




DEPARTMENT OF THE TREASURY
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Acquisition Bulletin (AB)
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MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

FROM: Thomas A. Sharpe, Jr. 
Senior Procurement Executive
Office of the Procurement Executive

SUBJECT: Increasing Federal Contracting Opportunities for Section 8(a)
Businesses, Small Disadvantaged Businesses, and Minority-Owned
Businesses in Federal Advertising

Purpose:

To meet the requirements of Executive Order 13170, to increase access for small disadvantaged and minority-owned businesses to federal contracting opportunities, especially participation in procurements for federal advertising. This AB supersedes AB 07-01.

Effective Date: This AB is effective immediately.

Expiration Date: This AB will expire when cancelled or superseded.

Background:

The Government Accountability Office (GAO) reviewed the compliance of some agencies, including Treasury, with Executive Order 13170. The GAO report, *Federal Advertising: Established Programs Were Largely Used to Address Executive Order Directive to Ensure Small and Minority-Owned Business Participation*, was issued on July 12, 2007 and found that Treasury needed to improve its results.

Among other things, Executive Order 13170, *Increasing Opportunities and Access for Disadvantaged Businesses*, dated October 6, 2000, requires agencies to ensure substantial participation in federal advertising contracts by small disadvantaged and minority owned businesses.

Special attention shall be given to requirements for advertising placement in publications and television and radio stations that reach specific, ethnic and racial audiences. Each department and agency shall ensure that payment for federal advertising is commensurate with fair market rates in the relevant market, and shall structure advertising contracts as commercial acquisitions consistent with Part 12 of the Federal Acquisition Regulation processes and procedures to

enhance participation by 8(a) Businesses (8(a)s), Small Disadvantaged Businesses (SDBs), and Minority-Owned Business Entities (MBEs).

Minority Business Enterprise is not a term regularly used in the Department of the Treasury and is not a socio-economic group that can be measured in FPDS-NG. For the purposes of the report GAO defined MBE as minority-owned business.

Required Actions:

Contracting Officers (COs) are required to take action to ensure maximum participation by small disadvantaged and minority-owned businesses, to the extent practicable, in contracts for federal advertising.

Sources Sought:

For all proposed open market and Federal Supply Schedule (FSS) acquisitions for advertising and advertising related requirements, the CO shall issue a sources sought notice seeking capable 8(a), SDB, and minority-owned vendors. Open market action notices shall be published in Federal Business Opportunities (FBO) and FSS action notices shall be published in the General Services Administration's (GSA's) E-Buy. The sources sought shall be posted for a minimum of 15 days. The sources sought shall, at a minimum, include the following:

1. To promote the goals of Executive Order 13170, *[Insert Bureau Name]* is seeking businesses classified as 8(a), small disadvantaged businesses, or minority-owned business for the following federal advertising requirement. Interested firms shall describe their capability to fulfill the requirement and indicate all socio-economic categories for which they qualify, i.e., for which contracting agency will receive statutory goaling credit.
2. The classification code "R – Professional, administrative, and management support services."
3. The appropriate advertising NAICS code, which can be found at <http://www.census.gov/epcd/www/naics.html>.

Acquisition Planning:

The acquisition plan shall consider the information received in response to the sources sought, and to the maximum extent allowable under FAR Part 19, attempt to secure participation by small disadvantaged and minority-owned businesses.

File Documentation:

The CO must document for the file efforts made to identify responsible 8(a)s, SDBs or minority-owned small businesses. The CO must document how their acquisition strategies are responsive to the Executive Order.

Annual Reporting Requirement:

Bureaus are required to report to the Office of the Procurement Executive all federal advertising and federal advertising-related contract actions, including development of advertising and

broadcasting of advertising. The reports shall include all contract actions that meet the federal advertising description in section 4 of Executive Order 13170. The report shall include the contract number, the contractor's name, the date of the contract action, the dollar value of the contract action, the small disadvantaged and minority-business status of the contractor, and the reason (if applicable) for not awarding the contract to an 8(a), SDB, or minority-owned small business. The report for the previous fiscal year shall be submitted by December 31.

Questions about this AB may be directed to Patrick Breen at Patrick.Breen@do.treas.gov or (202) 622-0248.

Attachments:

1. Executive Order 13170 – Increasing Opportunities and Access for Disadvantaged Businesses, which can be located at <http://www.archives.gov/federal-register/executive-orders/2000.html>
2. GAO-07-877 – Federal Advertising: Established Programs Were Largely Used to Address Executive Order Directive to Ensure Small and Minority-Owned Business Participation, which can also be located at <http://www.gao.gov/docsearch/abstract.php?rptno=GAO-07-877>