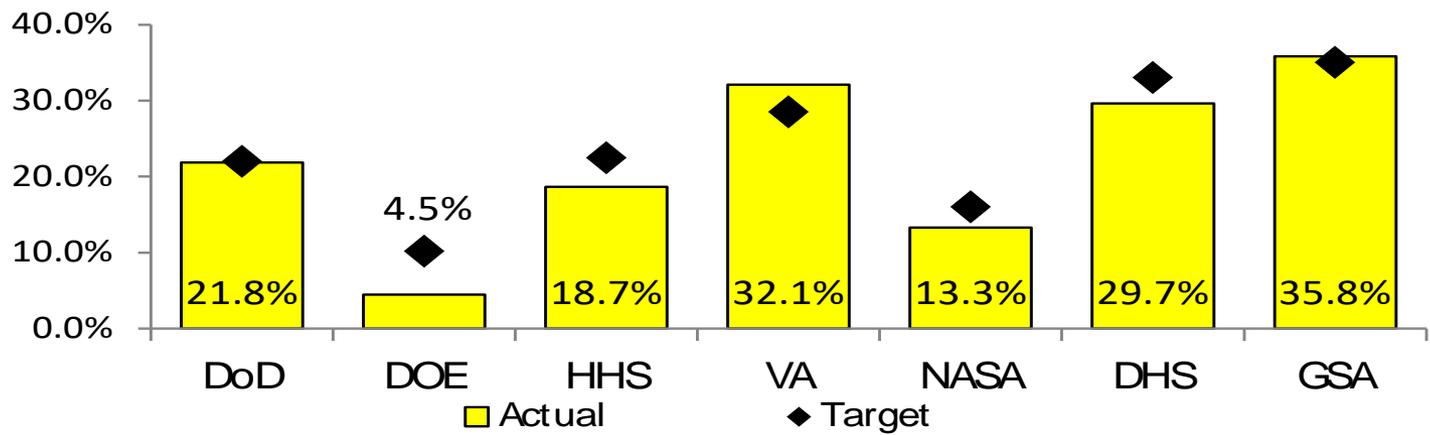
Category	SB Contract \$ (in Billions)	Percentage of total dollars	% Goal
Government-Wide Small Business	\$16.8	21.48%	23%
Small Disadvantaged Business	\$5.7	7.39%	5%
Service-Disabled, Veteran-Owned Small Business	\$2.9	3.80%	3%
Women-Owned Small Business	\$2.9	3.71%	5%
HUBZone	\$1.0	1.35%	3%

