

## SBA Scorecard Criteria

### 1. Strategic plan to increase the value of competitively awarded contracts to small businesses during the period.

Commerce considers competition a requisite procurement strategy for making smart business decisions and promotes its use to the maximum extent practicable. Concurrently, we understand that the road to success for many small business concerns begins with federal acquisitions. Commerce's commitment to promoting competition and helping small business concerns has proven successful as demonstrated by our past goal achievements recorded in the Federal Procurement Data System-Next Generation (FPDS-NG). The Senior Procurement Executive (SPE), in cooperation with the Director of the Office of Small and Disadvantaged Business Utilization (OSDBU) and the Bureau Procurement Officials (BPOs), intends to build upon this success and is developing long-range strategies to increase participation by small business concerns in the Department's acquisitions. Specifically, the Department is undertaking the following initiatives:

- Business Process Re-engineering to improve procurement operations
- Strategic sourcing to create opportunities for small business concerns
- Restructuring the Acquisition Review Board
- Strengthening Departmental policies to improve data accuracy for FPDS-NG

#### Business Process Re-engineering to Improve Procurement Operations

The National Oceanic and Atmospheric Administration (NOAA), the largest bureau within Commerce, completed its Business Processing Re-engineering (BPR) effort in FY 2007. NOAA identified a number of actions to improve procurement operations such as: increased training for its workforce and more emphasis on acquisition planning, including market research. In October 2008, the SPE initiated a BPR effort for the procurement office that services the Office of the Secretary. The BPR project is focused on improving acquisition planning, requirements documentation, and working more closely with the program offices throughout the acquisition cycle. One of the immediate problems identified during the BPR effort was the lack of advanced notice of planned acquisitions which adversely impacts on the ability of the contracting officers to conduct market research and develop effective acquisition strategies. The SPE's solution is to work with the Director of Financial Management to revise the budget formulation instructions and forms given to the operating units to include an area to capture anticipated acquisitions of products and services, description, estimated cost, and target acquisition date. This information will be valuable for improving the forecast of potential contract opportunities, allowing adequate time to conduct market research, and devising acquisition strategies conducive to small business participation.

The proposed changes to the budget process will require the operating units to update acquisition information each time budget submissions are updated. This requirement will keep the BPO up-to-date and better able to manage workload and staffing issues. The expected outcome of the change in the budget formulation process, and the BPR project as a whole, is to create an environment that fosters smart business decisions. The SPE expects to have the new process in place for the next budget formulation cycle.

Identifying planned acquisitions based on information gathered during the budget formulation cycle will help identify prospects for strategic sourcing, which is another initiative the SPE identified for FY 2008.

#### Strategic Sourcing to Create Opportunities for Small Business Concerns

We have identified the use of strategic sourcing as a method to increase the efficiency of procurement operations, lower administrative costs, and increase cost savings. Equally important, strategic sourcing presents an opportunity to increase small business participation.

During FY 2008, the SPE, in cooperation with the OSDDBU Director, will lead an effort to evaluate purchasing activities across the Department. Specifically, we will identify repetitive purchases and any requirements that multiple organizations have in common. We will also identify small business concerns as potential suppliers.

#### Restructuring the Acquisition Review Board

The Commerce Acquisition Review Board (ARB) is a formal review of proposed contract actions valued over \$10 million, Inter-Agency Agreements valued over \$5 million, and real property projects valued over \$2 million. The Board is chaired by the SPE and the voting members consist of cross-functional senior executives (directors of OSDDBU, Budget, Finance, Human Resources, Administrative Services, and General Counsel). The reviews are tailored to assess the risk and complexity of the acquisition. The objectives of the ARB are:

- Ensure required Departmental business management, oversight, control, reporting, and review for all acquisition investments.
- Inform the applicable review board members about the proposed acquisition.
- Obtain the required cross functional acquisition approvals.

Since its inception, the ARB has become a successful organizational institution for improving the quality of contracts and increasing small business participation at the prime and subcontracting level. During FY 2008, the SPE intends to increase the ARB's effectiveness by restructuring the ARB to include the BPOs (also known as the chiefs of bureau acquisition divisions) to serve as members to enhance the evaluation process and apply best practices.

Strengthen Departmental Policies to Improve Data Accuracy for FPDS-NG

The SPE issued policy effective for FY 2008 to require supervisors of individuals with delegated procurement authority to include a requirement for complete, accurate, and timely reporting to FPDS-NG in performance plans.

