



Department of Veterans Affairs
Office of Small and Disadvantaged Business Utilization
Washington DC 20420

In Reply Refer To: 00SB

**SUPPLEMENTAL
FY 2008
SBA SCORECARD
SUBMISSION**

March 3, 2008

1. Department of Veterans Affairs (VA) has implemented a strategy to increase the number of competitively awarded contracts to small businesses?

For FY 2008, VA's Office of Small and Disadvantaged Business Utilization (OSDBU) intends to conduct on-site training on small business programs for no less than three Veterans Integrated Service Networks (VISN). A VISN typically consists of 6-8 medical centers. We intend to provide in-depth training on all small business programs, with an emphasis on service-disabled veteran and veteran owned small business programs in support of VA's implementation of P.L. 109-461, which provides VA with unique contracting authorities with veteran entrepreneurs. The Chief Clinical Logistics Officer for the Veterans Health Administration recently identified to VA OSDBU VISNs to receive this training. Although exact training sites, dates and logistics have not been finalized as of this supplemental submission, VA OSDBU contemplates the training to be completed by June 30, 2008.

VA OSDBU intends to continue to hold its monthly vendor counseling session, where information is provided to firms wishing to conduct business with VA; program officials also attend. These events are held the third Wednesday of each month, with the exception of December. Since October 2007 and as of this supplemental submission, VA has held Vendor Day sessions on October 17, 2007, November 21, 2007, January 16, 2008 and February 20, 2008. The event is advertised on the VA OSDBU Web Site (www.va.gov/osdbu) which is also where participants much register for the event. VA limits attendance to 40 individuals due to space restrictions, and this event is often booked up more than a month in advance. (See Tab "A").

VA OSDBU is conducting discussions with VA's Office of Construction and Facilities Management to hold an industry day specific to veteran-owned businesses in the construction field. Although no firm date and location has been determined, VA OSDBU contemplates having this event held before June 30, 2008.

VA is co-hosting the 4th annual National Veterans Conference in Las Vegas, NV, July 7-10, with the Department of the Army (www.nationalveteransconference.com). Documentation is attached for ease of reference. (See Tab "B").

VA's OSDBU and Acquisition Policy Division, Office of Acquisition and Logistics, continue to work together to provide guidance and assistance to VA contracting professionals. VA's OSDBU has provided a subject matter expert to work with the Federal Acquisition Institute (FAI) in developing small business program course material.

2. VA continues to demonstrate top-level commitment to small business contracting

VA's OSDBU Director has unprecedented access to the Deputy Secretary and Secretary, meeting with the Deputy Secretary at least bi-weekly. In addition, the Deputy Secretary conducts a Monthly Performance Review (MPR) Meeting with senior VA

officials in attendance, including all Under Secretaries, Assistant Secretaries, Principal Deputy Assistant Secretaries and Deputy Assistant Secretaries and those designated as key VA officials. Socioeconomic programs and accomplishments are key performance measures for the department (included in VA's Strategic Plan) and are reviewed at that time. Attached is the slide, entitled "Small Business Program Accomplishments" that is reviewed at each Monthly Performance Review Meeting. The attached slide represents the most recent submission and covers the Department's socioeconomic accomplishments as of January 31, 2008 (see Tab "C"). Also attached, is the Deputy Secretary's June 1, 2005, memorandum, requiring Under Secretaries, Assistant Secretaries and key VA officials to also prepare their own socioeconomic statistics for the MPR meetings. (See Tab "D").

In addition, the Department also posts its socioeconomic accomplishments to the VA OSDBU Web Site each month (www.va.gov/osdbu) breaking down dollars by major contracting organization/activity and socioeconomic programs. A copy of the most recent report posted to the Web Site, covering socioeconomic accomplishments through January 31, 2008, is also attached for ease of reference. (See Tab "E").

Top level commitment is further evidenced by the Secretary's appointment of the Deputy Secretary to serve as the senior agency official responsible for implementation of Executive Order 13360, the Service-Disabled Veteran Executive Order, dated October 20, 2004. (See Tab "F").

On June 20, 2007, VA implemented Sections 502 and 503 of the Veterans Benefits, Healthcare and Information Technology Act of 2006, providing VA with extraordinary authorities in contracting with Service-Disabled Veteran-Owned Small Business and Veteran-Owned Small Business. This program was implemented as the "Veterans First Contracting Program" by Office of Acquisition and Materiel Management Information Letter (IL) 049-07-08 dated June 19, 2007 (see Tab "G"). Accompanying that IL was a cover memorandum from the Deputy Secretary expressing his support of this program. For ease of reference, IL 049-07-08 and the Deputy Secretary's cover memorandum are attached. (See Tab "H").

