

*Fiscal Year 2015*

*Small Business Procurement Scorecard*

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***Grade Calculation Methodology***

***April 2016***

*FY2015 federal prime contracting data retrieved from FPDS-NG on 02/19/2016 for the date range 10/01/2014 through 9/30/2015*  
*FY2015 federal subcontracting data retrieved from eSRS on 03/14/2016 for the date range 10/01/2014 through 09/30/2015*



# Executive Summary



The annual Scorecard is an assessment tool which measures the following:

- (1) How well federal agencies reach their small business and socio-economic prime contracting and subcontracting goals, and
- (2) Agency-specific progress

Each agency's Scorecard grade consists of its achievements in three areas, and each area is graded by the percentage shown below:

<b>Prime Contracting Achievement</b>	<b>80% of Scorecard Grade</b>
<b>Subcontracting Achievement</b>	<b>10% of Scorecard Grade</b>
<b>Plan Progress Report Performance</b>	<b>10% of Scorecard Grade</b>

The prime and subcontracting component goals include goals for small businesses, small businesses owned by women(WOSB), small disadvantaged businesses (SDB), service-disabled veteran-owned small businesses (SDVOSB), and small businesses located in Historically Underutilized Business Zones (HUBZones). The Agency Plan Progress Reports contain documentation that the Small Business Utilization Plans submitted by the agency were appropriately carried out in pursuit of their goals.

Each federal agency has a different small business contracting goal, negotiated annually in consultation with SBA. SBA ensures that the sum total of all of the goals exceeds the 23 percent target established by law. Each agency's efforts in meeting its small business goals expands opportunities for small businesses to compete for and win federal contracts.

SBA is utilizing a letter grade based methodology that has six potential grades (A+, A, B, C, D, F). These grades provide more distinction among different agencies' performance.

***The Scorecard format measures the total performance of an agency's achievements in a clear and consistent method***

# Agency Small Business Scorecard Grade Calculation Methodology

Achievement Category	Achievement Category Components	Component Weight	Weight of Category Achievement toward Overall Grade																																																			
<div style="font-size: 2em; font-weight: bold; border: 2px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">1</div> <h2 style="margin: 0;">Prime Contracting</h2> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th>① Achievement</th> <th>Goal</th> <th>Goal Performance</th> <th>Weight of Prime Grade</th> <th>Weighted Average Goal Performance</th> </tr> </thead> <tbody> <tr> <td>Small Business</td> <td>32.38 / 31.9 =</td> <td>102.0</td> <td>X 60 =</td> <td>61.20</td> </tr> <tr> <td>SDB</td> <td>14.13 / 5.0 =</td> <td>156.0</td> <td>X 10 =</td> <td>15.0</td> </tr> <tr> <td>WOSB</td> <td>7.86 / 5.0 =</td> <td>156.0</td> <td>X 10 =</td> <td>15.0</td> </tr> <tr> <td>SDVOSB</td> <td>1.91 / 3.0 =</td> <td>63.64</td> <td>X 10 =</td> <td>6.36</td> </tr> <tr> <td>HUBZone</td> <td>2.70 / 3.0 =</td> <td>85.96</td> <td>X 10 =</td> <td>8.59</td> </tr> <tr> <td colspan="4" style="text-align: right;"><b>106.56</b></td> <td><b>Prime Score</b></td> </tr> </tbody> </table>	① Achievement	Goal	Goal Performance	Weight of Prime Grade	Weighted Average Goal Performance	Small Business	32.38 / 31.9 =	102.0	X 60 =	61.20	SDB	14.13 / 5.0 =	156.0	X 10 =	15.0	WOSB	7.86 / 5.0 =	156.0	X 10 =	15.0	SDVOSB	1.91 / 3.0 =	63.64	X 10 =	6.36	HUBZone	2.70 / 3.0 =	85.96	X 10 =	8.59	<b>106.56</b>				<b>Prime Score</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Small Business</td><td style="text-align: center;">60%</td></tr> <tr><td>SDB</td><td style="text-align: center;">10%</td></tr> <tr><td>WOSB</td><td style="text-align: center;">10%</td></tr> <tr><td>SDVOSB</td><td style="text-align: center;">10%</td></tr> <tr><td>HUBZone</td><td style="text-align: center;">10%</td></tr> </table>	Small Business	60%	SDB	10%	WOSB	10%	SDVOSB	10%	HUBZone	10%	80%							
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# Agency Achievement Example