The SPE and OSDBU Director are in the process of developing policy to require the Bureau Procurement Offices to implement quality control procedures to ensure data accuracy for the FPDS-NG, especially for the small business data fields, based on the March 9, 2007 memo on Federal Procurement Data Verification and Validation issued by the Office of Management and Budget, Office of Federal Procurement Policy.

Additionally, in FY 2007, the SPE and the OSDBU Director cooperatively took a number of actions to ensure that the data entered into FPDS-NG is accurate. During FY 2008, a number of follow-on activities are taking place (reference Table 3).

**Table 3. Action Items to Improve FPDS-NG Data Accuracy**

FY 2007	FY 2008
<p>Conducted training for procurement personnel on properly coding contract actions in FPDS-NG and how to utilize the Commerce Enterprise-wide Acquisition Report System (EARS) to monitor FPDS-NG data entries.</p>	<p>Training is ongoing for the acquisition workforce.</p>
<p>Developed standard reports in EARS to provide BPOs with the ability to review and validate FPDS NG data entries. These standard reports include Contract Bundling Report and Contracting Officer's Determination of Business Size Report.</p> <p>EARS also provides BPOs with the ability to focus on specific areas of concern through adhoc reporting capability.</p>	<p>OAM provides monthly e-mail notifications to BPOs of results from the Draft and Error Reports downloaded from FPDS-NG and an analysis of obligation trend report from EARS.</p> <p>OSDBU provides quarterly notifications to BPOs if the EARS' standard reports indicate an action has been miscoded as bundled or an action has been miscoded as a small business award.</p>
<p>OAM updated the Commerce Acquisition Manual to require the performance plans of contracting officers to include as a performance element: responsibility and accountability for data accuracy.</p>	<p>Effective for FY 2008, supervisors of individuals with delegated procurement authority, with assistance from the bureau servicing Human Resource Office, must include a requirement for complete, accurate, and timely reporting to FPDS NG in performance plans. The FPDS-NG data accuracy requirement may be incorporated in performance plans as a separate critical element or into an existing performance element.</p>

In addition to the four initiatives to increase the number of competitively awarded contracts to small businesses, the OSDBU will coordinate a number of small business outreach events with the BPOs that will target veteran owned service-disabled and HUBZone small businesses. At these events, small businesses will be made aware of potential contract opportunities and given an opportunity to meet contracting officers and technical representatives.

Commerce will also participate in outreach events outside of the Department. Each year, the OSDBU Director develops a calendar of small business outreach conferences and coordinates the participation of OSDBU staff and the bureau small business specialists (see Table 4). Last fiscal year, OSDBU participated in SBA matchmaking events and looks forward to participating again this fiscal year once SBA makes event information available.

**Table 4. FY 2008 Outreach Calendar**

<b>Dates</b>	<b>Outreach Events</b>
Nov 1	<b>Annual Minority Business Council Conference &amp; Expo</b> (exhibitor) City of Virginia Beach Minority Business Council Virginia Beach Convention Center Hampton Roads, VA
Jan 23	<b>GovConnects</b> (provided one-on-one counseling) Holiday Inn C Street S.W. Washington, D.C.
Feb 20	<b>Service Disabled Veteran-Owned and HUBZone</b> (one-on-one counseling) GovConnects Holiday Inn C Street S.W. Washington, D.C.
Mar 25-28	<b>National Small Business Federal Contracting Week (and Women's Conference)</b> (exhibitor) Washington Plaza Hotel 10 Thomas Circle, N.W. Washington, DC
Apr 24	<b>Annual OSDBU Procurement Conference</b> (exhibitor and one-on-one counseling) Federal Interagency OSDBU Council Show Place Arena Upper Marlboro, MD
May 27-29	<b>23<sup>rd</sup> Annual CelebrAsian Conference</b> US Pan Asian American Chamber of Commerce Washington, D.C.

Dates	Outreach Events
June 12-14	<b>2008 Annual Women's Business Conference</b> National Association of Women Business Owners Arizona Biltmore Resort & Spa Phoenix, AZ
July 7-10	<b>National Annual Veteran Small Business Conference &amp; Expo</b> (exhibitor, panel participation, and one-on-one counseling) Veteran Small Business Federal Interagency Council Las Vegas, NV

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

Secretary Gutierrez has maintained the Department's long and cherished mission of helping small business concerns grow, learn, and succeed through federal contracting. This message has been made clear to his Executive Management Team as well as in a number of public speeches. Since FY 2001, Commerce has awarded on average 50% of our total procurement dollars to small business concerns. This significant achievement is a testament of the dedicated efforts from the highest levels of the Department and throughout every organization.

