

Impact of A-76 Competitive Sourcing on Small Government Vendors

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Overall Findings

The data show that since fiscal year (FY) 2001 through the third quarter of FY 2006, \$5.5 billion was spent on 3,735 A-76 contracts (see table). Of the 795 companies that received these procurements, 567 companies, or 71 percent, were small. Small businesses won 65 percent of the total *number* of A-76 contracts.

Highlights

- As noted, A-76 contracts were awarded by both civilian and defense agencies. Small business shares are shown in both number of contracts and dollars. Multiple contracts may be awarded to one recipient.

- *Civilian* agencies awarded contracts to a total of 678 recipients, of which 488, or 72 percent, were small businesses. The civilian agencies awarded these 488 small businesses a total of 2,355 contracts over the FY 2001-FY 2006 period, or about two-thirds of the total *number* of civilian agency A-76 contracts. These contracts were valued at \$615 million, or about 19.5 percent of the total *dollar value* of A-76 contracts awarded by civilian agencies. The average value of these civilian

agency A-76 contracts was \$261,532 per recipient small firm.

- *Defense* agencies awarded a total of \$2.3 billion in A-76 contracts over the FY 2002-FY 2006 period. Of the *number* of defense agency A-76 contracts, small firms won 64 percent; small firms won 31 percent of the *dollar value*.

Scope and Methodology

The General Services Administration's Federal Procurement Data System—Next Generation (FPDS-NG) database provided the primary source data used in this study. It provides the most systematic overview of A-76 prime contract statistics for civilian agencies. The FPDS-NG database is a three-year-old information collection and dissemination system that replaces the old procurement reporting process using DD-30 and SF-279 forms.

Starting in 1979, the Department of Defense's database for tracking A-76 initiatives has been the Commercial Activities Management Information System or CAMIS. The CAMIS database thus is the primary source for A-76 contract statistics for defense agencies.

Summary of Federal Civilian and Defense Agency A-76 Procurements Since FY 2001*

	Number of award recipients			Number of contracts			Contract dollars (billions)		
	Total	Small firms ¹	Percent small	Total	Small firms ¹	Percent small	Total	Small firms ¹	Percent small
Total	795	567	71.3	3,735	2,438	65.3	5.5	1.3	24.2
Civilian agencies ²	678	488	71.9	3,606	2,355	65.3	3.2	.6	19.5
Defense component agencies ³	117	79	67.5	129	83	64.3	2.3	.7	30.7

* See notes below for time periods covered.

¹ The A-76 recipients that are not small constitute an "Other" category that includes nonprofits, etc., but is primarily large businesses.

² Civilian agency data are from the Federal Procurement Data System and cover the FY 2001 to FY 2006 year to date (YTD) period.

³ Defense Department (DoD) data are from the DoD's Commercial Activities Management Information System (CAMIS) and cover the FY 2002 to FY 2006 YTD period.

To perform this analysis, the researcher extracted and analyzed all A-76 contract transaction records reported in the FPDS-NG and the CAMIS covering the period FY2001–FY2006. The data were summarized and discussed.

This report was peer-reviewed consistent with Advocacy's data quality guidelines. More information on this process can be obtained by contacting the Director of Economic Research at advocacy@sba.gov or (202) 205-6533.

Note

Previous research titled, "Small Business Participation in A-76 Privatization Initiatives," was published by the U.S. Small Business Administration's Office of Advocacy in 1989 and is available at <http://www.sba.gov/advo/research/PB90-195595.pdf>.

Ordering Information

The full text of this report and summaries of other studies performed under contract with the U.S. Small Business Administration's Office of Advocacy are available on the Internet at www.sba.gov/advo/research. Copies are available for purchase from:

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