

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION'S (NASA) IMPLEMENTATION PLAN TO SIGNIFICANT INCREASE PRIME AND SUBCONTRACT DOLLARS TO SERVICE DISABLED VETERAN OWNED SMALL BUSINESSES

NASA's Designated Senior-level Official for this effort will be:

**Ralph C. Thomas III, NASA Assistant Administrator for Small and
Disadvantaged Business Utilization**

Agency Strategy

The strategy described below has helped NASA to enjoy phenomenal increases in its contract and subcontract dollars to small, small disadvantaged, and women owned businesses for more than a decade. During such time the agency tripled its total prime and subcontract dollars to small disadvantaged businesses and almost quadrupled such amount to women-owned businesses. The agency achieved this with a generally flat procurement budget. It believes it can accomplish the same results by extending such approach to Service Disabled Veteran owned Small Businesses.

In fact the application of this effective strategy to this group over the past two years has resulted in significant gains for Service Disabled Veteran Owned Small Businesses (SDVOSB's) in NASA contracting. For example, from FY 2003 to FY 2004 the agency more than doubled its prime contract dollars to Service Disabled Veteran Owned Small Businesses **from \$26.6 million in FY 03 to \$64.7 million in FY 04**. This occurred and will continue by NASA accomplishing the following:

- Ensuring that SDVOSB's are made aware of the **NASA Small Business Training Program**, a 3-day intensive training program which is designed to show small businesses how to do business with NASA.
- Ensuring that, where possible, SDVOSB's take part in NASA's **Aeronautics Small Business Forum** in which four exceptional high tech small firms are given an opportunity to present their capabilities before NASA's senior program managers, procurement officials, and major prime contractors at each of NASA's three aeronautics field centers per year. Since the program's inception, more than \$75 million in contracts and subcontracts have been awarded to some of the presenters at these forums.
- Ensure that, where possible, SDVOSB's are involved in each **Science Forum for Small Business**, whereby four to six exceptional high tech

small firms are given a unique marketing opportunity to present their capabilities before NASA's senior program managers, procurement officials, and major prime contractors at each of NASA's three science field centers per year. Since the inception of this program, some of the presenters have been awarded more than \$40 million in prime contracts and subcontracts from NASA as well as other agencies.

- Ensure that SDVOSB's are made aware of NASA's Annual **Space Science Symposium for Small Businesses** in which science program managers from Headquarters and field centers, along with major prime contractors, make presentations to small businesses about upcoming science projects and programs that have potential contracting and subcontracting opportunities. Attendees have reported winning more than \$20 million in subcontracts as a result of this symposium.
- Encourage prime contractors that are actual or potential mentors in NASA's **Mentor Protégé Program** to, where practicable, select SDVOSB's, who otherwise qualify for the program. This program is designed to provide incentives to NASA's major prime contractors to assist small disadvantaged businesses, including women owned businesses, in expanding their technical capabilities into those high technology areas where such firms are currently under-represented.
- Ensure that SDVOSB's that specialize in the Information Technology (IT) field are made aware of the **Information Technology Guide for Small Businesses**, produced by the NASA Office of Small and Disadvantaged Business Utilization (OSDBU). This publication includes all of NASA's current contracts in the IT field at each NASA field center. It includes contract numbers, dates when contracts expire, levels of current small business participation, a list of contact persons with their phone numbers. Such manual, which does not exist in any other Federal agency, will save the SDVOSB at least one year of market research.
- Ensure that SDVOSB's are made aware of a course delivered by the NASA OSDBU at least four times a year entitled, **Principles of Effective Teaming Agreements**. Most of the NASA opportunities for small businesses are in the area of subcontracts. In such light small businesses have on occasion expressed concern about being on a team to compete for a contract and then not getting what was promised to them after their team wins the contract. This seminar is designed to enable small businesses to understand the legal structure of written teaming agreements, as well as factors to consider when entering into one.
- Ensure that SDVOSB's are made aware of NASA's **E-Mail Notification of Procurements**. Under this initiative small business can sign up for immediate e-mail notification of the types of NASA procurement in which

they are interested or the NASA Center(s) with which they desire to contract. This no-cost electronic notification for small businesses gives them prompt and easy access to business opportunities at all NASA Centers and eliminates the paperwork such firms previously had to submit to each NASA Center.

- Ensure that SDVOSB's are made aware of the **NASA OSDBU website**, www.osdbu.nasa.gov, on which it posts all of its programs, initiatives, and links to contract opportunities.
- Disseminate to all pertinent SDVOSB's and SDVOSB trade associations the various publications produced by the NASA OSDBU. These include, for example: **Procurement Bulletins**, alerting small businesses of upcoming contract and subcontract opportunities; **Information Bulletins**, which notify small businesses of upcoming outreach conferences and program events; **Legislative Bulletins**, which inform small businesses of relevant pending and recently enacted legislation; **Technology Commercialization Bulletins**, which inform small businesses about NASA technologies that are ready to be commercialized; and, **NASA OSDBU News Bulletin**, which informs the public of small business accomplishments on NASA missions.
- Ensure that SDVOSB's are made aware of **NASA's two major annual conferences** for small businesses. These are "one-stop" conferences where small businesses, including SDVOSB's, can have access to representatives from all of NASA's field centers and all of its major prime contractors. They can also attend pertinent instructional workshops and seminars that are presented as a part of the conferences. Every year small businesses write the OSDBU that they obtained contracts and/or subcontracts as a result of attending these conferences. At such conferences NASA allows such firms to give "testimonials" of their experiences at the start of each conference.
- Ensure that NASA participates in all external conferences geared to providing information about contract/subcontract opportunities to SDVOSB's.
- NASA will "ensure" all of the above actions by notifying national and other SDVOSB trade associations and its database of those SDVOSB's that inform it through emails, phone call, correspondence, and conferences, of its interest in contracting with NASA. In addition NASA will post all pertinent information on its website.
- Ensure that NASA **Uniform Methodology for Determining Small Disadvantaged Business (SDB) Subcontracting Goals** on individual contracts which meet the statutory thresholds are used for SDVOSB's as

well. This ensures that on each applicable NASA contract prime contractors will have a numerical subcontracting goal which represents maximum practicable opportunities for SDVOSB's, as well as other small businesses.

- The NASA OSDBU will ensure that SDVOSB goals that are negotiated with the Small Business Administration for prime contracts will be tabulated on a monthly basis and sent to NASA's senior officials in charge, including its Center Directors. It will measure each Center's progress in meeting the annual SDVOSB goal.
- Ensure that when the agency puts out a "sources sought" synopsis to determine the procurement strategy of a particular contract that SDVOSB set asides are considered, taking into account, of course, the agency's obligations and commitments to other categories of small business

Notwithstanding, and in light of, the above commitments, NASA will stress to SDVOSB's that the success of this effort is a two-way street. It will be emphasized, and SDVOSB's must understand, that this is not a "give away" program or an entitlement. Just as was made clear to other categories of small business, NASA will contract, and enthusiastically do business with, those firms that have prepared themselves and qualified themselves to do a high quality, cost conscious job with priority attention to factors of safety and risk assessment. NASA has had dramatic success with this approach for small disadvantaged businesses, women owned businesses, and small businesses in general, as they have performed in an exemplary manner on some of NASA's most critical missions. The agency expects no less as it continues on the right track with Service Disabled Veteran Owned Small Businesses.

Signed

February 7, 2005

Ralph C. Thomas III
NASA Assistant Administrator for
Small and Disadvantaged Business Utilization

Date