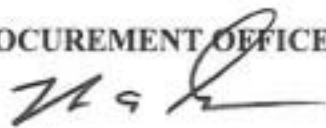




Acquisition Procedures
Update (APU)
2011-10
June 24, 2011

MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

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

SUBJECT: Meeting the Department's FY11 Socio-economic Goals

Purpose: This Acquisition Procedures Update (APU) documents the update of DTAP 1019.502 to clarify the current scope of the policy for set asides for Historically Underutilized Business Zone (HUBZone) and Service Disabled Veteran Owned Small Businesses (SDVOSB) businesses, as well as to implement temporary reinforcement and analytical measures to actively promote the Department meeting all of its socio-economic goals in FY 2011. The temporary measures are intended to support compliance with existing policy and to develop data to facilitate analysis of Treasury procurement opportunities available for HUBZone and SDVOSB businesses.

Effective Date: This DTAP change is effective July 1, 2011.

Background: The Small Business Act requires the Government to ensure that a fair proportion of contracts for products and services be placed with small business enterprises to maintain and strengthen the overall economy of our nation. The Historically Underutilized Business Zones (HUBZone) Empowerment Contracting program, part of the Small Business Reauthorization Act of 1997, was passed to stimulate economic development and create jobs in urban and rural communities by providing Federal contracting preferences to small businesses.

Acquisition Bulletin (AB) No. 06-05, dated April 27, 2006 required all procurement requirements to be considered for set aside to SDVOSB or HUBZone firms. The AB gave preference to use of set asides before use of GSA schedules; and required the contracting officer to solicit SDVOSB and HUBZone firms to the maximum extent practicable when not set aside, including when utilizing GSA schedules; and required the contracting officer to document the file for each requirement in the event a set aside was not made to show the extent to which these preference groups were researched and solicited, the responses received, and the basis for selection of the awardee.

Acquisition Bulletin (AB) No. 06-05R1 September 29, 2006 extended use of the procedures through September 30, 2007. AB No. 06-05R2, dated September 27, 2007 extended use of the procedures indefinitely.

AB No. 08-03, issued March 26, 2008, superseded and replaced AB06-05R2. This AB clarified the required procedures and reporting of efforts to identify, solicit, and award to SDVOSB and HUBZone businesses. This revision implemented the discussion and subsequent vote that was held at the Treasury Acquisition Council meeting on February 28, 2008. AB No. 08-03 was incorporated into DTAP 1019.502 on October 1, 2010.

Through these and other efforts, the Department was successful in achieving its SDVOSB goal for FY10. However, it has yet to achieve accomplishment of the HUBZone goal. This APU is designed to reinforce and support our shared responsibility to achieve this goal.

DTAP Changes: DTAP 1019.502(b) is replaced with the following language:

“(b) The contracting officer shall review all requirements over the micro-purchase threshold for set aside for award to HUBZone and SDVOSB businesses. The contracting officer shall document the determination concerning the set-aside and include in the contract file.”

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DTAP 1019.502(c) is replaced with the following language:

(c) The contracting officer must solicit HUBZone and SDVOSB businesses to the maximum extent practicable for all requisitions where: (1) the award is not set aside for HUBZone or SDVOSB businesses; or (2) the solicitation is not limited to HUBZone or SDVOSB businesses on a Federal Supply Schedule. The contracting officer must document the extent to which these socio-economic groups were considered, solicited, and participated in the acquisition. The documentation must include:

- (1) A description of the market research conducted and considered by the contracting officer,
- (2) A list of HUBZone and SDVOSB businesses identified within the applicable North American Industrial Classification System (NAICS) code,
- (3) A list of businesses to be solicited, and
- (4) Rationale for not setting-aside the requirement for HUBZone and/or SDVOSB businesses, or for not limiting solicitation to HUBZone and/or SDVOSB business under a FSS.

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DTAP 1019.502(e) is added as follows:

“(e)(1) Between July 1, 2011 and August 31, 2011, for any planned solicitation, request for quotation or request for proposal that (1) is estimated between \$150,000 and \$5,000,000; (2) will not be set aside for a HUBZone or SDVOSB business; (3) will not be limited to HUBZone or SDVOSB businesses on a Federal Supply Schedule buy and, (4) has been identified as one of the following North American Industry Classification System (NAICS) categories:

23 (CONSTRUCTION)

33 (MANUFACTURING (METALS, MACHINERY, COMPUTER, ELECTRONICS

ELECTRICAL TRANSPORTATION EQUIPMENT, FURNITURE, MISCELLANEOUS))
42 (WHOLESALE TRADE)
45 (RETAIL TRADE (SPORTING GOODS GENERAL MERCHANDISE,
MISCELLANEOUS))
48 (TRANSPORTATION)
49 (POSTAL SERVICE, COURIER/MESSANGER, WAREHOUSING)
51 (INFORMATION)
52 (FINANCE AND INSURANCE)
54 (PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES)
56 (ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND
REMEDICATION SERVICES)
61 (EDUCATIONAL SERVICES)
72 (ACCOMMODATION AND FOOD SERVICES)
81 (OTHER SERVICES (EXCEPT PUBLIC ADMINISTRATION))
92 (PUBLIC ADMINISTRATION)

the contracting officer must prepare documentation required in section 1019-502(c). The documentation must include the requisition number(s), the contract, agreement, order, call, and modification number where applicable, NAICS code, and be submitted in a single attached file to: CrushTheGoals@treasuryecm.gov prior to release of the solicitation. For purposes of this section, the term solicitation shall include Requests for Quote (RFQ), Requests for Proposal (RFP), request for task/delivery order proposal, requests for proposal under a BPA call or other instrument, or request for products or services resulting in a modification to a contract, agreement, order, or call.

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