



Agency Priority Goal Action Plan

Increase Federal Contracts to Disadvantaged Small Businesses

Goal Leaders:

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Overview

Goal Statement

- Increase the number of 8(a)-certified firms receiving federal contracts. By September 30, 2019, increase by 10 percent the number of 8(a)-certified firms awarded federal contracts

Challenge

- While the SBA has streamlined the 8(a) application process to encourage greater participation, the number of disadvantaged small businesses winning federal contract bids has not grown evenly
- Federal agency buying offices and SBA district offices may not be aware of the needs to expand federal contracts to a large number of small businesses
- Additional technical assistance may be necessary for entrepreneurs seeking to compete in the federal contracting marketplace

Opportunity

- Business Opportunity Specialists located in 68 district offices, Procurement Center Representatives located in SBA area offices, and acquisition specialists located in the other federal agency offices of small disadvantaged business utilization, the SBA seeks to increase the number of disadvantaged (8(a)-certified) small businesses winning federal contracts

Leadership

Core Team:

- Office of Government Contracting and Business Development
 - Associate Administrator/Deputy Associate Administrator
 - Office of Business Development, Director (8(a) Certification Processing)
 - Office of Government Contracting, Director and Area Directors (Contracting)
 - Office of Policy, Planning & Liaison, Director (Policy and Data)
- Office of Field Operations
 - Associate Administrator/Deputy Associate Administrator
 - Regional Administrators
 - District Directors
 - Business Opportunity Specialists

Goal Structure & Strategies

- Support the needs of 8(a) program participants by strengthening business development opportunities through increased contracting opportunities
- Train SBA's District Directors and Business Opportunity Specialists on federal small business goals and the goaling process
- Train other federal agency offices of small business utilization and their assigned contracting specialists on SBA's small business programs
- Hold monthly conference calls with District Directors and Business Opportunity Specialists to answer questions and provide direction
- Train on the use and benefit of the Partnership Agreement on the Delegation of our 8(a) Authority
- Establish relationships between Business Opportunity Specialists and Procurement Center Representatives

Goal Structure & Strategies

External Factors and Mitigation Strategies:

- Declining Federal Budgets may impact contracting opportunities;
- New policies like Category Management and Strategic Sourcing Procurement Initiatives
- Mandatory Sources
- Consolidated Procurements
- Difficulty of Firms Obtaining Agency Security Clearances
- District offices may not retain a Business Opportunity Specialist or Procurement Center Representative and need to retrain; consistent and regular training will be necessary

Key Indicators

Key Indicator: Number of 8(a)-certified firms receiving federal contracts

- FY 2018 Target = 3,592 8(a) firms having received a federal contract
- FY 2019 Target = 3,771 8(a) firms having received a federal contract

Baseline: Total Number of firms, at the end of the FY 2017, with an 8(a) award is 3,421

Historically, few 8(a) contracts are awarded during the 1st quarter of a given fiscal year and overall small business contracting accelerates during the 4th quarter.

Summary of Progress – FY 2019 Q3

- Through FY 2019, 385 active 8(a)-certified firms from the Priority Goal baseline portfolio received their first federal contract, achieving the 2-year target for firms in the program without awards (340). 8(a) contract awards are progressing along a similar timeline to FY 2018. Note: DoD-reported awards have a data lag of 90 days by statute. (see charts in following slides).
- Of the 8(a) firms with awards, 962 have contracts that are in the \$10-50 million range, accounting for the highest total dollar amount. However, firms with less than \$5 million over the nine-year period account for 52% of the number of firms with awards. (see charts in following slides).
- 8(a) contract awards for active firms are concentrated in Regions 3 and 10. Regions 4, 6, and 9 are also significant contributors to 8(a) awards. These five regions account for 86% of all 8(a) contract awards to active firms over the period FY 2010 – 2019 year to date. (see charts in following slides).
- Collaborated with other agencies' Office of Small and Disadvantaged Business Utilization to provide training and share best practices for small businesses to navigate the federal acquisition process.
- Provided outreach services on the 8(a) BD program by attending DOD Small Business Conference and Department of Treasury Small Business Conference.
- Revised SOP 80 05 6 that incorporated additional requirements for eligibility and refined the application review process to establish pre-screening.

