

OSDBU UPDATE

Department of Veterans Affairs

July 1999

Notes from Scott

In the January issue, we posted OSDBU's New Year's Resolutions. Here's where we stand halfway through CY 1999

1. VA will execute the Memorandum of Understanding with SBA to permit us to execute 8(a) contracts more expeditiously. This MOU was executed on June 14, and transmitted via Information Letter 90-99-3 dated June 15, 1999. There are some minor changes the VA's Office of Acquisition Policy is processing, but the streamlined procedures are in place and available now to most of VA's contracting activities.
2. VA will obtain a waiver from the Office of Federal Procurement Policy to enable us to process SAT transactions without synopsis in the Commerce Business Daily. VA's Office of Acquisition Policy is still waiting for approval on this from OFPP.
3. VA will publish the Final Rule on the Simplified Acquisition Procedures in support of Health Care Contracting. In response to comments received after the first proposed rule was published last Fall, the regulation writing team is planning to issue a second proposed rule later this year.
4. VA will revise VAAR 819, at last! OSDBU sent the proposed material to Acquisition Policy where it

was promptly reviewed and requests for changes identified. We hope to return the revised 819 and its accompanying supplemental material to Acquisition Policy by the end of August.

5. VA will work with the OSDBU Director's Interagency Council to establish a formal training program for Small Business Specialists. In the July Interagency OSDBU Directors' Council meeting, a draft 2-day course agenda was distributed. It is very similar to the one VA developed for Small Business Specialist Orientation we piloted earlier this year. Gail Wegner will represent VA on the interagency course development team that will work with the Federal Acquisition Institute to finalize this new class.
6. VA will expand its support of all socio-economic procurement programs. We now have Partnering Plans covering the majority of VA's contracting activities. The plans cover a wide range of activities supporting small business programs.

During the past month, VA hosted Information Technology Day in Baltimore, Maryland. This program was very well received by industry and is highlighted elsewhere in this month's Update. Also, representatives from OSDBU, Veterans Health Administration and the Office of Acquisition and Materiel Management also met with SBA's Goal Program Manager this month to initiate dialogue about how changing industry and VA business strategies are impacting our Department's goal setting and accomplishment. I hope to solicit volunteers who are willing to study this matter and develop program improvement recommendations. If you're interested, give me a call! Elsewhere in this month's issue is a recap of how VA distributed 8(a) awards in FY 1998. Traditionally, our Department spends most of its 8(a) dollars during the fourth quarter, so we thought it'd be timely to include the information this month. In closing, please take a look at your partial year accomplishments - numbers for women and veteran entrepreneurs need your attention.

**SMALL BUSINESS
BUILDS AMERICA!**

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8(a) Business Development Program Actions

FY 1998 Breakout

Major SIC Group	Description	% of Total \$	\$ Awarded (\$000)
15	General Building Contractors	48.6	134,074
17	Special Trade Contractors	20.0	55,131
16	Heavy Construction (Roads, Sewer, Power, NEC)	10.1	27,980
73	Business Services (maintenance, security, software design & support, programming)	9.5	26,234
48	Communications (Telephone Systems)	3.8	10,649
87	Engineering Services (A/E, Facilities Management)	2.4	6,692
50	Wholesale Trade - Durable Goods (Computers, Medical/Surgical Item Distribution)	1.0	2,857
38	Measuring Instruments (orthopedic, prosthetic, surgical instruments, appliances & supplies)	<1.0	2,478
49	Gas, Electric & Sanitary Services (Natural Gas Distribution & Refuse Systems)	<1.0	2,455
35	Commercial & Computer Equipment, Office Machines	<1.0	2,181
89	Services Not Elsewhere Classified (??)	<1.0	1,313
13	Natural Gas	<1.0	1,193
76	Miscellaneous Repair Services (A/C, Refrigeration, Business Machine Repairs)	<1.0	637
72	Personal Services (Industrial Laundry Services)	<1.0	542
7	Lawn and Garden Services (Grounds Maintenance)	<1.0	326
39	Miscellaneous Manufacturing (Signage)	<1.0	281
80	Health Care (Offices of Doctors & Clinics)	<1.0	159
36	Electronic Equipment - Not Computers (Switchgear, Telephones)	<1.0	138
83	Social Services (Vocational Rehabilitation Services)	<1.0	58
65	Real Estate (Leasing)	<1.0	58
42	Courier Services (Mail, Package Delivery)	<1.0	18

Summary:

In Fiscal Year 1998, VA utilized SBA's 8(a) Business Development program to acquire products and services in 21 Major Standard Industrial Classification Groups; 63 different 4-digit SIC codes; from 417 Different 8(a) Vendors, about one quarter of the active 8(a) firms in SBA's portfolio. This indicates that we have a very diverse requirement base with which to make goal.

