

# OSDBU UPDATE

VA OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION / September 2001



## NOTES FROM SCOTT

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We hope this issue of the *Update* finds you and your family having an enjoyable summer. The summer seems to have flown by this year, and is much busier than usual here in OSDBU. Unfortunately we got behind schedule in announcing the FY 2000 recipients of the Secretary's Small Business Program Awards and in presenting these important awards. My travel commitments related to our Center for Veterans Enterprise has complicated scheduling the presentations and prevented me from personally presenting all of the awards this year. Phil Richardson, my Special Assistant, has been presenting many of these awards for me on behalf of the Secretary, and I am especially grateful for his assistance during this busy time. Phil has shared with me how much he has enjoyed meeting many of you and presenting the awards. He has been quite impressed with the level of commitment to

small business programs demonstrated by VA's acquisition professionals and expresses real appreciation for your work, and so do all of us in OSDBU. I want to congratulate the FY 2000 recipients of the Secretary's Small Business Program Awards. Just as importantly, while everyone is not an award winner, and the competition is keen, it is important to note that all acquisition activities contribute to the department's socioeconomic accomplishments in one form or another. The conscientious efforts of each VA acquisition professional makes all of the difference. And when small business wins, everyone wins.

**Small Business Advocate of The Year Award:** This year also marks the first time the Small Business Program Awards recognizes the accomplishments of an individual. A new award, the Secretary's Small Business Advocate of the Year, is presented to a true advocate and friend of small business, Mr. Francis (Frank) E. Sullivan, Jr., VA Office of Facilities Management, VA Central Office. Congratulations Frank on this important recognition!

It is with great pride I announce the FY 2000 winners of the Secretary's Small Business Program Awards.

**First Place VISN Award Winners / Categories:** Rocky Mountain Network (VISN 19), *Service-Disabled Veteran-owned Small Business*; VA Capitol Health Care Network (VISN 5), *Veteran-Owned Small Business*; Sierra Pacific Network (VISN 21), *Vietnam-Era Veteran-Owned Small Business*; The Great Lakes Health Care System (VISN 12), *8(a) and HUBZone*; VA Healthcare Network Upstate New York (VISN 2), *Women-Owned Small Business*; VA Heart of Texas Health Care Network (VISN 17), *Small Disadvantaged Business*; and VA Healthcare System of Ohio, *Small Business*.

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**First Place Facility Winners / Categories:** VA Sierra Nevada Health Care System, Reno, NV, *Service-Disabled Veteran-Owned Small Business*; Muskogee VA Medical Center, *Veteran-Owned Small Business and Vietnam-Era Veteran-Owned Small Business*; Louis A. Johnson VA Medical Center, Clarksburg, WV, *Small Business and 8(a)*; San Juan VA Medical Center, *Small Disadvantaged Business*; Coatesville VA Medical Center, *Women-Owned Small Business*; Shreveport VA Medical Center, *HUBZone*.

**Superior Performance Winners:** Carl Vinson VA Medical Center, Dublin, Georgia; Washington, DC VA Medical Center; Atlanta, Georgia VA Medical Center and the Asheville North Carolina VA Medical Center.

**Outstanding Performance Winners:** Louis A. Johnson VA Medical Center, Clarksburg West Virginia; Muskogee Oklahoma VA Medical Center; Shreveport Louisiana VA Medical Center; Desert Pacific Healthcare Network (VISN 22), Long Beach, California; Beckley West Virginia VA Medical Center; Chillicothe Ohio VA Medical Center; Biloxi Mississippi VA Medical Center; Lincoln Nebraska VA Medical Center; Fayetteville Arkansas VA Medical Center; and the Central Texas Health Care System, Temple, Texas.