Small business goal achievement is tracked as a performance measure in the Department's Annual Performance Plan and progress is reported on a quarterly basis to Executive Management through updates in the Performance and Accountability Report.

Small business goal achievement is also a performance measure reported in the Balanced Scorecard, a management tool implemented by the Office of Acquisition Management (OAM), to gauge the effectiveness of the Department's acquisition program. The Balanced Scorecard captures socio-economic data from FPDS-NG and survey results assessing the perception of the workforce about the effectiveness of the Department's Small Business Program. A sample of the survey questions are as follows:

**Asked of procurement personnel:**

- The mission of the Office of Small and Disadvantaged Business Utilization (OSDBU) is clearly communicated.
- I receive support from the OSDBU in achieving small business goals.
- Small Business Socioeconomic Goals are communicated to the Acquisition Community throughout the year.
- I have been able to identify contractors through outreach events.

**Asked of customers (requisitioners and CORs):**

- I believe achieving small business goals should be a major consideration in the acquisition.
- My Procurement Office provides me with effective information about how the Small Business Program could support my program objectives.
- I have been able to identify contractors through outreach events.

The Department's Chief Financial Officer and Assistant Secretary for Administration (CFO/ASA), appointed by the President and who reports to the Secretary, is a very vocal advocate of the Small Business Program. As a member of the Executive Management Team, Chair of the Commerce Chief Financial Officers Council, and Co-Chair of the Commerce Information Technology Review Board, the CFO/ASA uses these opportunities to promote the use of small businesses. The CFO/ASA is a key speaker at the Department's annual acquisition conference. In every speech he has promoted the benefits of the Small Business Program and the use of small businesses.

As the Department's Small Business Advocate, the Director for OSDBU maintains a high-level profile throughout the Department to promote the Small Business Program. The Director has the support of the Secretary, Deputy Secretary, and the CFO/ASA. The Director attends Departmental meetings such as the CIO Council and CFO Council. She is a member of the Department-level Acquisition Review Board which reviews acquisition strategies for proposed major contracts over \$10 million and participates in the IT Review Board which reviews systems over \$25 million.

The Department's SPE provides the necessary leadership to the Bureau Procurement Offices to promote and create contracting opportunities for small business concerns. The SPE works in partnership with the OSDBU Director to develop policies and procedures to support small business participation in prime and subcontracting opportunities.

The Department's bureaus are also committed to the goals of the Small Business Program (reference Table 5).

**Table 5. Bureau-Level Commitment to the Small Business Program**

Bureau	Description
Office of the Secretary	The Director for the OS Acquisition Division reports directly to the Senior Procurement Executive for the Department. The Senior Procurement Executive reports directly to the Department's Chief Financial Officer/Assistant Secretary for Administration. Both are strong small business advocates.
Census	<p>The Chief of the Acquisition Division reports directly to the Associate Director for the Bureau of the Census. In September 2007, the Associate Director testified on the Hill before the Government Management, Organization and Procurement Subcommittee about the Bureau's commitment to meet goals and provide opportunities to small businesses in all the preference programs.</p> <p>The Acquisition Chief is very committed to working with the bureau's Small Business Specialist and the OSDDBU to meet and exceed bureau-specific small business goals. The Chief has also been meeting with program division chiefs to gain their support of the Small Business Program and meeting goals.</p> <p>Contracting officers have small business goal achievement as an element in their performance plans.</p>
NIST	<p>The Chief of the Acquisition Management Division reports to the NIST Chief Financial Officer (CFO). NIST has met and/or exceeded its small business goals in all the preference programs year after year.</p> <p>Small business goal achievement is a rating element for all NIST acquisition personnel.</p>
NOAA	<p>The Director for the Acquisition and Grants Office reports directly to the Deputy Under Secretary for Oceans and Atmosphere. The Director enjoys strong support from NOAA's executive team including the Chief Financial Officer and Chief Administrative Officer.</p> <p>Small business goal achievement is a rating element in the Director's performance plan.</p>
USPTO	<p>The Chief of the Acquisition Management Division reports to the Chief Financial Officer (CFO). The CFO established a "CFO Performance Goals" report which reviews all small business goals on a quarterly basis. The small business goals are also tracked in the CFO Strategic Plan.</p> <p>Published and implemented the Acquisition Procedures and Guidelines Manual (APGM) April 2007. A section within APGM discusses USPTO's commitment to small business goals. This manual is posted on USPTO's website.</p> <p>Small business goal achievement is an element in the performance plans of the Director of Procurement and in each of the branch chiefs.</p>

Commerce has a number of programs available to help small business concerns. These programs are prominently displayed on the Commerce website. For example:

