

Small Business Procurement Scorecard February 2008

U.S. Office of Personnel Management Input



Contents

<u>Topic</u>	<u>Page</u>
1. Implemented strategic plan to increase the number of <i>competitively</i> awarded contracts to small businesses during the period.	2
2. Demonstrated top-level Agency commitment to small business contracting during the period.	3
3. Planned significant events to increase small business participation in the procurement process during the period.	4
4. Demonstrates that small business data is accurately reported in FPDS-NG during the period.	5
5. Demonstrates that policies and procedures are in place to insure compliance with subcontracting plans and attainment of subcontracting goals during the period.	6
6. Demonstrated no unjustified bundling has taken place during the period.	7
7. Planned training to contracting staff/managers in executing small business/socioeconomic procurements during the period.	8
8. Planned to collaborate with SBA on formulation of small business procurement policy initiatives during the period.	9
9. Agency submits by attachment copies of all strategic plans that became due to SBA during the reporting period.	10
Attachments	11

1. Implemented strategic plan to increase the number of *competitively* awarded contracts to small businesses during the period.

- a. Contracting Policy No. 19.2, Small Business Participation in Agency Acquisitions, was approved by the U.S. Office of Personnel Management's (OPM's) Senior Procurement Executive January 11, 2008, and has been implemented by the Contracting group. A copy is attached for your reference. This policy supplements most of Part 19 of the Federal Acquisition Regulation (FAR) and includes such topics as:
- Roles and responsibilities of all personnel associated with the small business program;
 - Small business program goals;
 - Encouraging small-business participation in all types of acquisition;
 - Market research;
 - An anti-bundling strategy;
 - Outreach activities;
 - Acquisition reviews; and
 - The 8(a) program.

The policy represents our strategic plan to continually increase the number of competitively awarded contracts to small businesses. Here are some of the relevant parts of the policy, and how we intend to meet the requirements during fiscal year (FY) 2008:

- Prepare an annual forecast of contract opportunities, which identifies each anticipated purchase in excess of \$100,000, and post it on OPM's public website (paragraph 1)b)ii) on page 5). The currently-posted forecast dates from September 2003, and accompanies a guide for small businesses on how to do business with OPM. We believe that such information represents the critical first step in attracting small business participation in our acquisition process, and are in the process of updating both the forecast and the guide for re-posting in FY 2008.
- Have the Contracting Group's Small Business Technical Advocate (SBTA) either host or participate in small business Vendor Outreach Sessions (VOS), in order to provide the small business community the opportunity to meet with the SBTA to discuss their capabilities and learn of potential procurement opportunities (paragraph 3)e)iii) on page 13). At present, resource constraints prevent us from hosting a VOS on our own. However, we plan to participate whenever possible in vendor outreach activities hosted by other agencies, such as those planned for SBA's National Small Business Week in April 2008.
- Develop and maintain a program to identify small business, HUBZone small business, small disadvantaged, women-owned small business, veteran-owned, and service disabled veteran-owned sources (paragraph 1)b)vii) on page 3). Our current practices, which we plan to continue throughout FY 2008, consist of the following:

- i. Regularly advising all buying personnel of the qualifications of small businesses that offer products or services we buy, particularly those businesses in categories for which we have not met our goals.
 - ii. Alerting all buying personnel to Governmentwide sources of small business participation, such as the GSA's contracts with service-disabled, veteran-owned small businesses, and the new Aliant contract.
 - iii. Continually reminding buying personnel to use small business sources when buying products or services from the GSA Federal Supply Schedule contracts.
 - iv. Holding an annual Acquisition Planning Conference for all of OPM's acquisition personnel, reminding the participants of the importance of maximizing the opportunities we provide to small businesses. This year's conference is currently planned for March 26 and 27, 2008,
- Have the Contracting Group's Small Business Technical Advocate (SBTA) assist program managers as early as possible in the acquisition cycle to identify potential small business sources, including arranging for and attending marketing presentations by such firms (paragraph 1)b)xii) on page 4), and review all plans for acquisitions above the micropurchase threshold to assist in a number of ways with setting aside acquisitions for small business participation whenever possible (paragraphs 1)b)i) and ii) on page 3). Again, we will continue this throughout FY 2008.
- b. A companion Contracting Policy No. 19.7, The OPM Small Business Subcontracting Program, is currently in draft. It will supplement FAR Subpart 19.7 by formalizing the Contracting Group's small business subcontracting program. Item 3 below contains a more extensive discussion.

