



GSA Administrator

March 7, 2006

The Honorable John F. Kerry
Ranking Minority Member
Committee on Small Business and Entrepreneurship
United States Senate
Washington, DC 20510-6350

Dear Senator Kerry:

Thank you for your letter of January 27, 2006, asking what measures the General Services Administration (GSA) has taken to fully utilize the Service-Disabled Veteran-Owned Small Business (SDVOSB) procurement program.

GSA has one of the most active SDVOSB initiatives within the Federal Government. We have been an active participant in the implementation of Public Laws 108-183 and 106-50 and Executive Order 13360. For your information, we have outlined GSA's extensive history with this program in Enclosure 1. Enclosure 2 addresses your specific questions in the order presented in your letter.

As the Federal Government moves toward meeting the three percent goal for the SDVOSB initiative, GSA has the tools and programs to foster double digit growth within the next five years. As we continue to work with our partners in the Department of Veterans Affairs and the Department of Defense's Department of the Army, even more SDVOSB opportunities will open.

If you have any questions regarding the information provided in this letter, please contact me. Staff inquiries may be directed to Mr. Bradley M. Scott, Regional Administrator, Heartland Region, at (816) 926-7201, or Mr. Thomas Brown, Director, SDVOSB Initiatives, at (816) 823-2009.

Sincerely,

A handwritten signature in black ink that reads "David L. Bibb".

David L. Bibb
Acting Administrator

Enclosures

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
Telephone: (202) 501-0800
Fax: (202) 219-1243
www.gsa.gov

**GSA's HISTORY
WITH THE
SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
PROCUREMENT PROGRAM**

In January 2004, the General Services Administration (GSA) launched OPERATION FASTBREAK, an outreach effort to promote service-disabled veteran-owned small businesses (SDVOSBs). Last year, there was an impressive outpouring of efforts to recruit SDVOSBs to become GSA's schedule holders and to inform them of other ways to do business with the Federal Government. GSA's efforts, for the most part, were done independently.

On February 3, 2005, former Administrator Stephen A. Perry approved a strategy for attaining GSA's SDVOSB goal, called OPERATION BREAKOUT. This plan was shared with the Small Business Administration and has been used as a model for other Federal agencies.

In a memorandum dated March 17, 2005, former Administrator Perry emphasized his commitment and stressed the importance to coordinate actions and to share best practices. This memorandum provided guidance regarding actions needed in each area of responsibility and how to coordinate the work effort to achieve success.

In early 2005, the national and regional levels of each GSA Service reviewed fiscal years 2005 and 2006 procurement forecasts and incorporated new steps to achieve SDVOSB goals. GSA also took this opportunity to review plans for meeting other socio-economic goals. GSA's intent was to use existing processes to maintain progress on this initiative. Each Service provided written justifications if no set-aside opportunities were identified for SDVOSBs. Additionally, GSA has developed training on SDVOSBs as part of its "Get It Right" campaign, which is geared to ensure the proper use of GSA contracting vehicles and services. An agency-wide launch date has not yet been established due to GSA's pending reorganization.

On March 31, 2005, GSA issued the solicitation for a SDVOSB Governmentwide Acquisition Contract (GWAC); the solicitation closed on July 15, 2005. GSA anticipates making awards under the Veterans Technology Services (VETS) GWAC, which will provide up to \$5 billion worth of Information Technology (IT) services opportunities over the next ten years, in the spring of 2006. In the Federal IT market, estimated to be \$65 billion annually and growing, VETS will be the preeminent procurement mechanism for helping agencies meet their three percent goal for this initiative.

**QUESTIONS AND ANSWERS
ON GSA'S
SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS PRACTICES**

Question

Has the General Services Administration set aside any contracts for service-disabled veteran-owned small business owners and limited competition for these businesses since the passage of this legislation? Has the General Services Administration utilized the sole-source tool that was made available by P.L. 108-183, and if so, how often?

Answer

The General Services Administration (GSA) has set aside contracts for SDVOSB owners. In Fiscal Year (FY) 2005, GSA had 43 actions for SDVOSB set asides totaling \$1,562,743.15. For example, the Public Buildings Service has set aside selected building maintenance in Federal buildings, e.g., Denver, CO, and St. Louis, MO. Our Heartland Region's Federal Supply Service set aside a temporary manpower service contract.