Congratulations to all of the winners! ✍



**Scott Denniston**  
Director

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## YOUR OSDBU TEAM

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SCOTT DENNISTON  
Director

PHIL RICHARDSON  
Special Assistant to the Director

WAYNE SIMPSON  
Deputy Director

RAMSEY ALEXANDER, JR.  
Acquisition Team

DEBORAH VAN DOVER  
Acquisition Team

LYNETTE SIMMONS  
Acquisition Team

LISA RUSSELL  
Policy & Data Analysis Team

INEZ PROCTER  
Policy & Data Analysis Team

JIM DUNNING  
Outreach Team

ILENE WAGGONER  
Outreach Team

JIM JACKSON  
Outreach Team

THELMA TROTTER  
Program Support Team

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## SELECTING THE CORRECT ACTION DATE FOR YOUR FPDS REPORT

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*By Lisa Russell, Senior Procurement Analyst*

When preparing your FPDS report, it is important that the correct action date be provided. The action date should *generally* describe the commencement of contract or delivery order performance or obligation of funds.

When reporting a new definitive contract (one in which there are no provisions for the issuance of delivery orders), the



action date is generally the date of contract award. This is especially true for construction or architect-engineer contracts in which funds may be obligated in this fiscal year, but the majority of performance will be in the next fiscal year. However, new definitive contracts for maintenance which are awarded in

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## SELECTING THE CORRECT ACTION

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### CONTINUATION

one fiscal year and are to be effective the following fiscal year, i.e., solicited and awarded in the fourth quarter of FY 2001 with performance to begin in October 2001, are reported with an action date of first quarter FY 2002.

When reporting delivery orders issued against a contract, the action date reported is the date of the order, not the award date of the contract. This is also true of expenditures that are obligated on 1358s. If the expenditures being reported are for the second quarter of FY 2001 and were obligated on a 1358, the action date is January 2001, as that represents the timeframe of the beginning of the 1358 expenditures being reported for the second quarter of FY 2001. The completion date for these expenditures is March 2001, as that represents the timeframe at which the expenditures for the second quarter were completed.

When reporting modifications to a contract, report the action date for the modification, not the action date for the contract award. If the modification represents an option year, the action date is the effective date of the option year being reported, not the base year of the contract. A contract with a base year effective in October 1999 with option year one effective in October 2000 has an effective date for option year one of October 2000.

It is important to use the correct action date. The U.S. Small Business Administration now uses FPDS data to measure each agency's socioeconomic accomplishments. The data is retrieved by the action dates that fall within the relevant fiscal year. For FY 2001, that means October 2000 through September 2001. If the option year was for FY 2001 but the action year reported into FPDS is for the base year for FY 2000, VA does

not receive credit for that award in FY 2001. The credit is applied in FY 2000, and at that late date no one is interested in the data. It also appears to the Office of Federal Procurement Policy that the award was reported over one year late when in actuality it was reported timely with incorrect information that made it appear to be one year late. ✍

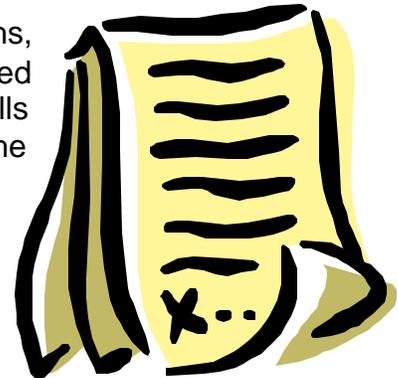
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## HOW TO PROCESS THE VA FORM 2268

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*By Deborah Van Dover, Senior Procurement Analyst*

In recent months, we have received many calls regarding the submission procedures for VA Form 2268, so it is timely to review the



deviation to VAAR 819.502, and call attention to the newly issued publication, IL-90-01-8. The deviation, dated November 8, 1999, was issued by the Deputy Assistant Secretary for Acquisition and Materiel Management (95A). IL-90-01-8 was issued on July 31, 2001. The deviation outlines the procedures the contracting officer must use for processing the VA Form 2268.

Specifically, the deviation provides that:

- (a) VA Form 2268 is not required if the procurement is made from the sources listed in FAR 8.001(a).
- (b) VA Form 2268 is not required if the procurement is at or below the micro purchase threshold.