However, looking at the distribution of awards, VA spent more than 80% of the 8(a) dollars in four major groups - 15, 16, 17 and 87. These are construction and architect-engineering services. As a Department, we need to focus on expanding opportunities for 8(a) contractors in non-construction fields.



VA IT Industry Day

by Jim Dunning

On June 21st, VA, FedSources, and AFCEA, jointly sponsored an Industry Day for the information technology industry at the Sheraton Inner Harbor in Baltimore, MD. Harold Gracey, Acting Assistant Secretary for Information and Technology, opened the conference. Panels were held on VA Management and Strategic Direction, New Directions in Contracting, and a Corporate IT Panel. Participants included Gary Steinberg, Deputy Assistant Secretary for Planning and Evaluation; Gary Krump, Deputy Assistant Secretary for Acquisition and Materiel Management; Scott Denniston, Director of the Office of Small and Disadvantaged Business Utilization; Robert Bubniak, Associate Deputy Assistant Secretary for Telecommunications; James Edwards, Director, Technology Integration Service; Robert Evans, Director of the Austin Automation Center, and others.

Anthony J. Principi, former Acting Secretary of the Department of Veterans Affairs and currently Chairman of the Congressional Commission on Service Members and Veterans Transition Assistance, presented the lunchtime address. Following were sessions on automation efforts in the Veterans Health Administration, the Veterans Benefits Administration, and the National Cemetery Administration, as well as the Office of Finance.

Participants regularly stressed to businesses present that in order to do business with VA they had to learn about the agency needs and show how their capabilities would help solve our problems. Just walking into the agency with a "I'm here to help you, by the way, what do you do?" attitude will not benefit either the company or the agency. The agency maintains a number of web sites that give companies vital information on our IT plans and requirements. These include:

VA's Information Technology Strategic Plan - www.va.gov/oirm/CIO/index.htm

VA's Information Technology Architecture Program - www.va.gov/oirm/ita

VA's Agency-wide Summary of Obligations for Information Technology for Fiscal Years 1998 and 1999 - www.va.gov/oirm/plans/1998-1999.asp

VA Public Key Infrastructure Program - www.va.gov/vapki.htm

VA's Office of Small and Disadvantaged Business Utilization - www.va.gov/osdbu/

VA's Office of Acquisition and Materiel Management Business Opportunities - www.va.gov/oa&mm/busopp.htm



OUTREACH CONFERENCES

by Ramsey Alexander

VA contracting facilities and credit card holders within VISNs in the geographical areas of Cincinnati, Cleveland, and Columbus, OH, New Orleans, LA, Omaha, NE, Anaheim, CA, Kansas City, MO, and Orlando, FL, have opportunities to outreach veterans in business. You can work your partnering plans, enhance veteran-owned business (VOB) participation in your buys/procurements and meet the various program needs in your Networks. The following are dates of known conferences targeting veteran entrepreneurs:

Paralyzed Veterans of America	July 27 – 31, 1999
New Orleans, LA	
AMVETS	July 31 – Aug 7, 1999
Omaha, NE	
Vietnam Veterans of America	August 09 – 15, 1999
Anaheim, CA	
Veterans of Foreign Wars	August 14 – 20, 1999
Kansas City, MO	
Disabled American Veterans	August 21 – 26, 1999
Orlando, FL	
American Legion	September 3– 9, 1999
Anaheim, CA	
VBA/VocRehab/OSDBU	September 22, 1999
Columbus, OH	
VBA/VocRehab/OSDBU	November 03, 1999
Cleveland, OH	
VBA/VocRehab/OSDBU	November 10, 1999
Cincinnati, OH	

Here is the opportunity to counsel and assist veteran-owned businesses, provide insight, guidance, and identify additional businesses for VISN requirements. Participation in these outreach conferences/forums could lead to goal achievement during the balance of FY 1999 and give you a good start with your FY 2000 veterans goal accomplishments.



FY 2000 Forecast of Contracting Opportunities Reporting

by Ilene Waggoner

For the first time the reporting of the planned acquisitions at the stations will be reported via the Internet. This is an annual report requirement, to be submitted to the OSDBU office as a result of the Business Opportunity Development Act of 1988. The Office of Federal Procurement Policy OFPP has further required all agencies Forecasts be posted on the Internet. This is a yearly ritual, which in the past required the field to compile their planned acquisitions, which were then faxed or mailed to our office. An intensive effort was then required by this office to compile and produce a report that was then sent to be printed for final copy.