GSA has used the sole-source tool made available by Public Law 108-183. In FY 2004, our Heartland Region placed a \$9,000 award and, in FY 2005, a \$66,000 award. In FY 05, GSA used sole source authority in 26 actions totaling \$2,523,335.61. Although the numbers are steadily increasing, a Federal agency may award contracts to SDVOSB concerns on a sole source basis provided only one SDVOSB concern can satisfy the requirement." However, this tool has helped GSA almost double the percentage of dollars spent with SDVOSBs, rising from .55 percent in FY 2004 to 1.046 percent in FY 2005.

GSA's spending with SDVOSBs rose 56 percent—from \$65 million in FY 2004 to \$103 million in FY 2005.

As a broker of business with the Federal Government via the Federal Supply Schedules, GSA has increased opportunities with SDVOSBs five fold; dollars spent on Schedule purchase with SDVOSBs rose from \$120 million in FY 2004 to \$660 million in FY 2005.

Question

What strategies are being implemented to inform agency contractors about the opportunities available to them through this program? What steps has the agency taken to actively seek out eligible businesses and inform them of the contracting opportunities at the General Services Administration under the Veterans Benefits Act?

Answer

GSA has held and participated in multiple outreach efforts, including the following:

- GSA maintains an up-to-date link with the Department of Veterans Affairs' (VA's) Center for Veterans Enterprise; the Department of the Army's (Army's) Small Business Office; and Small Business Administration (SBA) to reach SDVOSBs. GSA also maintains an easy-to-follow link on GSA's web page.
- GSA sits on the monthly meeting of the Task Force for Veterans Entrepreneurship (TFVE). Concurrently, GSA is in contact weekly with TFVE leadership and members. GSA seeks and responds to media requests through the Office of Citizen Services and Communications.
- GSA published a brochure titled "Is Your Agency Doing Its Part for Veterans?" (copy enclosed), which has an interactive compact disk for use by all Federal agencies and SDVOSBs. This brochure explains the program and gives contracting officers and buyers information on how to buy from SDVOSBs. GSA has distributed almost 7,000 copies and is working on the second printing.
- GSA signed a Memorandum of Agreement (MOA) with VA to promote SDVOSBs. This MOA supports the spirit and intent of Public Laws 106-50 and 108-183 and Executive Order 13360. GSA and VA agreed to enhance GSA's advocacy and outreach efforts to SDVOSBs through a partnership with the Center for Veterans Enterprise (CVE). Some highlights of the MOA are:
 - Engage in collaborative efforts to increase procurement opportunities for SDVOSBs;
 - Promote contracting preferences in Public Law 108-183 and the goal that SDVOSBs participate in at least three percent of contract awards each fiscal year;
 - Enhance outreach opportunities, share best practices, and exchange mission-related information;
 - Seek to create more business opportunities for highly qualified SDVOSBs;
 - Provide GSA with greater source selection of quality goods and services at a reasonable price;
 - Facilitate better procurement and technical assistance to SDVOSBs on how to do business with GSA and other Federal agencies;
 - Seek to provide information to contracting officers regarding the strategies and procurement preferences that are available to them for contracting with SDVOSBs;
 - Seek to identify innovative ways to increase contract awards to SDVOSBs; and,
 - Provide leadership among other Federal agencies in accomplishing this goal.

GSA also enjoys a close working relationship with the Army regarding this initiative.

Question

Is there a process for service-disabled veteran-owned small businesses to proactively contact contracting officers or the Office of Small and Disadvantaged Business Utilization to learn about contracts for which they are eligible under this program?

Answer

At the national and regional levels each GSA Service has outreach plans for conferences, seminars, classes, collateral materials, web upgrades, etc. GSA conducts ongoing outreach efforts for all socio-economic categories through its regional Office of Small Business Utilization (OSBU). These programs and outreach efforts provide an additional venue for small businesses to learn more about doing business with the Federal Government. GSA has held or will hold an SDVOSB outreach conference in each region. Training and networking sessions involving contracting officers are an integral part of each outreach effort. Additionally, GSA contracting officers are receptive to inquiries from all groups and, to the extent possible, endeavor to address their concerns.

To date, GSA has held conferences, in conjunction with VA and SBA in Albuquerque, NM; Annapolis, MD; Atlanta, GA; Boston, MA; Chicago, IL; Colorado Springs, CO; Dayton, OH; Kansas City, MO; New York, NY; Phoenix, AZ; San Diego, CA; Seattle, WA; and Washington, DC. Regional OSBU's and Small Business Centers are working with the Services to ensure that their outreach initiatives are included.

Question

What training programs has the General Services Administration implemented to ensure that the Agency's procurement staff is fully aware of the various tools available to them to assist in the utilization of service-disabled veteran-owned businesses?