- **Office of Small and Disadvantaged Business Utilization (OSDBU)**  
The OSDBU is responsible for advocating the use of small, small disadvantaged, 8(a), HUBZone, women-owned, veteran-owned, and service-disabled veteran-owned small businesses. This involves promoting small business prime and subcontracting opportunities in accordance with federal laws, regulations, and policies.
- **NTIA's TV Converter Box Coupon Program**  
By February 18, 2009, the Federal Communications Commission will require full-power television stations to cease analog broadcasting. This will require analog televisions to be connected to cable or satellite service, or to a Digital to Analog (DTA) Converter Box. The Department's National Telecommunications and Information Administration (NTIA) is responsible for managing the TV Converter Box Coupon Program. Thus far, of the 111 authorized electronic retailers who are certified to sell DTA converter boxes, over 70% are small business concerns.
- **NIST Manufacturing Extension Program (MEP)**  
MEP is a nationwide network of not-for-profit centers in over 400 locations nationwide, whose sole purpose is to provide small and medium-sized manufacturers with the help they need to succeed. The centers, serving all fifty states and Puerto Rico, are linked together through NIST which makes it possible for even the smallest firms to tap into the expertise of knowledgeable manufacturing and business specialists all over the U.S.
- **Minority Business Development Agency (MBDA)**  
MBDA was established to foster the creation, growth and expansion of minority-owned businesses in America. Assistance is provided to socially and economically disadvantaged individuals who own or wish to start a business.



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

The Department has an established and effective hierarchical review process in place to ensure small business participation in our acquisitions. During the planning phase, contracting officers work cooperatively with the bureau small business specialists to determine the appropriate acquisition strategy, including the decision to set the requirement aside for small business or conduct full and open competition). Acquisitions with an estimated life cycle cost over \$100,000 are reviewed by the OSDDBU unless the procurement is set-aside for small business. The Small Business Administration (SBA) Procurement Center Representative (PCR) is given an opportunity to also review the procurement actions.

Planned acquisitions are evaluated by bureau governing boards. If the proposed acquisition is over \$10 million, the contracting officer and program office representatives must present the requirement before the Department's Acquisition Review Board (ARB). The ARB is chaired by the SPE and the OSDDBU Director is a voting member. The other members include the Chief Information Officer and the directors of Contract Law, Human Resources, Budget, Finance, and Administrative Services. The Department uses OMB's Exhibit 300 as the primary document for review and approval. Since the Exhibit 300 does not address small business considerations, Commerce's procedure is to request additional acquisition planning information in accordance with FAR Parts 7.107 and 19. A significant factor in the review and approval process is the consideration of small businesses that includes: the impact any bundling might have on small business participation, use of GSA multiple award schedule contracts and other agency contracts, strategies to maximize small business participation, and subcontracting goals set forth in the solicitation.

The Department's senior leadership is committed to the importance of the Small Business Program. During FY 2008, the OSDDBU Director, in cooperation with the BPOs, will hold small business procurement outreach events targeting service disabled veteran-owned and HUBZone small businesses. Also, in addition to the four Departmental initiatives identified by the SPE for FY 2008, the Bureau Procurement Offices have identified a number of action items to increase small business participation (see Table 6).

**Table 6. Highlights of Bureau-Specific Action Items to Increase Small Business Participation**

Bureau	Description
OS	<ul style="list-style-type: none"> <li>▪ Assumed the lead for identifying strategic sourcing opportunities that will benefit the Department.</li> <li>▪ Results of BPR effort will be shared with the other BPOs for their benefit.</li> <li>▪ Established a Contract Review Board to evaluate acquisition strategies and solicitations. Special emphasis is placed on ensuring small business participation and guarding against unnecessary contract bundling.</li> </ul>
Census	<ul style="list-style-type: none"> <li>▪ Created a Small Business Opportunity Page to:               <ul style="list-style-type: none"> <li>▪ Increase access to information on prime and subcontract opportunities at the Bureau</li> <li>▪ Post contact information of prime contractors with subcontracting</li> <li>▪ Keep track of firms that have received counseling and are interested in doing business with the Bureau</li> <li>▪ Make it easier for program offices to identify potential small businesses in industries typically used by the Bureau (top NAICS codes).</li> <li>▪ Assist with market research.</li> </ul> </li> <li>▪ Applies a stringent process of acquisition review and analysis for each requirement that is processed with special emphasis given to very large requirements. In addition, continuing requirements (and repetitive requirements) that were competed under full &amp; open competition procedures are given a critical review to determine if small business concerns have entered into these industries since the last market research was conducted which will allow consideration of set-aside competitions.</li> </ul>
NIST	<ul style="list-style-type: none"> <li>▪ Requires each operating unit to develop annual spending plans for all requirements over \$25,000 in order to assist procurement team leaders in identifying opportunities for small businesses.</li> <li>▪ The BPO for NIST requires that his Small Business Specialist consolidate all Requests for Small Business Set-Aside Reviews (CD-570s) into a monthly report for the purpose of improving upon the competitive contracting environment and to increase small business participation in the procurement process.</li> <li>▪ In process of creating a database of small businesses interested in NIST opportunities.</li> </ul>