Prime Contracting			Sub Contracting			Success Factors
	Goal (%)	Achievement (%)		Goal (%)	Achievement (%)	
<b>Small Business</b>	31.90	32.38	<b>Small Business</b>	40.00	49.27	<b>1. COMMITMENT TO SMALL BUSINESS UTILIZATION</b> The Agency demonstrated, through action and documented evidence, a commitment to utilize small businesses to obtain goods and services.
<b>SDB</b>	5.0	14.18	<b>SDB</b>	5.0	10.14	<b>2. EFFECTIVE ENGAGEMENT OF SENIOR LEVEL MANAGEMENT IN ACHIEVING SMALL BUSINESS GOALS</b> The Agency's senior leadership (e.g., senior procurement executive, senior program managers, and OSDDBU director) demonstrated, through action and documented evidence, that they have clearly communicated the importance of achieving the agency's Small Business contracting goals through the chain of command to the contracting officer level.
<b>WOSB</b>	5.0	7.86	<b>WOSB</b>	5.0	10.89	<b>3. DATA QUALITY OF SMALL BUSINESS CONTRACTING</b> The Agency demonstrated, through action and documented evidence, a commitment to small business contracting data quality.
<b>SDVOSB</b>	3.0	1.91	<b>SDVOSB</b>	3.0	1.51	<b>4. TRAINING OF ACQUISITIONS STAFF</b> The Agency demonstrated a commitment to small business utilization through regular training of acquisitions staff on the issues/procedures/policies/regulations impacting small businesses.
<b>HUBZone</b>	3.0	2.70	<b>HUBZone</b>	3.0	2.98	<b>5. OUTREACH TO SMALL BUSINESS</b> The Agency demonstrated, through action and documented evidence, a commitment to growing their small business supplier base and increasing awareness of contracting opportunities for small businesses.
<b>SDB</b> = Small Disadvantaged Business <b>WOSB</b> = Women Owned Small Business <b>SDVOSB</b> = Service Disabled Veteran Owned Small Business <b>HUBZone</b> = Small Business located in a Historically Underutilized Business Zone						<b>6. BUNDLING AVOIDANCE, JUSTIFICATION AND MITIGATION</b> The Agency demonstrated, through action and documented evidence, a clearly communicated policy to address and mitigate the adverse effects of contract bundling on small businesses. (For applicable dollar threshold for the agency, see FAR subpart 7.104)
						<b>7. OSDDBU ORGANIZATION</b> The Agency demonstrated, through action and documented evidence, its efforts to comply with Section 1691 – Offices of Small and Disadvantaged Business Utilization – of the National Defense Authorization Act (NDAA) of 2013.

# Calculating Prime Contracting Score



<b>1</b>	Category Component Achievement		Goal		Achievement Score		Component Weight		Weighted Performance
Small Business	32.38%	/	31.90%	=	101.50%	X	60.0%	=	60.90%
SDB	14.18%	/	5.0%	=	150.00%*	X	10.0%	=	15.00%
WOSB	7.86%	/	5.0%	=	150.00%*	X	10.0%	=	15.00%
SDVOSB	1.91%	/	3.0%	=	63.67%	X	10.0%	=	6.37%
HUBZone	2.70%	/	3.0%	=	90.00%	X	10.0%	=	9.00%
									<b>106.27</b>
									<b>Prime Score</b>

