

Department of the Treasury's
Small Business Procurement Scorecard
Small Business Contracting Plans for 2008
Planned Actions:

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

Yes, the Department has performed an analysis of its small business contracting and level of competition and has developed and implemented strategies to improve. Major elements of our strategy are highlighted below.

A. Elevated OSDBU function: The Department has realigned the OSDBU to report directly to the Deputy Secretary with the OSDBU providing the Deputy Secretary with quarterly briefings on Department progress in meeting its goals.

B. Advance Acquisition Planning

The Department Office of Procurement (OPE) is updating the Department acquisition regulations and policies to require advanced acquisition planning to, in part, increase small business contracting opportunities.

OPE is also supporting the Office of the Chief Information Officer initiative to develop and issue a Treasury Directive requiring advanced acquisition planning to include planning for small business participation.

C. Competition: The Treasury Competition Advocate performed an annual assessment of the extent of competition in contracting within the Department and made recommendations for improvement in his report dated December 17, 2007. The report emphasized the importance of acquisition planning to both ensure competition and to provide maximum practical opportunity for small business participation in Department contracting.

D. Innovation:

OPE issued Acquisition Bulletin (AB) Number 07-01 R1, dated January 26, 2007, to address Executive Order 13170 to increase contracting opportunities for disadvantaged businesses in advertising and information technology requirements.

OPE issued AB Number 06-05 R1, dated September 29, 2006, to make permanent an innovation piloted to require that bureau procurement offices perform market research to support soliciting HUBZone (HZ) and Service Disabled Vendor Owned Small Businesses (SDVOSB) in fulfilling bureau procurement requirements.

OPE is reviewing the effectiveness and appropriateness of requiring that small businesses be solicited and possibly given preference in Department GSA Schedule procurements.

The Department has made a formal change request through the FPDS-NG governance process to re-gain visibility into Department non-appropriated fund obligations. This is part of the Department's strategy that all bureaus promote small business contracting irrespective of goaling credit.

The Office of Small and Disadvantaged Business Utilization (OSDBU) has achieved funding and is readying to contract for consulting support to analyze the Department small business contracting operations and make recommendations based on best practices for the Department to optimize its performance in meeting small business goals, particularly for HZ and SDV preference groups.

E. Training and Outreach:

OSDBU assists, counsels, and advises small businesses on the procedures for contracting with the Department and assists our bureaus in achieving the Department-wide small business procurement preference group goals.

OSDBU provides this support through four essential vehicles: (1) Information Dissemination on the internet and hard copies; (2) Monthly Vendor Outreach Sessions (VOS); (3) Training; and, (4) the Mentor-Protégé Program (MPP).

Some highlights include:

- Created an Outreach Calendar of Events and Conferences
(Attachment 1 - Calendar of Events)
- OSDBU staff attend and participate in preference group trade fairs and match-making
- Created a Vendor Outreach Sessions (VOS) schedule and posted on web.
 - o OSDBU sponsors 12 VOSs annually; including 4 special emphasis preference groups: (1) SDVOSB; (1) HUBZone; (1) WOB; and (1) HUBZone/SDVOSB
 - o Guest speakers are invited to discuss special topics
 - o Individual bureaus' VOSs have focused on IT vendors who are GSA schedule holders, HUBZone and SDVOSB GWACs approved
- Created a "Resource Checklist" with useful links including links for websites for past performance and access to VETBiz.gov to assist in market research for SDVOSB and Veteran-Owned Businesses
- Developed a Small Business Handbook, which has been distributed to the Department Small Business Specialists

F. Governance: Achievement of the Department small business goals is tracked as part of Department procurement metrics program with regular updates at Department Bureau Head Meetings and monthly update and review by the Treasury Acquisition Council.

G. Accountability: OPE formally requested of the Treasury Acquisition Council (TAC) and gained TAC agreement that achievement of the Department Small Business goals be an element of Department acquisition staff FY08 performance plans.

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

The OSDBU has been recently re-aligned to report directly to the Deputy Secretary of the Department of the Treasury. **(Attachment # 2)**

The OSDBU staff has met with and briefed both the Secretary and Deputy Secretary on concerns regarding the Small Business Program (SBP). OSDBU has the full support of top-level management on small

business contracting. The Director of OSDBU has been invited to participate in Bureau Heads Council meetings to discuss issues surrounding the SB Program. The Deputy Secretary attends these meetings.