Bureau	Description
NOAA	<ul style="list-style-type: none"> <li>▪ Implemented an Acquisition Advisory Council (ACC) to identify strategies to foster cooperation and facilitate communication between the program and procurement offices. One of the expected outcomes from this initiative is to improve acquisition planning and identify suitable opportunities for small businesses.</li> <li>▪ NOAA initiated a bureau-wide IT acquisition called NCITE that will be conducted as a small business set-aside. The life cycle contract value is \$900,000,000.</li> <li>▪ NOAA has four regional acquisition offices. These regional offices have delegated procurement authority (DPA) up to \$25,000 to individuals in program offices. As part of monitoring and compliance responsibilities, the regional offices are conducting annual training on FAR procurement procedures, including the Small Business Program. This training is mandatory for maintaining DPAs.</li> </ul>
USPTO	<ul style="list-style-type: none"> <li>▪ In the process of creating a database to track all the small business vendors that <ul style="list-style-type: none"> <li>▪ Received USPTO awards</li> <li>▪ Contacted the agency for future opportunities</li> <li>▪ Identified during market research on particular NAICS codes in CCR.</li> </ul> </li> <li>▪ In the process of developing a database to consolidate data from all Request for Small Business Set-Aside Reviews (CD-570s) for use in analyzing spending trends and finding opportunities for small businesses.</li> <li>▪ The Acquisition Division has identified five potential contract opportunities with an estimated life cycle value of over \$400 million suitable for small business set-aside. Each of these contracts will be for five years (base with four option periods).</li> </ul>

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

The Department recently completed our verification and validation of FY 2007 FPDS-NG data which was due Dec 15, 2007. In addition to a number of policies in place to address FPDS-NG data accuracy, the SPE and OSDBU Director are in the process of developing policy to ensure quality control of FPDS-NG data based on the OMB/OFPP memo dated March 9, 2007. This policy is expected to be issued by the third quarter of FY 2008.

Additionally, the Department and our BPOs have institutionalized a number of specific actions to ensure data accuracy for FPDS NG:

**Table 7. Actions Taken To Ensure Data Accuracy in FPDS-NG**

Departmental Action Items	
√	The Department created seven (7) standard reports within our automated Enterprise Acquisition Reporting System (EARS) to assist the BPOs with monitoring and validating data accuracy, especially actions that may have been miscoded as bundled or as small business awards.
√	In FY 2007, OAM and OSDBU teamed to provide training to Commerce acquisition personnel on properly coding actions in FPDS NG. This training is ongoing in FY 2008.
√	OAM provides monthly e-mails to BPOs of Draft and Error Reports downloaded from FPDS NG and an analysis of obligation trend reports from EARS.
√	Effective for FY 2008, contracting officers must have as an element in their performance plans, responsibility and accountability for data accuracy.
BPO Action Items	
√	BPOs conduct monthly reviews all actions entered into FPDS NG to ensure data accuracy and timeliness.
√	BPOs submit a contract bundling report to OSDBU on a quarterly basis.

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

The Office of Acquisition Management (OAM) maintains the Department's acquisition regulation, policies, and guidance on its website, including the Commerce Acquisition Manual (CAM). The CAM includes a chapter on Acquisition Planning that requires contracting officers to include a discussion on how subcontracting to small business concerns will be sought and promoted. Contracting officers are required to identify any known barriers to small business subcontracting and address how these barriers will be overcome.

The OSDBU maintains on its website a template of a subcontracting plan, along with guidance and instructions for its use. Contracting officers submit all subcontracting plans to OSDBU through the bureau Small Business Specialists for review and concurrence. Emphasis is placed on ensuring that offerors identify core work (or value added work) to promote growth and learning by small business contractors. The SBA PCR is also given an opportunity to review solicitations and subcontracting plans.

The SPE and OSDBU Director are developing a FAR deviation policy to use the Electronic Subcontracting Reporting System (eSRS).