VA Form 2268 is not required for purchases above \$2,500 and below \$100,000 if a small business program is used. If a small business program is not

used, the contracting officer must complete the form, which must then be submitted to the Procurement Center Representative (PCR), if one is assigned, or to the Head of the Contracting Activity (HCA), for approval. The PCR is an employee of the Small Business Administration (SBA), assigned to a VA contracting activity, responsible for reviewing and approving VA Forms 2268, and subcontracting plans, in addition to reviewing solicitations for set-aside determinations and possible bundling. Most VA contracting activities do not have a PCR assigned, as such, OSDBU performs the PCR duties for these contracting activities.

- (c) For requirements above \$100,000, and the contracting office is a Central Office activity: the contracting officer must submit the form to the Director of OSDBU for approval.
- (d) For requirements above \$100,000 but below \$500,000, and the contracting office is a field activity: the contracting officer must submit the form to the PCR, if one is assigned, or to the HCA, if one is not assigned to the facility.
- (e) For requirements over \$500,000: the contracting officer must submit the form to the PCR, if one is assigned, or to the Director, OSDBU, if one is not assigned to the facility.

IL-90-01-8, paragraph 4, states, “VA Form 2268, shall be coordinated and approved through OSDBU prior to advertising or issuing solicitations. If the VA Form 2268 is disapproved, the appropriate action shall be taken by the contracting officer to consult with OSDBU for other options available.”

If you have questions concerning these requirements, or need copies of the

documents, please contact your OSDBU representative at 202-565-8124. ✉

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## BEST PRACTICES

(Part One of Three)

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*By Ramsey Alexander, Jr., Senior Procurement Analyst*

This article is the first in a three-part series covering Best Practices. Best Practices is synonymous with good acquisition planning and strategic planning. Although there are several categories of small business concerns, this article and future ones will be limited to the small business categories that the Department of Veterans Affairs’ Secretary has chosen to establish goals for during FY 2002 that assesses achievement based upon total procurement dollars spent.

Let’s review Best Practices and small business programs in general, as defined in FAR Subchapter D – Socioeconomic Programs, Part 19. Small Business is covered in this edition. Future “Best Practices” articles will include:

- ?? Small Disadvantaged Business (SDB)
- ?? Women-Owned Small Business (WOSB)
- ?? Service-Disabled Veteran-Owned Small Business (SDVOSB)
- ?? Historically Underutilized Business (HUB) Zone Small Business (HUBZones), and
- ?? Veteran-Owned Small Business (VOSB)

Following are some broad best practice process tools to keep in mind while addressing and preparing for acquisitions considering the various small business programs:

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BEST PRACTICES

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- ?? Analyze current trends
- ?? Develop new learning tools and methods
- ?? Technical cooperation – match proven expertise and experience
- ?? Policy – learning from experience and policies that make a difference

As stated in FAR 19.502-2, acquisitions above \$2,500 and under \$100,000 are *automatically reserved exclusively for small business concerns and shall be set aside for small business unless the contracting officer determines there is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery. If the contracting officer does not proceed with the small business set-aside and purchases on an unrestricted basis, the contracting officer shall include in the contract file the reason for this unrestricted purchase. If the contracting officer receives only one acceptable offer from a responsible small business concern in response to a set-aside, the contracting officer should make an award to that firm. If the contracting officer receives no acceptable offers from responsible small business concerns, the set-aside shall be withdrawn and the requirement, if still valid, shall be resolicited on an unrestricted basis. The small business reservation does not preclude the award of a contract with a value not greater than \$100,000 under Subpart 19.8, Contracting with the Small Business Administration, under 19.1007(c), Solicitations equal to or less than the Emerging Small Business reserve amount, or under 19.1305, HUBZone set-aside procedures.*

For those procurements estimated to exceed \$100,000, the FAR states, “ *The contracting officer shall set-aside any acquisition over \$100,000 for small business participation when there is a reasonable expectation that (1) offers will be obtained from at least two responsible small business concerns offering the products of different small business concerns and (2) award will be made at fair market prices.* In many instances, a total small business set-aside cannot be used, however, a partial small business set-aside can. Review each procurement thoroughly to ensure these regulations are followed and that you continue to provide opportunities to the small business community. Following is a list of supplies/services, which have historically been purchased from the small business community:

- ?? *Janitorial Services and Supplies*
- ?? *Lease or Rental of Facilities*
- ?? *Construction of Structures & Facilities*
- ?? *Pest Control Services*
- ?? *Maintenance &*
- ?? *Inspection of Elevators*
- ?? *Maintenance of Medical Equipment*
- ?? *Medical Transcription Services*
- ?? *Maintenance of Office Equipment*
- ?? *Maintenance Repair &*
- ?? *Alteration of Real Property*
- ?? *Maintenance Repair &*
- ?? *Rebuilding of Equipment*
- ?? *Grounds Maintenance*
- ?? *Home Oxygen*
- ?? *Housekeeping*
- ?? *IT and Telephone Services*
- ?? *Perishable Subsistence Items*
- ?? *Education and Training Services*
- ?? *Professional, Administrative and*

- ?? *Management Support Services*
- ?? *Transportation Services (including Ambulance, Taxi, Wheelchair Van Service, Stretcher Transport, etc.), and*
- ?? *Security Services*

Best Practices include the process of identifying the requirement; conducting acquisition planning, strategic sourcing, and market research. There are many databases, such as PRO-NET and FPDS that can be used to identify previous buys from any of the seven goaled Small Business categories and identify vendors, suppliers, and contractors that can meet VA requirements. ✍

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## MARKETING I.T. UP CLOSE AND PERSONAL

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*By Jim Dunning, Senior Procurement Analyst*

VA held its annual Information Technology Conference (ITC) August 6-10 in Austin, Texas. The ITC, held the first week in August at the Austin Convention Center, is the annual meeting of VA information technology personnel, planners, and managers. With over 400 sessions of briefings, roundtables, and learning labs to choose from scheduling becomes an art form for attendees. Vendors, as well as VA employees, were able to attend the briefings and hear firsthand what some of the VA's plans are in areas of interest to them.



In addition to the sessions there is a major exhibit area with vendors and VA organizations demonstrating their products, services, and accomplishments. At this year's show there were over 150 companies and 50 VA organizations

staffing display booths and marketing to VA's IT personnel and managers. In speaking with several companies, they all agreed that this was a great opportunity to market to the entire VA at one time instead of having to market each VISN and/or VA installation separately.

Dr. John Gauss, Assistant Secretary for Information Technology stated that the focus of VA's IT efforts must be customer oriented and challenged the attendees to:

1. Make VA's hardware, security, and desktop services the service provider of choice; and
2. Attain information assurance.

Dr. Gauss stressed the need for a seamless communications infrastructure which provides veterans with assured and efficient services while hiding technology and making it simpler for veterans to become an integral part of the IT process.

He has a sense of urgency in modernizing and reengineering VA business processes.

With a number of new initiatives underway vendors should check the VA's Business Opportunities System web site

(<http://www.bos.oamm.va.gov> frequently. The Office of Small and Disadvantaged Business Utilization (OSDBU) also conducts monthly vendor counseling sessions at our TechWorld Plaza Street offices in Washington, DC. To register, visit our web site registration page (<http://www.va.gov/osdbu/conference/register.htm>) or phone (202) 565-8124 (toll free: (800) 949-8387).

If you are interested in attending or exhibiting at next year's ITC, the requests for exhibit space normally open in late February. As soon as they open we will put a link to the site on our OSDBU web page (<http://www.va.gov/osdbu>). ✍

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# PARTNERING AGREEMENT (PA) BETWEEN U.S. SMALL BUSINESS ADMINISTRATION (SBA) & THE DEPARTMENT OF VETERANS AFFAIRS (VA)

## QUESTIONS & ANSWERS

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*By Lynette Simmons, Procurement Analyst*



It has been nearly eight months since VA and SBA entered into a Partnership Agreement (PA), authorizing VA to make 8(a)

awards directly, and further streamlining the process. We are glad to see many VA facilities using and benefiting from the PA.