2. Demonstrated top-level Agency commitment to small business contracting during the period.

- a. The Contracting Policy described in Item 1 above requires appointment of a Director of Small and Disadvantaged Business Utilization (DSDBU) who reports directly to the OPM Director. This continues our previously unwritten policy. At present we have no DSDBU, due to changes in staffing at the Associate Director level. In the interim, our Senior Procurement Executive – who is also an Associate Director – is serving in the capacity of DSDBU.

- b. In addition, the OPM Director remains committed to serving the needs of our customers by maintaining a public website containing all information of importance to them. The guide for small businesses described in Item 1 above is posted on this website.

Comment [O1]: SBA comment: currently no DSDBU and position has been vacant for some time

Comment [O2]: OPM response: OPM DOES have a DSDBU. Our Associate Director for the Management Services Division and Chief Human Capital Officer, who is also OPM's Senior Procurement Executive, is serving in that capacity. The Associate Director reports directly to the OPM Director.

3. Planned significant events to increase small business participation in the procurement process during the period.

Comment [O3]: SBA comment: no planned events

Comment [O4]: OPM response: We plan to participate in SBA's National Small Business Week, and any other similar events that we can participate in. We also plan to use our annual Acquisition Planning Conference to emphasize our small business program in general.

- a. The strategic plan associated with the Contracting Policy described in Item 1 above prescribes our overall program for increasing small business participation in our procurement process. Here is a summary of the key components, most of which were previously discussed:
- Maintaining an up-to-date guide for small businesses who wish to do business with OPM, including an acquisition forecast;
 - Advising and counseling small business firms on acquisition matters and assistance available from other Federal agencies, and provide OPM literature to those businesses.
 - Assisting acquisition personnel in finding small businesses capable of providing the goods and services we need;
 - Reviewing all determinations not to set aside acquisitions for small business participation, and challenging these decisions when appropriate;
 - Implementing a formal anti-bundling strategy (see Item 6 below); and
 - Participating whenever possible in vendor outreach activities, such as those planned for SBA's National Small Business Week in April 2008.
- b. In the time since we submitted our input for the previous Small Business Procurement Scorecard, our Deputy Associate Director for Contracting, Facilities, and Administrative Services, together with the Director of the Contracting Group and the Contracting Group's Small Business Technical Advocate, visited the Directors of the Office of Small and Disadvantaged Business Utilization at two other Government agencies, in order to obtain their advice on the full range of activities that constitute a successful small business program. We are in the process of assessing and implementing their suggestions.
- c. We will use the next OPM-wide Acquisition Planning Conference, described in Item 1 above, to emphasize all of the actions described above.

4. Demonstrate that small business data is accurately reported in FPDS-NG during the period.

- a. On September 24, 2007, OPM's Senior Procurement Executive approved, and the Contracting Group implemented Contracting Policy No. 4.602(a), Federal Procurement Data System. A copy of the policy is attached. It governs entry of all data into the Federal Procurement Data System by Contracting Group personnel, and is key to the accurate reporting of small business information. It requires two key methods of assuring accuracy in data entry: (1) Contracting officer review of all data entries at the time they are made; and (2) Annual third-party verification and validation of data entries.
- b. We have also implemented monthly verification of Federal Procurement Data System data that will be transferred to the new system associated with the Federal Funding Accountability and Transparency Act. This will provide an extra verification and validation of our data, including our small business entries.
- c. On those occasions in the past when data problems have been identified to us, we have promptly resolved them.

5. Demonstrate that policies and procedures are in place to ensure compliance with subcontracting plans and attainment of subcontracting goals during the period.

- a. As mentioned in Item 1 above, we are currently preparing Contracting Policy No. 19.7, The OPM Small Business Subcontracting Program, as a companion to our Contracting Policy on our small business program in general. It will supplement FAR Subpart 19.7 by formalizing the Contracting Group's small business subcontracting program.
- b. We expect that this Policy will continue the practices currently in place, and we will adhere to those practices until the Policy is implemented. These may be described as follows:
 - The Contracting Group uses a small business subcontracting plan template that must be included in all solicitations, in accordance with an OPM-specific clause. The template states our goals for the current fiscal year, and requires large business offerors to provide details on all of their goals and the nature of their subcontracting program. A copy of the template is attached.
 - We evaluate all small business subcontracting plans submitted by large-business offerors to assure that they comply with all requirements of the FAR. If they do not meet our goals, we request explanations from the offeror, and attempt to negotiate as appropriate.
 - We require use of the Electronic Subcontract Reporting System (e-SRS) by all our contractors, and evaluate small business subcontracting reports to assure that they conform to the original plan. We will challenge any reports that fail to meet or exceed planned performance.