Other steps taken to ensure contractor compliance with subcontracting plans:

- Increased usage of “Small Business Participation Plan” by the BPOs. Offerors are required to discuss plans to mentor emerging and other types of small businesses; plans to include and involve small businesses during the performance of the contract; and encourages offerors to identify small business concerns by name (including a description of the type of work they will be subcontracted to perform, dollar value, and percentage).
- The BPOs require their contracting officers to monitor prime contractors’ performance against the goals identified in the subcontracting plans. If a contractor fails to abide by the negotiated goals, then the contracting officers will take further enforcement action.
- The Bureau of the Census conducted extensive market research as part of the planning process for its 2010 Decennial support contracts. Based on this research, Census was able to establish aggressive small business subcontracting goals tied to Award Fee and other incentives to encourage contractors to exceed the negotiated small business subcontracting goals. Further, in September 2007, the Associate Director for the Bureau of the Census testified before the Government Management, Organization and Procurement Subcommittee that the Bureau was committed to enforcing subcontracting plans for the 2010 Decennial contracts.
- NOAA requires its contracting officers to submit subcontracting reports to the AGO Policy and Oversight Division for review.

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

Since FY 2003, the year agencies were required to first report on contract bundling, the Department has reported zero actions coded as bundled per FAR Part 7, including zero actions for FY 2007. The Department issued a policy memorandum in June 2003 to supplement the Federal Acquisition Regulation (FAR) on contract bundling. The policy memorandum included an action plan describing the responsibilities of the SPE, OSDBU Director, BPOs, and contracting officers to implement the strategies outlined in OMB’s October 2002 report to the President entitled “Contract Bundling: A Strategy for Increasing Federal Contracting Opportunities for Small Businesses.” This policy has proven very effective in guarding against unnecessary and unjustified contract bundling.

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

Commerce has in place a Career Management Program for our acquisition workforce which includes required training for the contracting series (GS-1102); purchasing series (GS-1105); clerical and technical series (GS-1106); and Contracting Officer's Representatives (COR). Reference Table 8. The Office of Acquisition Management (OAM) maintains a database to keep track of personnel's certification and training. The OAM website maintains policy on required training for the acquisition workforce and links to training sources.

**Table 8. Required Training That Includes the Small Business Program**

Job Series	Required Training
Level 1 for the contracting series (GS-1102)	<u>CON 110, Mission Support Planning</u> , as a required course. This course covers the various socio-economic programs.
Level 1 for the purchasing series (GS-1105 and GS-1106)	<u>Simplified Acquisition and Advanced Simplified Acquisition</u> as required courses. These courses provide an overview of applicable laws and regulations including socio-economic programs.
COR Level 1	<u>Simplified Acquisitions</u> provides an overview of applicable laws and regulations including socio-economic programs.  <u>Contracting for CORs</u> provides an overview of the acquisition process including acquisition planning and socio-economic programs.

In addition, the OSDBU maintains on its website links to Intranet sites offering online training on Small Business Programs, laws and regulations, and external contracting tools and resources.

The BPOs are also conducting in-house training activities to support the Small Business Program (see Table 9).

**Table 9. Small Business Program Training**

OAM/OSDBU	Provide FPDS-NG training to bureaus which also includes instructions on the use of set-aside programs.
Census	The Chief of the Acquisition Division (the Bureau Procurement Official (BPO)) conducted an acquisition awareness seminar for all Census Bureau customers that included the importance of viewing and designing requirements to make them conducive for small business participation.
NIST	Procurement teams within AMD receive ongoing training from the Small Business Specialist on various small business related rules and regulations.
NOAA	Provide procurement training to program personnel who have Delegated Procurement Authority located in regional offices throughout the U.S. This will be completed by third quarter of FY 2008.

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

The OSDBU Director personally interacts with the SBA Procurement Advisory Council and attends monthly meetings. In addition, the OSDBU Director is a member of the FAR Small Business Team, a subcommittee of the Federal Acquisition Regulatory Council. The purpose of the team is to focus on small business issues and to coordinate with SBA on concurrent SBA and FAR rulemaking. The team was formed in March 2007 and to date have worked on such cases as the Small Business Rerepresentation Rule and the Women Owned Small Business Federal Contracting Assistance Program.

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

Commerce submits all required reports to SBA as requested.

