



United States Department of State

*Assistant Secretary of State
for Administration*

Washington, D.C. 20520

MEMORANDUM

February 4, 2005

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TO: Mr. David H. Safavian
Administrator
Office of Federal Procurement Policy

Hector V. Barreto
Administrator
Small Business Administration

FROM: William A. Eaton *WAE*

SUBJECT: Compliance with OMB letter of January 12, 2005 implementing Executive Order 13360, "Contracting with Service-Disabled Veterans' Businesses"

In accordance with Executive Order 13360, Section 2, and in my capacity as Assistant Secretary for Administration, I will serve as the senior official to be responsible for implementing the terms of the order. The Department's Foreign Affairs Manual, Part One, charges me with administrative oversight and services of the Department of State Office of Small and Disadvantaged Business Utilization (OSDBU). I report directly to the Deputy Secretary concerning the OSDBU policies and activities. Additionally, Department of State Acquisition Regulations designates the position of Assistant Secretary for Administration as the agency head for purposes of FAR 19.201.

The Office of Small and Disadvantaged Business Utilization will maintain overall responsibility for the day-to-day management and operations of the Department's Small Business Program.

The Department has developed a Strategic Plan in accordance with Section 2 of the order.

Attachment:
Department of State Strategic Plan for Implementing E.O. 13360

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Attachment

**DEPARTMENT OF STATE STRATEGIC PLAN FOR IMPLEMENTING
EXECUTIVE ORDER 13360 CONTRACTING WITH SERVICE-
DISABLED VETERANS' BUSINESSES**

BACKGROUND:

Executive Order 13360, signed into effect on October 20, 2004 requires that we develop a strategy to significantly increase the Federal contracting and subcontracting of service-disabled veteran businesses. We must make our strategy available to the public and report annually to the Administrator of the Small Business Administration on our implementation. Also, we must designate a senior level official who will be responsible for developing and implementing our strategy and include development, implementation, and advancement of the strategy as significant elements in the performance plans of the senior official, the chief acquisition officer and the director of small and disadvantaged business utilization.

DESIGNATED SENIOR-LEVEL OFFICIAL:

The designated senior official for the Department of State is the Assistant Secretary for Administration.

DEPARTMENTAL STRATEGY:

The following paragraphs outline the five key elements of the strategic plan required by the Executive Order. These specific tasks identified will also be used to further the success of the Department's overall Small and Disadvantaged Business Program. The tasks are:

- Reserve certain Departmental contracts exclusively for service-disabled veteran businesses
- Encourage and facilitate participation by service-disabled veteran businesses in competitions for award of our contracts
- Encourage Departmental prime contractors to subcontract with service-disabled veteran businesses and actively monitor and evaluate their efforts to do so

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- Train our personnel on applicable law and policies relating to participation of service-disabled veteran businesses in Federal contracting
- Disseminate information to service-disabled veteran businesses that would assist them in awards of our contracts.

1. Reserve certain Departmental contracts exclusively for service-disabled veteran businesses

Incorporate achievement of small business contracting goals in the performance plans of Deputy Assistant Secretaries, Deputy Assistant Secretary equivalents, executives, managers, contracting officers, and program office directors who influence or are involved in the acquisition process or who are responsible for organizations whose budget is partially expended for contracts.

Require the Head of Contracting Activities to send all acquisitions valued over \$100,000 and all task/delivery orders placed against GWAC or GSA schedules valued above \$2 million dollars to the Office of Small and Disadvantaged Business Utilization for concurrence on the method of acquisition and consideration as possible service-disabled veteran set-asides.

Reserve at least 3% of each bureau's procurement forecast for award to service-disabled veteran businesses.

Review source lists quarterly to identify possible matches for upcoming acquisitions.

Promote reverse auctions for service-disabled veteran set-asides where at least three eligible firms are registered with FEDBID.com.

Recognize exemplary achievement by procurement personnel through the Department's award program.

Provide a briefing packet describing our small business program with special emphasis on service-disabled veteran goal achievement to all Assistant Secretaries, Bureau Executive Directors, and senior program and acquisition officials.

2. Encourage and facilitate participation by service-disabled veteran businesses in competitions for award of our contracts

Hold at least one annual in-house service-disabled veteran trade show in the Department.

Establish a "Seek Veteran Sources" policy for all credit card purchases.

Consider establishing evaluation factors for full and open competitions that give credit for offers who are or who subcontract to service-disabled veteran businesses.

Require contracting officers to consider service-disabled veteran schedule holders when contracting using the Federal Supply Schedule.

Require contracting officers to consider soliciting at least one service-disabled firm, if available, whenever the full and open contracting method is used.

3. Encourage Departmental prime contractors to subcontract with service-disabled veteran businesses and actively monitor and evaluate their efforts to do so

Modify the Department's mentor/protégé program to support selection of veteran and service-disabled veteran protégés.

Require prime contractors to obtain contracting officer approval prior to replacement of veteran, service-disabled veteran, or small business subcontractors.

Encourage prime contractors to assist service-disabled and veteran subcontractors in obtaining bonding.

Establish an award for prime contractor achievement in the use of service-disabled veteran subcontractors.

Establish procurement policy that gives evaluation factor for using veteran, service-disabled veteran, and small business subcontractors.

4. Train our personnel on applicable law and policies relating to participation of service-disabled veteran businesses in Federal contracting

A/SDBU will conduct annual training for Washington-based procurement staff.

Modify the A/SDBU module of the General Service Officer Course curriculum provided by the Foreign Service Institute to reflect the importance of the use of service-disabled contractors when conducting acquisitions supporting diplomatic posts worldwide.

Include training for embassy procurement staff during annual GSO conferences.

Provide training to functional bureau program offices, regional bureau staffs and senior management in order to facilitate achievement of procurement goals.

5. Disseminate information to service-disabled veteran businesses that would assist them in awards of our contracts

Establish/expand contact with veteran and service-disabled trade associations and advocacy groups.

Recognize outstanding veteran/service disabled veteran owned small businesses in Departmental awards program.

Ensure that veteran specific marketing information is included in outreach and marketing material.

Expand outreach program to include conferences that focus primarily on service-disabled and veteran small business communities.

Utilize PTAC and SBA district offices to increase our outreach efforts and to assist in identifying qualified service disabled and veteran small businesses to pursue Department contracts.