Our office has been working with a contractor to establish a program on the Internet that will allow the stations to submit their projected requirements via a simple form using their browser. This will allow the stations to keep their projected procurements updated as their funding and requirements change.

Each station will be given a user ID and password, and after logging onto the system will be able to edit only the data for their particular station. Or, in the case of those VISNs who choose to submit for the stations in their VISN, one individual will have access to the several facilities in that particular VISN. The data will be entered into the form and then be compiled in a database, which is searchable on the Internet.

During the week of June 14th the system was tested and every one of the test participants were able to gain access to the system. Those testing the system found it easy to use and understand.

The information is to be entered into the system by **July 30, 1999**. OSDBU is working to make this reporting process less time consuming and more efficient for all of the individuals involved in the procurement planning process.



Is just what OSDBU's Outreach Coordinator for Women-Owned Small Businesses provides. This is a very proactive outreach program, assisting female entrepreneurs in their quest to "do business" with VA. Our outreach program consists of panel discussions, one-on-one counseling sessions at a variety of trade

and government small business shows, presentations at small business conferences, and information provided in response to inquiries made directly to our office. The monthly vendor counseling sessions conducted by OSDBU have proven to be a valuable resource to female business owners by providing them with the necessary information regarding how and what VA buys, as well as marketing tips and techniques. We are currently developing a directory of women-owned small businesses and welcome your input. We also maintain a calendar of upcoming events geared toward the women-owned small business community and would appreciate your attendance, if requested, at select events. The Women-Owned Small Business Outreach Coordinator can assist you in locating firms to whom you can offer procurement opportunities. We are currently meeting with women-owned small business representatives from some of the other Federal agencies to share information and brainstorm effective outreach techniques. We also are developing plans to conduct a summit on women-owned small business outreach issues to be held in August and will be bringing in some field representatives with a history of achieving their goals regularly. To discuss our program, or if we can assist you in any manner, please contact Deborah Van Dover at 1-800-949-8387 or email at: Deborah.VanDover@mail.va.gov. I look forward to discussing our program with you.

FPDS Corner

by Lisa Russell

FPDC Shines a Light on the FPDS Black Hole
After the grace period ends for each quarter, we transfer our FPDS data over to the Federal Procurement Data Center (FPDC) at General Services Administration. The other large Federal agencies that operate their own database do the same. Many small Federal agencies report directly to FPDC, so their data is already there. Shortly after that transfer occurs, FPDS data is released to Congress, the White House, the Small Business Administration, the Department of Commerce, and other government agencies. In addition, approximately 80% of the data released is to companies and research organizations requesting information on specific data elements to use in reviewing Federal government trends and as marketing tools.

FPDC has decided to make available on the Internet the FPDS reports for the entire Federal government in a series of "canned" reports. More types of these reports will be made available as they receive requests

and specifications. At the present time, you can select the first two digits of the product/service code or the Standard Industrial Classification code and find (1) the Federal agencies spending the largest amount in that category, and (2) the names of the top companies in that category. You can also provide feedback to FPDC. The Internet site is http://fpds.gsa.gov/Fpds/cust_reports.htm

Remember that this is data that you and other contracting officers reported. Although the vast majority of you are very conscientious about your FPDS reports, some of you are a little casual about reporting the type of contractor and the name of the contractor. For you casual reporters, you may wish to start using blanks to separate the individual words in a contractor's name or decrease the use of abbreviations known only to the local area. And it is always a good idea to check your abbreviations to make sure that they do not inadvertently create an inappropriate word, particularly when abbreviating a word such as "Analysis" or "Associates".

Identifying the Correct Action Date for Your FPDS Reports

Each year our office negotiates the socioeconomic procurement goals for our agency. In the past, we reported our accomplishments to them via a letter at the end of the fiscal year. With the exception of the offices reporting purchase card usage, OSDBU used your FPDS reports submitted as a means of measuring your socioeconomic accomplishments. We extracted data based upon the fiscal year and quarter that you reported on each FPDS report submitted.

The Small Business Administration has decided to use the FPDS reports residing at FPDC in order to determine each agency's socioeconomic accomplishments. FPDC extracts data based upon the action date that is reported, not the fiscal year and quarter. Although it is easy to assume that this will produce the same results, in practice it does not. FPDS permits you to submit a report that has a Fiscal Year 1999 3rd quarter for the report period and an action date five years prior to that, i.e., June 1994. If you do this, it will not appear in the socioeconomic statistics for Fiscal Year 1999 for the agency because the action date is in Fiscal Year 1994. This may not be important to your contracting activity now, but it will be in the next fiscal year when OSDBU will be using the same software program that FPDC uses.