Attached	Report Name	Date/Period Due	Comment
√	Small Business Innovation Research (SBIR) Annual Report	March 15th	Attachment 1 is the FY 2006 report that covers the Department's 2 programs: NOAA and NIST. The FY 2007 report will be submitted on 03/15/2008.
	Small Business Technology Transfer (STTR) Annual Report	December 31st	Not applicable. Commerce does not have an STTR Program.
	Competitive Demonstration Program Report	January 31 <sup>st</sup>	Not applicable. Commerce is not a participating agency in this program.
√	Progress Report on Increasing Opportunities for Women-Owned Small Businesses	February 15	Attachment 2



**Addendum to  
U.S. Department of Commerce  
Small Business Procurement Scorecard  
(Fiscal Year 2008 Small Business Program Plan)**

**2. Demonstrated top-level agency commitment to small business contracting during the period (*documented expression by the agency-head or deputy agency head within the previous twelve months (January 2007 through January 2008).*)**

Secretary Carlos M. Gutierrez was sworn into office on February 7, 2005. He has maintained the Department's long and cherished mission of helping American small businesses grow and succeed. His top priority as the Secretary of Commerce is removing barriers to global markets so that U.S. companies, including small business concerns, can be competitive. The Secretary regularly travels internationally to visit with foreign government and business leaders to discuss ways to enhance trade and promote U.S. exports. He played a key role in the passage of CAFTA-DR, a landmark agreement that strips away trade barriers and expands export opportunities throughout Latin America. The following are examples of public statements made by the Secretary in support of helping small business concerns become more competitive:

- March 2007—Secretary Gutierrez released a press statement on two key economic reports: the February 2007 national employment report and the January 2007 trade in goods and services. In the press release, the Secretary hails the President's trade agenda because it will "open markets for American products and help level the playing field for...small businesses."
- April 2007—At an awards breakfast in Phoenix, Arizona during the 2007 National Small Business Week sponsored by SBA, Secretary Gutierrez highlighted the importance of small businesses to America's economic growth. The breakfast honored small businesses involved in disaster recovery efforts in the Gulf Coast Region. Also, that same month, Ronald Langston, the National Director for the Minority Business Development Agency of the Department of Commerce, spoke about the growth of small and minority-owned businesses at the Small Business Week National Awards Luncheon sponsored by SBA in Washington, D.C. Mr. Langston mentioned that MBDA provides management and technical assistance through its more than 40 minority business centers to help small businesses develop business plans, find contract opportunities, and identify prospective business partners.
- June 2007—Secretary Gutierrez hosted the Americas Competitiveness Forum in Atlanta, GA. High-level government officials from 33 countries in the Western Hemisphere attended. During an opening speech to attendees, the Secretary identified four elements that are considered important to competitiveness, one of which was small business development. The conference breakout session for Small Business Development explored (a) small business financing, (b) fostering an entrepreneurial environment, and (c) innovative government policies and programs

that promote small business growth. The Second Annual Americas Competitiveness Forum is scheduled for August 17-19, 2008.

- November 2007—Commerce Press Release. The President and Secretary Gutierrez announced that five organizations are the recipients of the 2007 Malcom Baldrige National Quality Award, the nation's highest Presidential honor for organizational performance excellence. The Baldrige Award was established by Congress in 1987 to enhance the competitiveness and performance of U.S. businesses. Of particular note is that among the five recipients is a small business, PRO-TEC Coating Company, Leipsic, Ohio. There was a field of 84 applicants. All of the applicants were evaluated rigorously by an independent board of examiners in seven areas: leadership; strategic planning; customer and market focus; measurement, analysis and knowledge management; workforce focus; process management; and results.

In addition to the Secretary's public support of small business concerns, the heads of Commerce bureaus have taken a number of initiatives to help small businesses. For example:

- September 2007—The National Minority Enterprise Development (MED) Week Conference hosted by MBDA. The conference theme: "The Power of Strategic Alliances in the Global Economy" focused on providing small and minority businesses with critical information to foster growth and competitiveness. The conference offered educational workshops and one-on-one counseling provided by the Federal OSDBUs.
- September 2007—The Deputy Census Director Jay Waite spoke before the Government Management, Organization and Procurement Subcommittee about the Bureau's commitment to meet small business goals and provide opportunities to small businesses in all the preference programs.
- October 2007—Press Release. The Commerce Assistant Secretary for Economic Development, Sandy Baruah, presented a \$600,000 investment check to the John Bryant's Operation Hope located in Washington, D.C. The investment supports the continuation and expansion of the HOPE Center Small Business Technical Assistance Center in the Anacostia section of D.C.
- November 2007—Press Release. The Commerce National Institute of Standards and Technology (NIST) is assisting a veteran owned small business, Sanaria, Inc., in the effort to create a new type of vaccine to eradicate malaria, the mosquito-borne disease that kills more than a million people every year.