In this issue of the Update, we want to share with you the most frequently asked questions we receive about the PA:

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### **Q. When did the PA become effective and when does the PA expire?**

**A.** *The PA became effective December 26, 2000, and expires June 30, 2003.*

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### **Q. Why was the PA established?**

**A.** *The PA was established to simplify 8(a) contract awards by VA contracting officers. Contracting Officers no longer have to wait 15 days for an eligibility determination from SBA. Awards can be made within at least 5 days.*

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### **Q. Can the PA be terminated?**

**A.** *Yes, it may be terminated by either SBA or the VA upon 30 days advance written notice to the other party.*

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### **Q. Are there any consequences under the PA for VA?**

**A.** *Yes. If contracts have not been offered to and accepted by the SBA into the 8(a) Business Development Program, VA cannot use this for negotiating the Agency's 8(a) goal. SBA has the option to suspend or rescind the authority of the PA if VA fails to submit copies of the award documents to the SBA within 15 days of award.*

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### **Q. When and where are offering letters submitted?**

**A.** *An offering letter is submitted:*

*✍✍ For sole source requirements to the SBA's district office responsible for servicing the selected 8(a) and to the VA Office of Small and Disadvantaged Business Utilization (OSDBU);*

*✍✍ For competitive 8(a) procurement to the SBA district office that services the geographical area where the contracting activity is located and to VA OSDBU;*

*✍✍ For competitive 8(a) construction to the SBA district office located in geographical area where the work will be performed and to VA OSDBU;*

*✍✍ An open offering letter for sole source requirements to the SBA district office that services the geographical area where the contracting activity is located when an 8(a) has not been identified and to VA OSDBU.*

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## Q&A PARTNERING AGREEMENT

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### CONTINATION

**Q. When can the contracting officer make direct award of a contract to an 8(a) Participant?**

**A.** *Direct award can only be made after the requirement has been offered to and accepted by the SBA.*

**Q. Is an offering letter needed for requirements under the Simplified Acquisition Threshold?**

**A.** *No.*

**Q. Will SBA issue subcontract numbers?**

**A.** *No.*

**Q. How do I, as the contracting officer identify 8(a) awards?**

**A.** *8(a) awards on your contract documents are identified by adding the suffix "8(a)" to the end of your local contracting number. Example: V000P-00008(a)*

**Q. What does the contracting officer send to SBA?**

**A.** *The SBA servicing district office shall receive a copy of any contract, as defined in FAR 2.101, including basic contracts, orders, modifications, and purchase orders.*

**Q. How long after a contract is awarded does the contracting officer have to send the required documents to SBA?**

**A.** *SBA must receive a copy of all contract documents within 15 calendar days of the date of award. This is a very **important requirement**. Should VA fail*

*to comply with this requirement, SBA may terminate the PA.*

**Q. What does the VA OSDBU need from the contracting officer?**

**A.** *OSDBU requires only the signature page within 15 days of the date of award.*

**Q. Is this information reported in the Federal Procurement Data System?**

**A.** *Yes, once you have awarded a contract, it is the contracting officer's responsibility to ensure the award is reported in the information into the Federal Procurement Data System for that quarter.*

Everyone's continued cooperation in fulfilling VA's obligations under the PA is greatly appreciated. We are also interested in hearing from VA's acquisition professionals on your actual experiences using the PA, and extend the offer to publish any articles that you may desire to author in this regard. ✍

**SMALL BUSINESS BUILDS AMERICA!**

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## CONFERENCES

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**T**hank you to the many VA personnel who have participated in trade shows and conferences during the past few months. Again we cannot express our appreciation enough to those individuals who are willing to take time to attend these functions. As travel

dollars become scarce here in OSDBU, we have had to call on many of the stations to help out with conference coverage.

The following participated in the indicated functions.



**Mr. Steve Ethell**

of VAMC Knoxville, Iowa attended the “*Minority, Women & Small Business Owners Networking Breakfast*” held at the Holiday Inn in Des Moines, Iowa. This breakfast was attended by approximately 100 small businesses, which included 8(a), women-owned and HUBZone small businesses.



