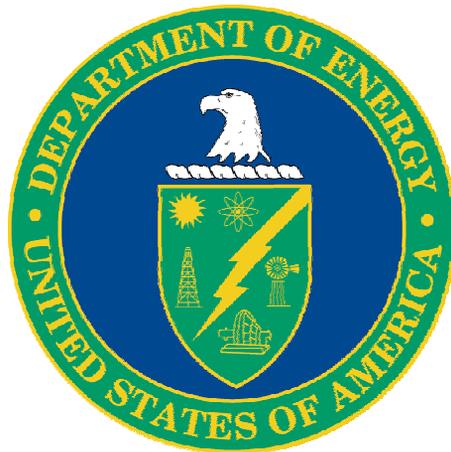


U.S. Department of Energy Strategic Plan for Small Business



**Prepared by
Office of Economic Impact and Diversity
Office of Small and Disadvantaged
Business Utilization**

I. OBJECTIVE

The objective of the Department of Energy's (Department or DOE) Small Business Strategic Plan (Plan) is to define and institutionalize its efforts to increase contracting opportunities/awards for small business at the Department. This Plan has been developed in response to Secretary Abraham's September 23, 2002 directive that a Department-wide comprehensive small business strategy be prepared.

II. BACKGROUND

Historical Data

The small business program at DOE is administered by the Office of Small and Disadvantaged Business Utilization (OSDBU), which has been established by and which operates pursuant to statutory authority (Exhibit A). The program is headed by a Director who is responsible to, and reports directly to, the Secretary of Energy and/or to the Deputy Secretary of Energy.

The Department spends approximately \$18 billion per year under prime contracts. DOE prime contract awards have traditionally been divided into two distinct areas. These two areas are 1) the Facility Management Contractors (FMCs), which include management and operating contractors (M&Os), management and integration contractors and environmental restoration management contractors, and 2) the non-FMC contractors. The FMC awards are generally made to large businesses or to academic institutions because of the size, complexity and technical aspects of the contracts. Many of the large non-FMC contracts are also awarded to large businesses.

From 1991 to 1999, DOE reported that between 16.7% and 20.2% of the value of its contracts were awarded to small businesses. These figures included the award of prime contracts by DOE and the award of subcontracts awarded by its M&O prime contractors.

Between FY 2000 and FY 2002, DOE reported less than 3% in prime contract awards to small business. These dramatically lower numbers are the result of a directive of the Office of Federal Procurement Policy that DOE only count its prime contract awards to small business when computing its small business contract levels.

Roles and Responsibilities

The OSDBU is responsible for 1) the Department's small business goal process, 2) maintaining the Department's annual contracting forecast, 3) reviewing acquisition requests over \$3 million to ascertain whether small business participation is appropriate, and recommend such participation, 4) conducting outreach to the small business community on how to do business with DOE and, 5) conducting inreach to the contracting officers and procurement specialists at the Department to ensure that they are aware of the small business program goals and the availability of small businesses willing and able to do business with the Department. The OSDBU works with the Office of Procurement in implementing the Department's small business program.

The Office of Procurement is responsible for all DOE contracting activity including 1) the development/issuance of solicitations including Invitations for Bid (IFBs) and Requests for Proposals (RFPs), 2) the review of IFBs and evaluation of RFPs, 3) the development of contract language, 4) the negotiation of small business subcontracting plans and 5) the administration of contract awards.

Goals

Pursuant to statutory authority (Exhibit B), the President establishes government-wide goals for procurement contracts awarded to small business concerns at not less than 23 percent of the total value of all prime contract awards for each fiscal year. The law further provides that each agency shall have an annual goal that presents, for that agency, the maximum practicable opportunity for small business concerns.

In FY 2000, the Small Business Administration (SBA) issued a "challenge goal" of five percent to DOE; well below the 23 percent federally mandated government-wide goal. That same year, DOE reported that 2.9 percent of the total value of its prime contracts awarded that year had been awarded to small businesses. In FY 2001 the SBA-assigned goal remained at five percent, and DOE reported achievement of 2.75 percent. Therefore, for the second year, DOE did not fully achieve the SBA-assigned goal.