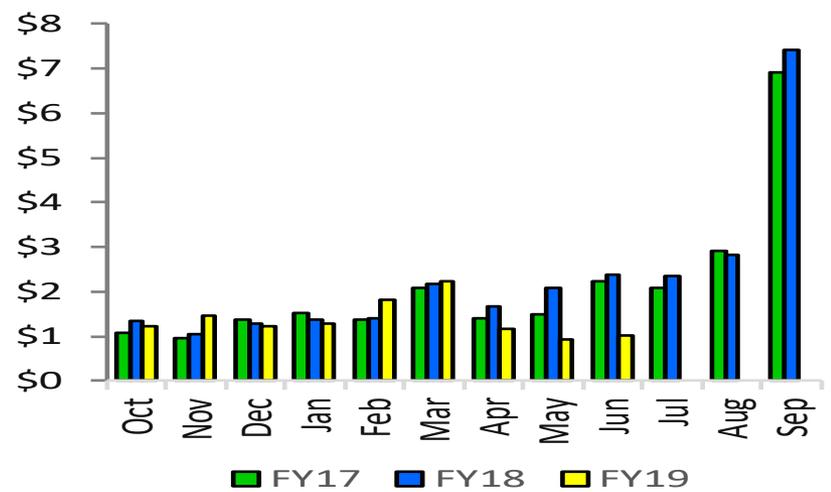
Key Indicators

| Quarterly targets | Number of 8(a) Firms |
|-------------------|----------------------|
| <u>FY18 Q1</u> | 0 |
| <u>FY18 Q2</u> | 57 |
| <u>FY18 Q3</u> | 57 |
| <u>FY18 Q4</u> | 57 |
| <u>FY19 Q1</u> | 0 |
| <u>FY19 Q2</u> | 59 |
| <u>FY19 Q3</u> | 59 |
| <u>FY19 Q4</u> | 60 |

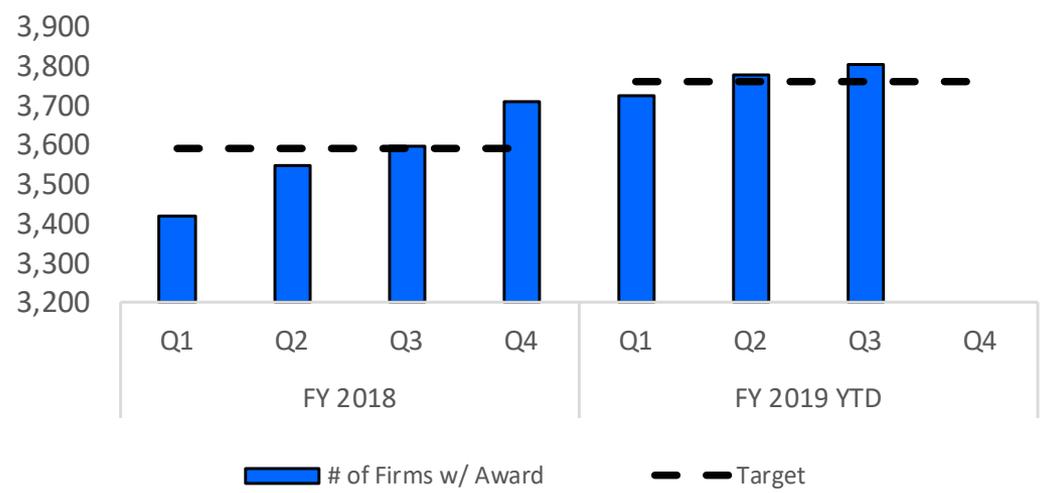
| FY 2018 – 2019 Priority Goal Tracking | # of firms |
|---|------------|
| 8(a) firms with awards in 2017 (baseline) | 3,421 |
| Two-year priority goal target # of 8(a) firms | 3,761 |
| Priority goal increase in FY '18 – '19 | 340 |
| Unique 8(a) firms with first-time awards in Q3 FY19 (cumulative) | 385 |
| Remaining 8(a) firms to reach two-year priority goal | 0 |

