## **PPD ALERT**

## Procurement Preference Program Status of Service-Disabled and Veteran-Owned Small Businesses



Federal Acquisition Regulation (FAR) requires data collection to measure the extent of small business participation in the acquisition programs. Data is collected on the amount of total contract dollars and the percentage of participation represented by concerns that are Small Business (SB), 8(a), Small Disadvantaged Business (SDB), Women-Owned (WOSB), HUBZone, Service-Disabled Veterans (SDV) and Veteran-Owned Small Business (VOSB) concerns. Preference goals have been established for each category and SDV and VOSB are the most recent additions to the preference program. Applicable goals will apply to both prime contract and subcontracting.

Recently the Federal Acquisition Circular (FAC) 2001-01 amended the FAR to add a goal requirements for SDV concerns. No Government-wide goal has been established for VOSB concerns by FAC 97-20, however, the REE Mission Area has proposed a FY 2002 goal of 2 percent. The Government-wide goal for SDV is 3 percent and will be based on the total value of all prime contract and subcontract awards. The effective date is October 22, 2001. Note that the Standard Form (SF)-294 and SF-295 have been revised to capture SDV and VOSB participation. *No special Small Business Administration certification is required for SDV or VOSB contractors*.

## **Prime Contract Reporting**

- (a) **VOSB Concerns** Report all contracts awarded to VOSB concerns. Include concerns which are WOSB, SDB, and HUBZone which are owned by veterans.
- (b) **SDV Concerns** Report all contracts awarded to SDV concerns. Include concerns which are WOSB, SDB, and HUBZone which are owned by SDV's. *These contracts will also be included in the VOSB line above*.

The SF-279 (contract) portion of the Federal Procurement Data System currently includes a block for SDV's and one for VOSB's to capture this information. Ensure that each contract and Purchase Order is reviewed for veteran status and code the appropriate block.

The SF-281 Purchase Order Report from the National Finance Center, however, will capture this information <u>only</u> through Discoverer 3. The SF-281 hard copy will not report this information so the quarterly Combined Summary Report will capture data on SDV's and VOSB's from the Discoverer 3 report.

## **Subcontract Reporting**

The SF-294 and SF-295 Summary Subcontract Report includes a block for reporting information on each of these categories. Contracting Officers shall remind the prime contractors with subcontracting plans of the need to report the information in accordance with the instructions for blocks 15 and 16 on the back of the form.

ISSUE DATE: April 2002 PPD Policy Alert No. 2002-003