

PRESS OFFICE

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17 of 24 Federal Agencies Met 2007 Small Business Goal In SBA's Annual Contracting Scorecard

Governmentwide Data Shows Small Businesses Won a Record \$83.2 Billion

WASHINGTON – Small businesses won a record \$83.2 billion in federal prime contracts in Fiscal Year 2007, an increase of almost \$6 billion from 2006, according to the U.S. Small Business Administration's second annual small business procurement scorecard, which was released today. In addition, each socio-economic group increased its share of federal contracting dollars by at least \$1 billion.

The total does not include \$3.9 billion worth of contracts for which size was not indicated in the federal government's official database, the FPDS-NG. As a result, none of those dollars were counted toward small business achievement numbers. Also not included was an additional \$64.8 billion in federal subcontract dollars received by small businesses.

All told, the federal government database shows that federal agencies awarded 22 percent of their contracting dollars to small businesses, just short of the 23 percent government-wide goal. Achieving 22 percent, shy of the 23 percent goal, reflects the need for the federal government to bolster its efforts across government to secure contracting opportunities for small businesses. It also reflects that SBA's efforts to increase the transparency, accuracy and accountability of small business federal contracting have been effective.

"We are proud of the small business community for capturing more dollars in federal contracts and also of the agencies for making good progress in reaching their goals," said SBA Acting Administrator Sandy Baruah. "This year, the SBA made it more challenging for federal agencies to meet their goals, due to our initiatives to cleanse the federal contracting database of bad data, and ensure that small businesses receiving small business contracts meet the definition of small. This is good news for small businesses because it means the government will need to work harder to get federal contracts into the hands of small businesses."

Small Business Goaling Summary Report

Category	Goal	2006 %	2006 Revised \$	2007 %	2007 \$
Small Businesses	23%	22.8%	\$77.7 billion	22%	\$83.2 billion
Small Disadvantaged Businesses	5%	6.8%	\$23 billion	6.6%	\$24.9 billion
Service-disabled Vets	3%	0.9%	\$2.9 billion	1.01%	\$3.8 billion
Women	5%	3.4%	\$11.6 billion	3.4%	\$13 billion
HUBZone	3%	2.1%	\$7.2 billion	2.2%	\$8.5 billion

Baruah also said the release of the Scorecard this year was delayed partly because he wanted to personally review the process and the rationale for the ratings after he was named Acting Administrator in August. Also, he said he wanted to ensure that senior officials at federal agencies had the opportunity to fully review and understand their data and how they were graded.

The annual Scorecard rated federal agency performance in meeting the overall small business goal and the component contracting goals for small disadvantaged businesses, small businesses in HUBZones, and small businesses owned by women, and service-disabled veterans.

- The following 17 agencies met their small business contracting goals: the departments of Veterans Affairs, Agriculture, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, Interior, Labor, State, Transportation, Treasury, and the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, Nuclear Regulatory Commission, Office of Personnel Management, and SBA.
- The following 17 agencies met their goals for contracts to small disadvantaged businesses: the departments of Agriculture, Interior, Defense, Veterans Affairs, Energy, Homeland Security, Housing and Urban Development, Labor, State, and Transportation, and the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, National Science Foundation, Nuclear Regulatory Commission, Office of Personnel Management, and SBA.
- The following 16 agencies met their goals for women-owned small businesses: the departments of Veterans Affairs, Agriculture, Commerce, Education, Energy, Homeland Security, Interior, Labor, State, Transportation, and Treasury, and the Nuclear Regulatory Commission, General Services Administration, Environmental Protection Agency, National Science Foundation, and SBA.
- The following 10 agencies met their HUBZone contracting goals: the departments of Agriculture, Energy, Homeland Security, Veterans Affairs, Transportation, Interior, and the Social Security Administration, General Services Administration, Nuclear Regulatory Commission, and SBA.
- The following four agencies met their goals for small business owned by service-disabled veterans: the departments of Veterans Affairs and Energy, the Environmental Protection Agency, and SBA.

According to the Scorecard ratings of performance on all five goals:

- Three agencies – VA, DOE and SBA – met or surpassed their goals in all areas.
- Seven agencies – DHS, USDA, DOT, and DOI, NRC, GSA, and EPA – met or surpassed four of the five goals.
- Two agencies – DOL and State, – met or surpassed three of the five goals.
- Five agencies – Treasury, HUD, OPM, NSF and NASA – met or surpassed two of the five goals.
- Five agencies – DOC, DOD, SSA, Department of Education, and HHS – met or surpassed one of the five goals.

- Two agencies – DOJ and USAID – met none of the five goals.

SBA's Scorecard builds on a series of significant initiatives the agency began two years ago to improve small business access to federal contracts. SBA, along with the Office of Federal Procurement Policy, ordered the federal contracting database to be scrubbed, removing many cases of non-profits, state or local governments, and large companies that were recorded erroneously as small businesses.

The agency also issued a rule – effective July 1, 2007 – requiring any small business with a federal contract to recertify its size if it merged or was acquired, and to recertify its size a minimum of every five years on a contract longer than five years. In some cases, businesses had won contracts when they were small, but then grew, merged, or were acquired by large firms and were still recorded as small businesses.

“SBA, working with federal agencies, has made tremendous strides to ensure that the small business government contracting system has integrity, accuracy and opens opportunity for small businesses,” said Baruah. “The release of the scorecard is a useful tool that allows federal agencies to track their progress and identify areas of improvement. We are committed to making government contracting programs work effectively and look forward to continuing our work with sister agencies on reaching small business procurement goals.”

About the Scorecard

SBA rates 24 agencies green, yellow or red on each of the individual goals established by Congress and gave a numerical score to each agency based on how many of the five goals were met or surpassed.

Each federal agency has a different small business contracting goal, determined annually in consultation with SBA. SBA ensures that the sum total of all of the goals meets the 23 percent target established by law.

With nearly 10 million contracting actions each year, miscodings and errors will not be completely eliminated from the contracting database. By publicizing the reports, and providing new tools to facilitate public review of the database, SBA and OFPP will enlist affected businesses and other stakeholders in the effort to continuously improve the accuracy and integrity of the procurement data.

The goaling reports released today by SBA are available at
<http://www.sba.gov/aboutsba/sbaprograms/goals/index.html>

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