The Acting Assistant Secretary for Management, issued memo dated January 24, 2007, encouraging all Bureau Heads to share the commitment to the small business program. The Bureau Heads were instructed to share the commitment by including the Small Business Goals in Acquisition Personnel Performance Plans. **(Attachment # 3)**

On October 25, 2007, the OSDBU Director made a presentation at the Bureau Heads Council meeting which stressed the importance of small business programs, a review of agency and bureau accomplishments, and FY2008/2009 Small Business Goals. This meeting was attended by the Deputy Secretary and his support of the program was noted.

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

The following is a list of planned significant events to increase small business participation in the procurement process during the period:

- OSDBU sponsors 12 VOSs annually; including 4 special emphasis preference groups. (1) SDVOSB, (2) HUBZone, (3) WOB, and (4) HUBZone/SDVOSB
- OSDBU plans to work with SBA and other agency sponsored small business matchmaking events to include; but not limited to the National Center for American Indian Enterprises Development Reservation (RES), "Keeping the Promise" California Disabled Veterans Alliance , 18th Annual OSDBU Procurement Conference, Western Regional Business Matchmaking Event, and other Regional Business Matchmaking Workshops, 3rd Annual Small Business Training & Matchmaking Summit, GCon Procurement Forum, the 8th Annual Alliance Mid-Atlantic Conference, National Small Business Conference, Women in Business Conference, DOE 9th Annual Business Procurement Conference and the 4th Annual National Veteran Small Business Conference and Expo.

The Department has a comprehensive small business program. OSDBU is responsible for assisting, counseling, and advising small businesses of all types in all preference groups on procedures for contracting with the Department of the Treasury.

The Department has developed and is implementing an overall strategy to meet its goals for each preference group. The strategy has recently been enhanced through the creation of a joint SBA and Treasury working group that continuously reviews Treasury efforts and helps us find innovative ways to meet unmet goals through the SBPAC monthly meetings.

Current written policies include: Small Business Handbook (SB) - April 2002 (being updated), and ABs - June 14, 2002, September 29, 2006 and January 6, 2007. The SB Handbook gives overall guidance on how the Small Business Program should operate and the Acquisition Bulletins (ABs) give further instructions on utilizing the Small Business Program with special emphasis on HUBZone and SDVOSB.

Current procedures include, but are not limited to, Small Business Compliance Reviews. These reviews were conducted in 2006 and will be conducted every three years. During these reviews the OSDBU visits all 10 bureaus and interviews the assigned Small Business Specialists and Contracting Officers. Random files are selected and reviewed for small business compliance, including subcontracting goals.

Written reports with recommendations are forwarded to the Bureau Chief Procurement Officers for comment before the final report is issued. The Small Business Specialists are always encouraged to participate in the preliminary phase of acquisitions over \$100,000, in order to utilize small businesses to the maximum extent practicable.

Further, in collaboration with the Department's OPE, the TAC is active and one of its primary functions is to focus on improving the competitive environment and to increase small business participation. The TAC is an executive leadership group of Bureau Chief Procurement Officers (BCPOs), Procurement staff, Small Business staff, CIO staff, other management team members and invited guests, including SBA. They work closely with the BCPOs and across management to build and implement effective strategies to meet

Treasury's small business goals. Meetings are held monthly and small business issues are reported out each month.

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

The Department of Treasury has established the Acquisition Systems Users Group (ASUG), which is a chartered sub-group of the Treasury Acquisition Council (TAC). A point of contact representing each bureau is responsible for providing input and recommendations related to acquisition systems, including the Integrated Acquisition Environment e-government systems. Minutes and notes that are generated from the ASUG meetings are located on Treasury's portal (intranet.)

Moreover, on June 1, 2007, the Senior Procurement Executive signed AB 07-02 requiring additional steps to verify and validate the accuracy of data in FPDS-NG. This AB establishes requirements to ensure that FPDS-NG data are accurate and timely including all SB data fields. (Attachment # 4)

Treasury provided both GSA and OFPP its reasonable assurance of the accuracy of its FPDS.NG data, including for small business, on December 13, 2007. The data accuracy for Contracting Officer determination of small business size was 98% accurate. As a note, the Department approach to validating data accuracy has been identified as a best practice.