Although the Secretary works closely with private and public sector officials focused on promoting innovation and economic development across the U.S., he has also made it clear to his Executive Management Team that helping small businesses grow and learn through Federal procurement is also important to the Department. The Secretary identified small business goal achievement as a performance measure in the Department's Annual Performance Plan. During his tenure as the Secretary of Commerce, the Department has averaged close to 50% of our procurement dollars to small businesses. Tracking the Department's small business goal achievement through the Annual Performance Plan has been very effective in making small business participation in federal procurements a key consideration during acquisition planning and during Departmental review processes. Ensuring that the Department maintains a strong Small Business Program are the Chief Financial Officer and Assistant Secretary for Administration (CFO/ASA), OSDBU Director, and the Senior Procurement Executive (SPE).

- Otto J. Wolff, CFO/ASA, is the Department's Chief Acquisition Officer and reports to the Deputy Secretary. Mr. Wolff is a vocal small business advocate in the Executive Management Team (EMT) meetings attended by the Secretary, Deputy Secretary, and heads of the bureaus. In addition to his interaction with the bureau heads, Mr. Wolff also interacts on a regular basis with the Commerce Chief Information Officer (CIO).

Mr. Wolff co-chairs the Department's Information Technology Review Board (ITRB) along with the CIO. The Board members are made up of bureau CIOs. Also in attendance at the ITRB are the Senior Procurement Executive (SPE) and OSDBU Director. The ITRB acts as a board of directors that advises the Secretary and Deputy Secretary on critical IT matters. The ITRB ensures that proposed investments contribute to the Secretary's strategic vision and mission requirements, employ sound IT investment methodologies, comply with Departmental systems architectures, employ sound security measures, and provide the highest return on the investment or acceptable project risk. The presenters of proposed investments are required to submit OMB's Exhibit 300 as the primary document for review and approval. Since the Exhibit 300 does not address small business considerations, Commerce's procedure is to require an Acquisition Plan as an attachment to Exhibit 300. The Acquisition Plan must address small business participation.

Mr. Wolff established the Department's CFO Council to share information and to provide oversight of the bureaus' financial management activities. The Council is made up of bureau CFOs. This forum provides Mr. Wolff with yet another means to extol the benefits of the Small Business Program and to emphasize the focus of working towards achieving the Department's small business goals.

Mr. Wolff is very supportive of the OSDBU Director and her efforts to manage the Department's Small Business Program. He ensures that the SPE cooperates fully with the OSDBU Director in implementing policies and procedures to promote small business participation in the Department's procurements.

- During FY 2007 and prior years, the OSDDBU Director spoke at pre-solicitation and Industry Day conferences for the Department's major acquisitions. The OSDDBU Director's message to both the Head Contracting Officers (HCO) and the audience of businesses (large and small) is that we expect significant participation by small businesses, whether at the prime contracting level or subcontracting level. This partnering between the HCOs (also known as Bureau Procurement Officers (BPO)) and OSDDBU Director has proven to be very effective in conveying the Department's objective to help small businesses. We are continuing this practice in FY 2008.
- The SPE established the Department's HCO Council that convenes monthly. The OSDDBU Director is a regular participant in these meetings and on every agenda is an issue related to small businesses.

The SPE chairs the Department's Acquisition Review Board (ARB). The OSDDBU Director is a voting member on the Board. All proposed acquisitions with an estimated life cycle cost of \$10 million or higher must be reviewed by the ARB. A primary criterion is small business participation. Any proposed action not slated as a small business set-aside must be fully supported by market research.

**6. Demonstrated no unjustified bundling has taken place during the period**  
*(The agency will need to have established, documented, and enacted systematic action plans to be taken to ensure no unjustified bundling has taken place during the reporting period).*

Since FY 2003, the year agencies were required to first report on contract bundling, through FY 2007 the Department has reported zero actions coded as bundled per FAR Part 7. The Department issued a policy memorandum, PM 2003-04, in June 2003 to supplement the Federal Acquisition Regulation (FAR) on contract bundling. The policy memorandum included an action plan describing the responsibilities of the SPE, OSDDBU Director, BPOs, and contracting officers to implement the strategies outlined in OMB's October 2002 report to the President entitled "Contract Bundling: A Strategy for Increasing Federal Contracting Opportunities for Small Businesses." This policy, which is posted on the Office of Acquisition Management's (OAM) website, has proven very effective in guarding against unnecessary and unjustified contract bundling (also provided hard copy as Attachment 3). In addition, the Department's internal database system (EARS) provides a standard report on contract bundling to help OSDDBU, OAM, and BPOs monitor actions that may have been miscoded as bundled in FPDS-NG.