Key Indicators

Percent of contracting dollars awarded to small business

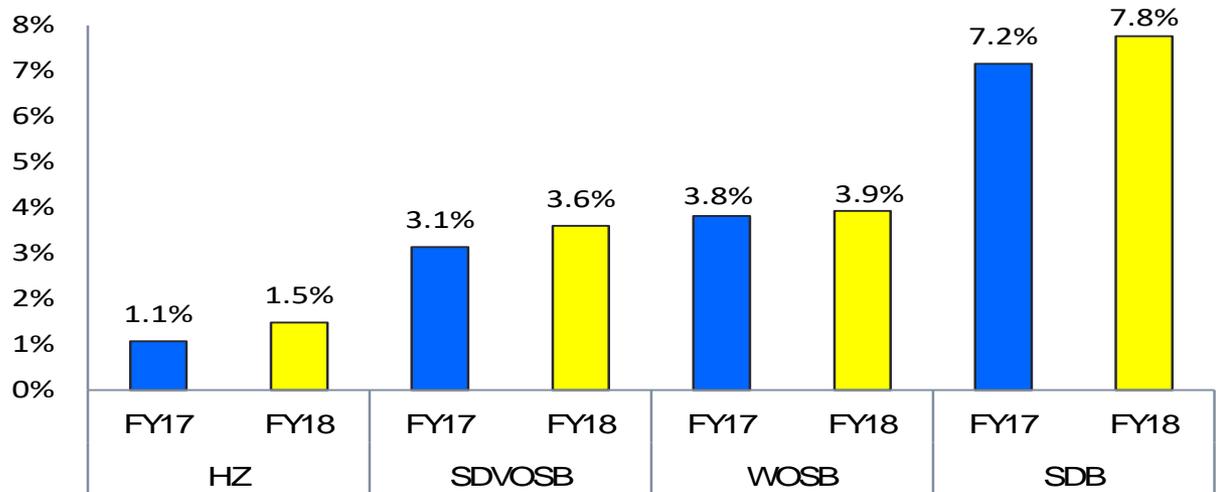


Percent of big 7 agencies meeting small business set-aside goals

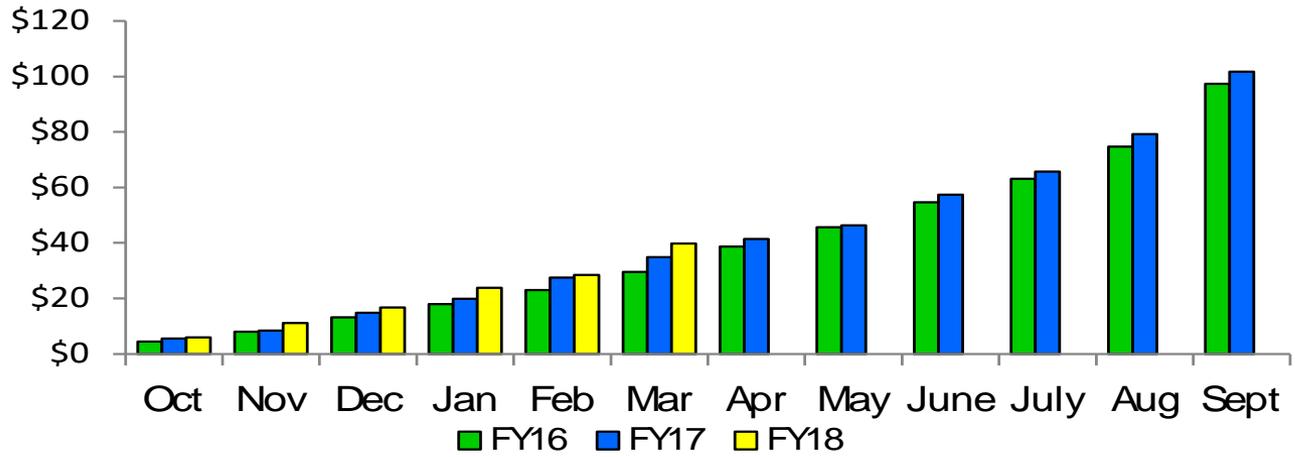


Key Indicators

Percent of federal contracting dollars awarded to sub-goals



Cumulative dollar (billions) of contracts awarded to small business



Data Accuracy and Reliability

- Award of contracts are recorded in the Federal Procurement Data System–Next Generation (FPDS–NG). Data is entered into FPDS–NG by the contracting officer or other acquisition staff, manually or by transmission from contract writing system.
- Responsibility for determining the accuracy, reliability, and quality of data reported in FPDS–NG rests with reporting agencies. However, the SBA routinely reviews FPDS–NG data and provides guidance to agencies to increase data reliability and timeliness. Agencies must attest to data reliability to the Director of Office of Federal Procurement Policy.
- Responsibility for data integrity rests with reporting agencies. Data is entered into FPDS–NG by import from contract writing applications and manually. It is subject to data entry error; however, logical edits are built into the system to mitigate some data limitations. Additionally, each agency must certify to the data quality in FPDS–NG annually to OMB.
- Unofficial data is available the next day after entry. Official data is not available until the third quarter of the next fiscal year.

Additional Information

Contributing Programs

- SBA Office of Government Contracting
 1. Office of Policy, Planning & Liaison
 2. Office of Government Contracting Procurement Center Representatives
 3. Office of Small and Disadvantaged Business Utilization
- Small Business Procurement Advisory Council (SBPAC)
- Office of Small and Disadvantaged Business Utilization (in each federal agency)
- 24 CFO Act Federal Agencies

Stakeholder / Congressional Consultations

The SBA met with authorizing and appropriating committees in Congress to review its FY 2018-2019 Agency Priority Goals. It conducted outreach and incorporated comments from stakeholders.