Key Indicators

8(a)- Certified Contract Awards (billions) by Month

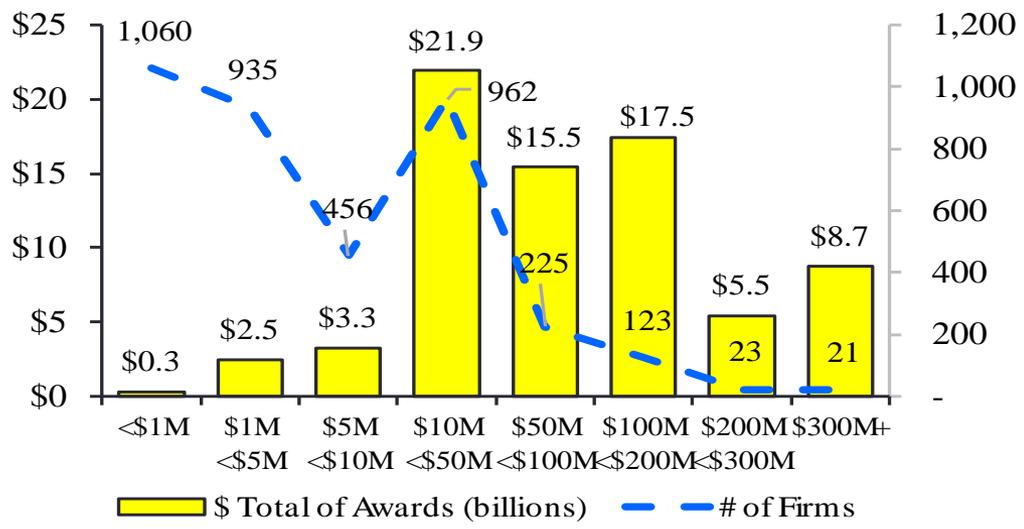


Number of 8(a) firms with contract awards

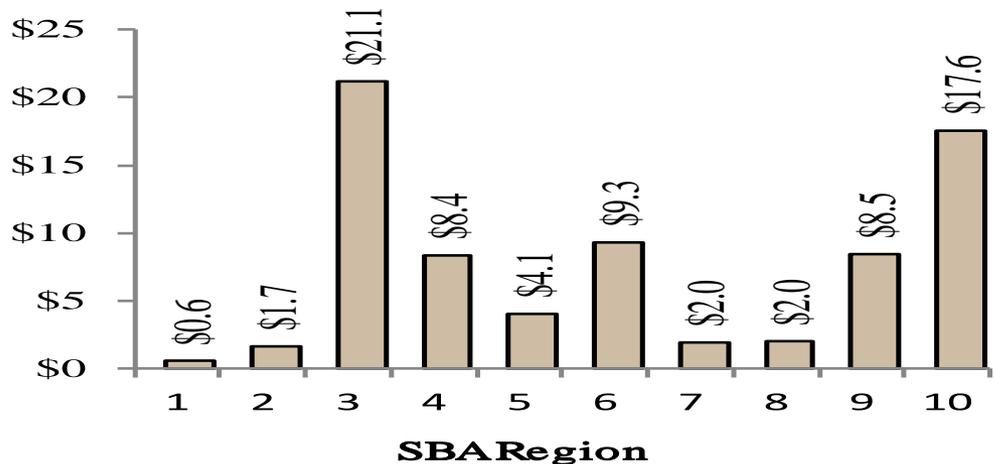


Key Indicators

Contract award total size ranges: FY 2010 – 2019 YTD



8(a) Awards (billions) FY 2010 – 2018 by SBA Region of Firm Location



Key Milestones

| Milestone Summary | | | | |
|---|--------------------|------------------|----------|--|
| Key Milestone | Milestone Due Date | Milestone Status | Owners | Comments |
| FY19 Q3: Train SBA DDs on the principals of government contracting and on new small business regulations | 6/30/19 | completed | GCBD/OFO | |
| FY19 Q3: Implement monthly conference calls between BOSs/PCRs and 8(a) headquarter personnel | 6/30/19 | completed | GCBD/OFO | |
| FY19 Q3: Assess progress and adjust plan and training based on district and 8(a) firm feedback, if necessary | 6/30/19 | completed | GCBD/OFO | |
| FY19 Q3: Utilize 7(j) Management and Technical Training funds to train and counsel 8(a) firms on federal procurement | 6/30/19 | completed | GCBD | Launched new 7(j) training curriculum for 8(a) firms |
| FY19 Q4: Train SBA DDs on the principals of government contracting and on new small business regulations | 9/30/19 | | GCBD/OFO | |
| FY19 Q4: Implement monthly conference calls between BOSs/PCRs and 8(a) headquarter personnel | 9/30/19 | | GCBD/OFO | |
| FY19 Q4: Assess progress and adjust plan and training based on district and 8(a) firm feedback, if necessary | 9/30/19 | | GCBD/OFO | |
| FY19 Q4: Utilize 7(j) Management and Technical Training funds to train and counsel 8(a) firms on federal procurement | 9/30/19 | | GCBD | |

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.

FPDS data is not certified for accuracy by federal buying activities until the 3rd quarter of the following year.

Historically, few 8(a) contracts are awarded during the 1st quarter of a given FY and overall small business contracting is accelerated during the 4th quarter.

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 and Business Development
 - 8(a) Business Development
 - 7(j) Management and Technical Training
 - Small Business Procurement Advisory Council
- SBA Office of Field Operations
 - District Directors
 - Business Opportunity Specialists
- Government Contracting Procurement Center Representatives
 - Area Directors
 - Procurement Center Representatives
- Federal Agency Office of Small Business Utilization
 - Contracting specialists

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 key stakeholders.