6. Demonstrate no unjustified bundling has taken place during the period.

- a. Attached is a report generated December 28, 2007, from data in FPDS-NG showing that OPM had no bundled or consolidated contractual actions over \$5 million for FY 2007.
- b. As mentioned earlier, the Contracting Policy described in Item 1 sets forth a complete anti-bundling strategy. The Policy notes that "bundling has the potential to significantly affect small business participation in OPM acquisitions." It requires that Contracting Officers whenever practicable:
 - (A) Coordinate all projects that involve bundling with the SBA Procurement Center Representative assigned to Treasury.
 - (B) For procurements expected to exceed \$100,000, if applicable, utilize the small disadvantaged business price evaluation adjustment (FAR 19.11) and the HUBZone price evaluation preference (FAR 19.13).
 - (C) For procurements expected to exceed \$500,000, if applicable, consider:
 - small disadvantaged business price evaluation adjustment (FAR 19.11)
 - HUBZone price evaluation preference (FAR 19.13).
 - small disadvantaged business participation factor featuring a factor or subfactor in the evaluation criteria (FAR 19.12).
 - making the subcontracting plan a factor or subfactor in the evaluation criteria (FAR 19.7 and DTAR 1019.7).
 - for large projects (whether bundling exists or not), include small business participation as a agenda item in pre-proposal conferences.

Our intent with this is to avoid bundling in general, because of its potential to lessen opportunities for participation by small businesses in our acquisition process. All available evidence indicates that we have been successful.

**7. Planned training to contracting staff/managers in executing small business/
socioeconomic procurements during the period.**

- a. As mentioned in Item 3 above, we plan to use the next OPM-wide Acquisition Planning Conference, currently planned for March 26 and 27, 2008, as a training mechanism to provide all acquisition professionals critical information on our small business program.
- b. The Contracting Policy described in Item 1 requires all contracting professionals to work with their customers to find ways to optimize small business participation in our acquisition process.

8. Planned to collaborate with SBA on formulation of small business procurement policy initiatives during the period.

- a. As described in Item 3 above, we plan to avail ourselves of the opportunity to meet new small businesses at SBA's National Business Week 2008, and we will use any other similar opportunities as they present themselves.
- b. We will continue to give full consideration to all requests from SBA regional offices to use specific 8(a) firms and contract with those firms whenever possible. When we can use companies that SBA suggests to us, we will follow the procedures established in our memorandum of understanding with SBA to assure an efficient and effective contracting process.

Comment [05]: SBA comment: no hard evidence of planned activities

Comment [06]: The guidance lists as one – but not the only – example of an acceptable response as “Active participation in the Small Business Procurement Advisory Council in small business procurement policy discussions.”

Since we began receiving invitations to the SBPAC meetings in September 2007, at least one representative from OPM has attended every meeting, except for the meeting in January 2008, when SBA's dial-in number didn't work. The OPM representatives who attended were either the Associate Director, Deputy Associate Director, Contracting Group Director, and/or Small Business Technical Advocate.

In addition, we have planned the activities described on this page of our response.

6. Agency submits by attachment copies of all strategic plans that became due to SBA during the period.

We routinely meet all deadlines for providing plans and reports to SBA. Some examples from previous fiscal years:

- OPM's response to the request for input to the previous Small Business Procurement Scorecard;
- OPM actual small business data for FY 2006 and 2007, for SBA to use in setting OPM goals.
- OPM's FY 2007 small business goals.
- Notification of correction of FY 2005 small business coding errors in FPDS-NG.
- OPM's Service-Disabled Veteran-Owned Small Business (SDVB) Strategy.
- OPM's SDVB Annual Report for 2006.

Comment [07]: SBA comment: lacking women's report

Comment [08]: OPM response: We have no knowledge of a requirement for a "women's report." This page of our response lists five separate reports we submitted, in addition to our response to the scorecard. The small business data we submitted as part of the goaling process in FY 2006 and 2007 included information on participation by women-owned small businesses. If we had ever received a request for a separate report on this subject, we would have promptly provided it, and we are ready to do so in the future.