VA's top level commitment to small businesses is further demonstrated through the continuance of the Secretary's Socioeconomic Achievement Awards Program. The Secretary's Socioeconomic Achievement Awards Program, established in 1987 by the last Administrator of Veteran Affairs, provides incentives to VA procuring activities to increase socioeconomic accomplishments through recognizing and rewarding those activities which substantially contribute to VA's overall socioeconomic accomplishments. Handsomely inscribed plaques bearing the Secretary's signature are presented to VA acquisition activities for first place achievements in each of the seven socioeconomic categories recognized by the awards program: Small Business, Small Disadvantaged (minority) Business, Section 8(a) Small Disadvantaged Business Development, Women-Owned Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, and HUBZone Small Business. Plaques are also presented for Superior Support and Outstanding Support of Small Business Programs.

These organizations exceed the Secretary's goals in 6 or 7 of the 7 socioeconomic categories (Superior Support) or exceed the Secretary's goals in 5 of 7 categories (Outstanding Support). These awards are presented in arrears given the time required to compute the Department's socioeconomic accomplishments via the final goaling report for the fiscal year. The attached documents represent award winners for the Secretary's FY 2006 Socioeconomic Achievement Awards Program and are presented to support the highest level commitment in VA to small business programs through recognition of organizations that are demonstrative and successful in their efforts. (See Tab "I").

Framed Certificates of Commendation are presented for second and third place winners. Awards are presented by the Secretary at an annual Socioeconomic Achievement Awards Ceremony held at VA Central Office, and during trips to VA facilities as the Secretary's and Deputy Secretary's respective travel schedules permit.

Annually, the Secretary issues a memo, outlining the socioeconomic goals for VA and stressing their importance. On January 28, 2008, the Secretary issued the attached Fiscal Year 2008 and 2009 goaling memo, which has been posted to the VA OSDBU Web Site (www.va.gov/osdbu). (See Tab "J").

VA has now implemented the inclusion of accomplishment of socioeconomic goals for Service-Disabled Veteran-Owned Small Business and Veteran-Owned Small Business in the performance plans of all individuals involved in the procurement process, to include Purchase Card holders. This is part of VA's Implementation Strategy for Executive Order 13360, the Service-Disabled Veteran Executive Order. A copy of the Implementation Strategy is attached. (See Tab "K").

VA OSDBU is dedicated to supporting the small business community and plans to provide support for over 50 conferences nationally in FY 2008. VA's commitment to these types of events is evidenced in events attended in FY 2007, in which VA attended 97 events. Attached is the most recent version of VA's FY 2008 conference calendar that shows events that have been attended since the beginning of FY 2008 and those planned for the remainder of FY 2008. It should be noted that VA continuously receives invitations to events and the calendar only shows those events in which VA has and accepted invitations for as of the date of this supplemental submission. (See Tab "L").

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

Many of the actions listed in #1 will assist VA OSDBU in its efforts to increase small business participation. VA OSDBU plans to continue to hold its vendor counseling sessions monthly, to co-host the 4th Annual National Veterans Conference, participate fully in the annual OSDBU Director's Procurement Conference, to provide guidance, training and assistance to both the vendor community and the VA acquisition professionals, and to support small business conferences nationally. VA also pledges

its support to assist SBA in SBA-sponsored outreach events, matchmaking events and other activities consistent with available resources.

4. Demonstrate that small business data is accurately reported in Federal Procurement Data System-Next Generation (FPDS-NG) during the period.

On August 7, 2007, VA's Office of Acquisition and Logistics (formerly the Office of Acquisition and Materiel Management) issued Information Letter (IL) Number 049-07-09, "Federal Procurement Data System (FPDS) Data Verification and Validation," in response to the March 9, 2007, Memorandum for Chief Acquisition Officers, subject "Federal Procurement Data Verification and Validation." A copy of IL 049-07-09 is attached for ease of reference (see Tab "M").

In addition, VA's OSDBU monitors socioeconomic reporting for anomalies in preparing the Department's monthly socioeconomic program reports. In reviewing final FY 2007 internal data, it was learned that one facility had underreported over \$27 million, making the VISN for that facility ineligible to receive awards under the Secretary's FY 2007 Socioeconomic Achievement Awards Program (see attached e-mail message dated January 14, 2008 and February 15, 2008 (Tab "N")).

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

VA OSDBU has a subcontracting team, consisting of a Procurement Analyst and Small Business Specialist, who work solely with the VA contracting professionals and vendor community on subcontracting plans. They work closely with officially assigned Procurement Center Representatives (PCR), when applicable; to review proposed goals and review required reports. VA OSDBU's subcontracting team members routinely attend meetings and briefings relative to e-SRS and disseminate information to the VA Acquisition professionals in a timely manner.