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

All prime contractor subcontracting plans for the Department of the Treasury are current and in place, and subcontracting goals are being met.

OSDBU is responsible for submitting the quarterly and annual subcontracting reports for the Department. At the conclusion of each quarter and at fiscal year end, OSDBU requests information from each bureau regarding their subcontracting plans. If a negative

response is received, the responding bureau must submit a plan of action to ensure prime contractor's compliance.

One of OSDBU's staff members is the appointed Agency Coordinator (AC) for the Electronic Subcontracting Reporting System (e-SRS). This individual is responsible for attending monthly e-SRS and quarterly Control Change Board meetings to convey issues surrounding e-SRS.

Information is reported back to the bureaus' point of contact, which typically are the bureaus' Small Business Specialists. The AC is responsible for monitoring progress on SBA's requests for the "Federal Procurement Subcontracting Report," ensuring the reports have been revised, rejected or accepted. Currently, there are two (2) negative report findings from the Bureau of Public Debt. Explanations have been offered and recommendations made to address the problem. (Attachment # 5)

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

Treasury has established, documented, and enacted systematic action plans to ensure no unjustified bundling has taken place. This has been accomplished through OSDBU's quarterly and annual bundling reports for the Department. At the conclusion of each quarter and at fiscal year end, OSDBU requests information from each bureau regarding their bundling activities. If bundling is reported, the responding bureau must submit a plan of action to mitigate bundling. Treasury submits an Annual Contract Bundling Report SBA. (Attachment # 6)

No unjustified bundling has been reported during this period.
(Attachment # 7)

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

The following is a list of Treasury's bureaus' planned activities to ensure training is provided to the contracting staff/managers in executing small business/socio-economic procurements:

- Hold training sessions for all new hires. This training will provide an overview of the SB Program, covering the basic understanding of FAR, Part 19 and DTAR regulations
- Oral presentations are given to a group of program managers emphasizing the importance of utilizing the SB Program, where (5) 8(a) contracts resulted
- Small business training was conducted to national field offices, to ensure that the procurement staff was on board regarding data accuracy
- Conducted training session to the Office of Information Technology (OIT) managers discussing 8(a), HUBZone, and SDVOSB Programs and the various ways to procure from these preference groups. Emphasis was placed on the GSA GWACs.
- Quarterly COTR and procurement staff training is provided
- Provides SDVOSB and HUBZone firms capability statements to procurement staff
- Sponsor Education Day to procurement staff; including COTRs and Technical Personnel
- Provide awareness of GSA/GWAC training to procurement staff
- Treasury's Annual Procurement Conference, which featured guest speakers from OFPP, SBA, and GSA

Timeline: Information provided above is a combination of responses from all 10 Treasury bureaus, which plan to provide training throughout fiscal year 2008, in fact some of the training has already been provided.

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

The OSDDBU Director or designee actively participates in monthly Small Business Procurement Advisory Council and SBPAC Sub-Committee meetings to discuss small business procurement issues.

Further, the creation of a joint SBA and Treasury working group that continuously reviews Treasury efforts and helps us find innovative ways to meet unmet goals through the SBPAC monthly meetings.

As previously stated in item #3, Treasury's OSDDBU, in collaboration with the Department's Office of Procurement Executive, the

Treasury Acquisition Council (TAC) is active and one of its primary functions is to focus on improving the competitive environment and to increase small business participation. The TAC is an executive leadership group of Bureau Chief Procurement Officers (BCPOs), Procurement staff, Small Business staff, CIO staff, other management team members and invited guests, including SBA. They work closely with the BCPOs and across management to build and implement effective strategies to meet Treasury's small business goals. Meetings are held monthly and small business issues are reported out, each month.

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

Treasury has met all prescribed deadlines for submitting required strategic plans and annual reports that were due to SBA, during this period. In fact, the Annual Bundling Report is due June 30, 2008; however Treasury submitted the plan on January 22, 2008. The following is a list of reports that are due, and are being submitted, timely, to SBA:

- Competitive Demonstration Program Report (N/A, FAR 19.1004 - Treasury is not listed as a participating agency)
- Annual Bundling Report (SUBMITTED 1/22/08)
- Progress Report on Increasing Opportunities for Women-Owned Small Businesses (REPORT #1)
- Corrective Actions to Address Unmet FY 2006 Socio-Economic. (REPORT #2)