\*achievement score capped at 150.00%



# Calculating Subcontracting Score



<b>2</b>	Category Component Achievement		Goal		Achievement Score		Component Weight		Weighted Performance
Small Business	49.27%	/	40.00%	=	123.18%	X	60.0%	=	73.91%
SDB	10.14%	/	5.0%	=	150.0%*	X	10.0%	=	15.00%
WOSB	10.89%	/	5.0%	=	150.0%*	X	10.0%	=	15.00%
SDVOSB	1.51%	/	3.0%	=	50.33%	X	10.0%	=	5.03%
HUBZone	2.98%	/	3.0%	=	99.33%	X	10.0%	=	9.93%
									<b>118.87</b>
									<b>Subcontracting Score</b>

\*achievement score capped at 150.00%



# Calculating Success Factors Score

Success Factors	Performance
<b>1. COMMITMENT TO SMALL BUSINESS UTILIZATION</b> Has the agency demonstrated, through action and documented evidence, a commitment to utilize small businesses to obtain goods and services?	1
<b>2. EFFECTIVE ENGAGEMENT OF SENIOR LEVEL MANAGEMENT IN ACHIEVING SMALL BUSINESS GOALS</b> Has the agency's senior leadership (i.e. Deputy Secretary, Chief Acquisition Officer, Senior Procurement Executive, senior program managers, and OSDBU Director) demonstrated, through action and documented evidence, that they have clearly communicated the importance of achieving the agency's small business contracting goals through the chain of command to the contracting officer level?	1
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<b>7. OSDBU ORGANIZATION</b> Has the agency demonstrated, through action and documented evidence, compliance with Section 1691 - Offices of Small and Disadvantaged Business Utilization - of the National Defense Authorization Act (NDAA) of 2013?	1

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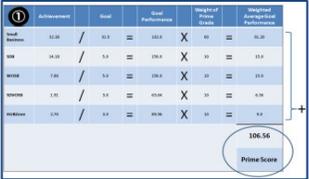
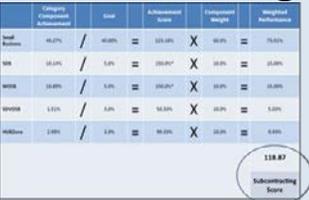
**Total Score =**  
**Success Factor Average score/7**

Grading Scale	Success Factor Overall Score X
	<b>10%</b>
Excellent	1.0
Above Average	0.9
Satisfactory	0.8
Below Average	0.7
Unsatisfactory	0.6

**Success Factors Score**  
**100.00**

*Agency success factor performance is scored by a peer review panel of OSDBU/OSBP directors*

# Calculating Agency Overall Small Business Procurement Grade

Achievement Category	Category Score		Weight of Category toward Overall Grade		
<b>① Prime</b> 	106.27%	X	<b>80%</b>	=	85.02%
<b>② Subcontracting</b> 	118.87%	X	<b>10%</b>	=	11.89%
<b>③ Plan Progress</b> 	100.0%	X	<b>10%</b>	=	10.0%
<b>A+ ≤ 150% but ≥ 120%</b> <b>A &lt; 120% but ≥ 100%</b> <b>B &lt; 100% but ≥ 90%</b> <b>C &lt; 90% but ≥ 80%</b> <b>D &lt; 80% but ≥ 70%</b> <b>F &lt; 70%</b>					<b>Overall Small Business Performance Grade</b> <b>A</b>



# Questions



## **SBA.gov Small Business Procurement Scorecards**

*<https://www.sba.gov/content/small-business-procurement-scorecards-0>*

## **Small Business Industry Groups and Members of the Press**

Please contact the SBA's Office of Communications & Public Liaison  
409 3rd Street, S.W. Suite 7450  
Washington, DC 20024  
[press\\_office@sba.gov](mailto:press_office@sba.gov)

Terry Sutherland  
Director, Press Office  
(Office) 202-205-6919  
(BB) 202-557-6643  
(Fax) 202-481-2386  
[Terrence.Sutherland@sba.gov](mailto:Terrence.Sutherland@sba.gov)  
Press Office: <http://www.sba.gov/newsroom>

## **Federal, State, and Local Government Staff**

Please contact the SBA's Office of Government Contracting  
409 3rd Street, S.W. , Suite 8000  
Washington, DC 20024  
Phone: 202 205 6740