Examples of the proactive efforts of the subcontracting team are contained in the attached communications, letters, memoranda and e-mail messages with contracting officers and prime contractors. These documents cover a sampling of communications over a recent 90-day period. (See Tab "Q").

In addition, in March 2008, VA OSDBU's Center for Veterans Enterprise will attend events sponsored by Tri-Association Small Business Advisory Panel (TRIAD) and the National Defense Industrial Association (NDIA) to enhance subcontracting efforts to Service-Disabled Veteran-Owned Small Business and Veteran-Owned Small Business.

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

VA OSDBU reviews and approves or disapproves all open market acquisition strategies in excess of \$500,000 for field activities and \$100,000 for Central Office activities. A

bundling review is automatically initiated at the threshold of \$1,000,000, regardless of acquisition strategy to include FSS, GWACS, etc. This is half of the threshold prescribed in the FAR, thereby ensuring VA OSDDBU is reviewing more procurements than mandated by statute. VA OSDDBU is a voting team member on every Integrated Process Team (IPT), which is formed for every procurement at Central Office in excess of \$5,000,000. This ensures small business issues are brought to the forefront of each of these requirements.

Attached is VA Form 2268, Procurement Request Review for the Small Business Program and Contract Bundling Review (see Tab "O"). This form is used throughout VA for submission to the respective Head of the Contracting Activity (HCA), SBA PCR, or in the absence of a PCR, to the VA OSDDBU. The form is required for all open market acquisitions exceeding the micropurchase threshold. Between the micropurchase threshold and the simplified acquisition threshold, the local small business specialist can approve the 2268, unless a small business program is not used, in which case the form must be approved by the HCA. All open market acquisitions exceeding \$500,000 from VA field contracting activities (\$100,000 for VA Central Office Contracting Activities) must be submitted to VA's OSDDBU or the assigned SBA PCR for a small business program review. Unless contained on an approved list of acquisitions excluded from contract bundling reviews, all acquisitions, regardless of method, e.g., FSS, GWACs, etc., with values of \$1 million or greater must be submitted to VA OSDDBU for a contract bundling review in accordance with Information Letter No. 049-04-5 dated March 3, 2004, "Contract Bundling Reviews." (See Tab "P").

In FY 2007, VA's OSDDBU reviewed 995 VA Forms 2268 and approved 704. VA also conducted 475 contract bundling reviews and there were no instances of contract bundling that failed to meet the requirements of necessary and justified by demonstrating substantially measurable benefits.

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

VA OSDDBU plans to conduct on-site training on small business programs for no less than three Veterans Integrated Service Networks (VISN). A VISN typically consists of 6-8 medical centers. We intend to provide in-depth training on all small business programs, with a more focused effort placed on service disabled veteran and veteran owned small business programs. The Chief Clinical Logistics Officer for the Veterans Health Administration recently identified to VA OSDDBU VISNs to receive this training. Although exact training sites, dates and logistics have not been finalized as of this supplemental submission, VA OSDDBU contemplates the training to be completed by June 30, 2008.

VA also provides small business program training at the numerous events in which VA OSDDBU personnel are featured speakers, such as training events hosted by Procurement Technical Assistance Centers and Small Business Development Centers.

VA OSDBU personnel are supporting numerous PTAC events in FY 2008, as per the attached Conference Summary.

VA OSDBU is working with the Acquisition Policy Division, Office of Acquisition and Logistics to review and revise written guidance relative to socioeconomic programs. Training on the revised guidance will be provided to assist VA acquisition professionals.

In FY 2008, VA OSDBU is participating in an inter-agency work group headed by the Federal Acquisition Institute (FAI) for the development of an on-line small business training course for Federal acquisition professionals and program managers.

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

VA will collaborate with and support SBA on formulations of small business procurement policy initiatives during the period. VA participates at each SBA Procurement Advisory Council Meeting, has volunteered its services for the Executive Goaling Committee and supports SBA initiatives before the Federal OSDBU Directors Interagency Council, a non-policy working group that shares best practices to fully embrace small business initiatives.

VA recently met with the Associate SBA Administrator for the HUBZone Program to develop initiatives that will educate Veteran entrepreneurs about the HUBZone Program and will hopefully increase the number of HUBZone Certified firms. This initiative is expected to be completed by the end of FY 2008 and will be conducted using VA OSDBU resources and closely coordinated with the SBA (8a), HUBZone Programs. VA contemplates hiring two summer interns to support this initiative.

9. Agency submits all strategic plans and reports that become due to SBA during the reporting period.

VA will continue to submit all required reports to SBA. VA has received no communications from SBA that required submissions have not been received or are otherwise deficient from previous reporting period.