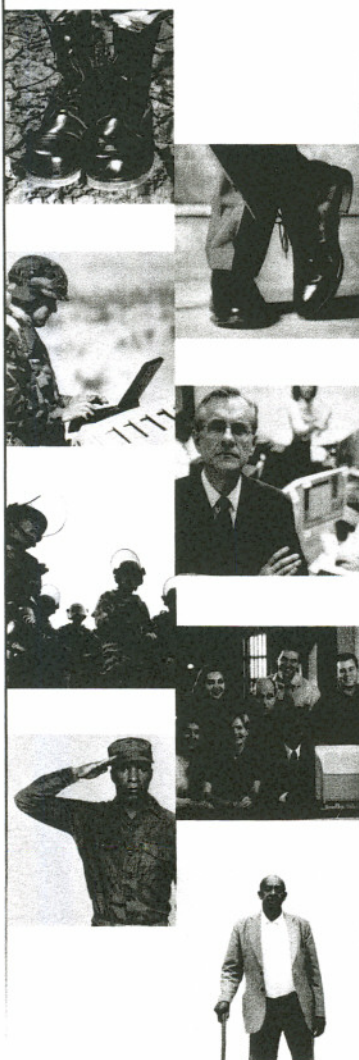
Answer

GSA has incorporated a training plan that includes senior managers and program managers. Within 30 days of GSA's strategic plan approval, in February 2005, the entire leadership team (Regional Administrators, Assistant Regional Administrators, Commissioners, and primary staff members) was briefed on the details of the initiative.

Concurrently, this was incorporated into all *Get It Right!* training, which is an ongoing effort. Contracting officer and program manager training is also ongoing. GSA expects to launch a more aggressive effort to coincide with the FY 2006 Procurement Forecast. GSA has reviewed its FY 2006 Procurement Forecast and, when practicable, has done SDVOSB set asides.

GSA has included an element in performance plans of the agency's designated Senior Official; Chief Acquisition Officer; and Director, OSBU, as prescribed in Executive Order 13360. On March 17, 2005, former Administrator Perry went further when he stated that he wanted this to be part of the performance plans of those key personnel who could influence goal attainment. The draft measures were sent to the Chief People Officer for further refinement and staffing as may be required. According to SBA, GSA is the only agency to have done this to date.

Is your agency doing its part for veterans?



GSA Schedules can make it easier to reach the statutory goal for contracting with service-disabled veteran-owned small businesses.

GSA DOCUMENT SUMMARY
(Instructions on reverse)

1. TO: The Honorable John F. Kerry	2. FOR SIGNATURE OF Acting Administrator	3. DATE DUE 2/10/06	6. CORRESPONDENCE CONTROL NO. 109072
4. SUBJECT Would like to know what measures GSA has taken to fully utilize the Service-Disabled Veteran Owned Small Business (SDVOSB) procurement program		5. <input type="checkbox"/> BASIC DOCUMENT <input checked="" type="checkbox"/> RESPONSE	

7. CONCURRENCES

ITEM	CORRES. SYMBOL	SIGNATURE (Sign full name)	DATE	ITEM	CORRES. SYMBOL	SIGNATURE (Sign full name)	DATE
	✓	<i>Conely Murphy</i> Felipe Mendoza	2/27		✓	<i>E. Mendoza</i> Mendoza	3/11 <i>see com</i> 3/27
A.	E	<i>[Signature]</i> Aidan E. Swendiman	3/6	H.	E		
B.	L	<i>[Signature]</i> Thomas Dryer	3/3	I.			
C.	S	<i>[Signature]</i> Beth Johnson	3/6	J.			
D.	ACA	<i>[Signature]</i> Aidan E. Swendiman	3/6	K.			
E.	AC	<i>[Signature]</i> Kathleen M. Turco	3/6	L.			
F.	AD			M.			
G.				N.			

8. NAME OF ACTION OFFICER Bradley Scott	9. CORRES. SYMBOL 6A	10. TELEPHONE NO. (816) 926-7201	11. TYPIST Theresa Robinson-Smith	10. TELEPHONE NO. (202) 501-0516
--	-------------------------	-------------------------------------	--------------------------------------	-------------------------------------

NOTE: NUMBER OF SIGNATURES REQUIRED BY FINAL SIGNING OFFICIAL ▶ 1

14. SUMMARY

15. AUTHOR ▶	TYPED NAME AND SIGNATURE	SYMBOL	TELEPHONE NO.
---	--------------------------	--------	---------------