The mistake made on the action date generally affects those FPDS reports where a contracting officer is reporting expenditures against a nonFederal Supply Schedule IDIQ contract. Some contracting activities are reporting the action date for the award of the

contract, which is frequently a prior fiscal year. The correct way to report these actions is to use the action date of the first month of the quarter in which the expenditures were made. Therefore, a report covering expenditures for the second quarter of Fiscal Year 1999 would have an action date of January 1999. It should be approached the same as reporting a delivery order under an FSS contract. A delivery order under an FSS contract reports the action date of the delivery order, not the date of the award of the FSS contract. If you follow this rule, you will receive credit for the correct Fiscal Year in your socioeconomic accomplishments.



Market Research Researching the Availability of Small Business for Your Requirements by Jim Dunning

As I was pondering what to write about for my next article on Market Research an email came flashing by asking about other contracting offices experience concerning transcription services. Since this is a widely procured service, often done by small businesses, I thought it would serve as a good example of using the Internet to do market research.

Being more of a computer nerd than a contracting weenie, my first question was what is the SIC code. OSHA has set up a web site for looking up SIC Codes (www.osha.gov/oshstats/sicser.html). So I went there and typed in "transcription services" and got back --- nothing. When I typed in "court reporting services", up came the SIC Code 7338 (Secretarial and Court Reporting Services) that I needed. How did I know? I cheated. I searched a spreadsheet that I'm required to maintain of all CBD ads by my assigned stations and found the SIC that way. I also searched the manual, but as I used to tell myself "You can't look it up unless you know how to spell it!"

With my SIC code in hand I ventured forth to PRO-Net. PRO-Net is SBA's online database of small businesses. It is also the official repository of the lists of 8(a), SDB, and HUBZone companies. I retrieved the metropolitan statistical area code for

the area I wanted from the Census Bureau (www.census.gov/population/www/estimates/metrodef.html) and entered it along with the SIC code onto the search form and hit the button. Promptly the reply came back – none found. One of the problems with PRO-Net is that companies enter a lot of their own data and metropolitan area statistical codes are not widely known or entered. Returning to the search form, I removed the SMA code and instead selected the states covered by the particular contracting office. Rerunning the query brought up 267 small businesses with the particular SIC code.

This list could be further refined to just 8(a)s (19), SDBs (21), HUBZones (0), WOB (188), VOB (31), DVOB (4), Disabled Vietnam Era Vets (1), or Native Americans (2). Not all of these firms are going to be able to handle the requirements of a multi-hospital group. PRO-Net provides the ability to view the company profiles of each company selected. It also provides the ability to send e-mail to each of the companies. A brief description of the work and a request for responses indicating interest will provide you with a quick method of determining whether or not you need to set the solicitation aside for small business or another socioeconomic category. The reverse is equally true. If you find no small businesses then you've gone a long way toward justifying use of a full and open strategy.

Total time – less than an hour. I've determined that there are (or aren't) sufficient small businesses to justify a set-aside and I've sent each a message to gauge interest in responding to a solicitation. You'll get replies from the companies via e-mail, unless you specify a different route, in a fraction of the time it would take to draft and place a CBD sources sought ad, and at less cost.



VISN 21 PARTICIPATION

by Sherra Berutto

Richard Crowe, VISN 21, Network Contract Coordinator, and Karen Pridmore, Procurement Analyst, Selling Team, participated in SBAs Women's Federal Dollar\$ and Sense Conference held in San Francisco May 17, 1999.

Carol Bunts from SBA said several positive comments on their presentation were received from the small businesses in attendance as well as from the SBA employees.

Thanks Richard and Karen for your support of the small business programs by taking time away from your busy schedule to make this presentation.



NEW ORLEANS SUPPORTS SMALL BUSINESSES

by Lisa Russell

Ms. Mary Ann Ross, Assistant Chief, Acquisition and Materiel Management Service, VAMC, New Orleans, Louisiana, represented the Department of Veterans Affairs at a National Small Disadvantaged Business Program Briefing at Xavier University in New Orleans. During the program, Ms. Ross had the opportunity to network with different small disadvantaged businesses, including 8(a) contractors, and discuss procurement opportunities at the VAMC, New Orleans. The briefing covered the HUBZone Program, the Very Small Business Program, the Small Disadvantaged Business Participation Program, SDB eligibility criteria review, the SBA Mentor/protégé program, Pro-Net, the 8(a) program, new SDB reporting requirements, subcontracting issues, and protests. It was sponsored by the U. S. Small Business Administration and included a representative from the New Orleans Mayor's office, the president of Xavier University, and representatives from the District, Regional, and Headquarters of the SBA. Ms. Ross has been, and continues to be, an active participant and supporter of small business programs in her local community.



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