



January 24, 2007



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MEMORANDUM FOR HEADS OF DEPARTMENTS AND AGENCIES

FROM: Steven C. Preston  
Administrator  
U.S. Small Business Administration

Paul A. Denett  
Administrator  
Office of Federal Procurement Policy  
Office of Management and Budget

SUBJECT: Contracting with Service-Disabled Veterans

The President signed Executive Order 13360 on October 20, 2004, to recognize the extraordinary service and sacrifice of service-disabled veterans and to significantly increase contracting opportunities for these individuals. The following actions illustrate some of the progress we have made:

- As of January 2007, more than 12,500 small businesses owned and controlled by service-disabled veterans (SDVOSBs) are now registered in the Central Contract Registry.
- In June 2006, the Small Business Administration (SBA) announced that Federal contracting with SDVOSBs increased 58 percent, from \$1.2 billion in fiscal year (FY) 2004 to \$1.9 billion in FY 2005.
- Although official government-wide data is not yet available for FY 2006, preliminary data indicate that both SBA and the Department of Veterans Affairs (VA) exceeded the 3 percent goal for SDVOSB contracting.
- On December 19, 2006, the General Services Administration (GSA) announced contract awards to more than 40 SDVOSBs, with a potential overall value of \$5 billion, under GSA's Veterans Technology Services (VETS) government-wide acquisition contract.

These actions represent real progress, but we need to do more. The same qualities of service, leadership, and dedication exhibited by service-disabled veterans can make them ideal contractors and subcontractors. We all must do our part to create an environment where SDVOSBs can successfully compete for contracting and subcontracting opportunities. We need to continue to reach out to these small businesses, encourage their development, and create more procurement opportunities for their success.

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In the coming weeks, SBA will announce actions that it plans on taking to help you increase opportunities for these businesses. We are calling upon you to work closely with SBA Headquarters and field offices to continue Administration coordination and outreach to make this happen. What more can you do to meet or exceed the goal? Service-disabled veterans deserve our best efforts and results.

Thank you for your attention to this important matter.

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cc: Chief Acquisition Officers, Senior Procurement Executives, Offices of Small and Disadvantaged Business Utilization