**Mr. Richard Renfro & Ms. Beverly Ransom**

of VAMC Jackson, Mississippi, attended the economic development conference “*Looking Beyond the Horizon – A New Beginning for Reservation Economies*” on July 18<sup>th</sup> in Philadelphia, Pennsylvania.



**Mr. Rufino Villaluz,**

Contracting Officer, VAMC Bronx, New York attended the “*Procurement Fair 2001*” sponsored by the Minority Enterprise Development Division of the U.S. Small Business Administration. The conference was attended by approximately 250 small businesses, which included HUBZone, 8(a) and women-owned small businesses.



**Ms. Linda Windham,**

Contracting Officer at VAMC Anchorage, Alaska attended the “*Alliance North 2001 Small Business Conference and Trade Show*” held at the Egan Convention Center in Anchorage, which was sponsored by the Small Business Administration and the Procurement Technical Assistance Center.



**Mr. Jeff Bagford**

of VAMC Phoenix, along with several from his staff attended the Small Business Administration’s 8(a) Annual Meeting in Tempe, Arizona presenting and counseling with 8(a) small businesses.



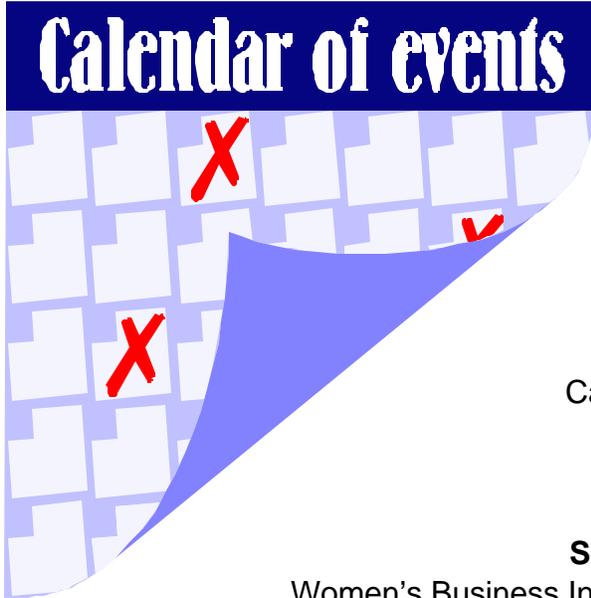
**Ms. Jan Woerner,**

Chief, A&MM, Jackson, Mississippi and members of her staff attended the Sonny Montgomery Minority Business Alliance “*Economic Destination*” trade show.



Thank you again to all of those who take time away from their busy schedules to represent the VA at small business conferences throughout the country especially during this busy time of year.

# Calendar of events



## **September 5, 2001**

15th Annual Entrepreneurial Woman's  
Conference  
Chicago Navy Pier  
Chicago, Illinois

## **September 6, 2001**

The KY Transportation Marketplace  
Caesars Indiana Conference Center  
For Information Contact  
Susan @ 366-5577

## **September 10, 2001**

Women's Business Institute 2<sup>nd</sup> Annual Procurement Fair  
Holiday Inn (Route 40 W)  
Frederick, Maryland  
For Information Call (410) 756-2334

## **September 12-15, 2001**

Small Business 2001 Cyber Space Odyssey  
The Hyatt Regency Hotel, Dallas, Texas  
For Information Call (703) 764-9850

## **September 13, 2001**

Women's Entrepreneurs' Leadership Conference  
The Comfort Inn and Conference Center, Bowie, Maryland  
For information Call (301) 403-0504

## **September 24, 2001**

National MED Week 2001 Conference  
OMNI Shoreham Hotel, 2500 Calvert Street NW, Washington, DC  
For Information Call (202) 501-4693

## **September, 26, 2001**

Expo 2001 Opportunity Marketplace  
George R. Brown Convention Center, Houston, Texas  
For Information Call (713) 271-7805

## **October 23, 2001**

Space Wing Business Opportunities Expo 2001  
Port Canaveral, Florida  
Cruise Terminal No. 5  
For Information Contact  
Gloria March @ (321)-867-7349