In FY 2002 the SBA assigned a 23 percent goal to every Federal department, including DOE. In an attempt to negotiate a more practicable goal, DOE submitted its plan to SBA for a 3.7 percent goal, which SBA approved. This goal represented \$706.7 million of a total prime contract award base of \$19.1 billion. DOE achieved \$577.9 million or 82 percent of its goal. The total dollar award represents a slight increase from the prior year but still fell under the 3.7 percent goal negotiated with the SBA.

In FY 2003, the Department established a Small Business Working Group consisting of representatives of all of the DOE elements. This Working Group is developing individual element goals, which will then be validated by the OSDBU, in support of the Departmental goal submitted to SBA

Current Initiatives

Several major efforts addressing small business participation in the Federal government have occurred since early 2002. In March of 2002, President George W. Bush unveiled his Small Business Agenda to help create an environment where small businesses can flourish. The President's agenda will give small businesses the jump-start they need to create new jobs, support their workers, and improve our economy. His agenda will:

- Tear down regulatory barriers.
- Ensure that government contracts are open to all small business.
- Avoid unnecessary contract bundling.
- Streamline the appeals process for small businesses.
- Provide small businesses with information they need to succeed.

In September of 2002, the Secretary of Energy issued a Small Business Policy Statement (Exhibit C) in support of small business and directed the OSDBU to prepare a Department-wide comprehensive small business strategy.

In October of 2002, the Office of Management and Budget, Office of Federal Procurement Policy (OFPP) issued its report on Contract Bundling – A Strategy for Increasing Federal Contracting Opportunities for Small Business (Exhibit D). That report directed, among other things, that all federal agencies/departments review their contracting procedures in order to eliminate unnecessary and unjustified contract bundling, and to ensure that small business has access to contracting opportunities.

III. DOE INITIATIVES

Departmental Procurement Forecast

All contracting information (both for prime contracts and subcontracts) will be included in the DOE procurement forecast. This forecast will be updated bi-annually in the Spring and Fall pursuant to P.L. 100-656. **Directions and information as to the new forecast process will be available on the OSDBU website.**

Small Business Goals/Plans

All DOE program elements will be required to prepare annual small business prime and subcontracting goals/plans. The plans will include goals for small business subcomponents (i.e. the Small Disadvantaged Businesses (including 8a) , Women Owned Businesses, HUB Zone businesses and Service Disabled Veterans). The OSDBU will, on an annual basis, develop and submit to SBA the Department's small business prime and subcontract goals. These goals will be developed based on the individual plans submitted by the elements.

Directions and information as to the goals process/format will be available on the OSDBU website.

Outreach & Marketing

The OSDBU will prepare and implement annual Small Business Outreach and Marketing Plan. The first step of the plan will be maintaining a Small Business website easily accessible from the DOE homepage. Other steps will include paid advertisements in small business publications, press releases/conferences, radio/television presentations, articles in trade publications and newspapers, participation in small business conferences, and workshops as well as hosting an annual DOE national small business conference. **A copy of the OSDBU Outreach and Marketing Plan will be available on the OSDBU website.**

Inreach and Training

The OSDBU and Office of Procurement staff will establish regular communications with DOE headquarters personnel and Field Directors to promote the Department's Small Business program requirements, refer small business candidates for projects/contracts out for bid, and conduct "capability" forums where small business firms can present their product/services to procurement/program officials.

Partnerships/Small Business Advisory Team

The OSDBU will establish partnerships with other federal agencies, small business trade associations, women business groups, disabled veteran business organizations, and small and minority chambers of commerce. The purpose of these partnerships will be to identify small, small disadvantaged, women-owned and service disabled veteran business concerns.

Additionally, the OSDBU will establish a Small Business Advisory Team to receive advice and guidance on small business programs and activities, identify best practices and explore commercial business models that promote small business advocacy and interaction with the small business community. **Information on the partnerships and the Small Business Advisory Team will be available on the OSDBU website.**

DOE/OSDBU Database

The OSDBU is developing a database of small businesses which will be tailor made for DOE and driven by North American Industrial Classification System (NAICS) codes, financial capacity and technical capability and Federal contracting/subcontracting experience. The firms will be selected from the SBA Pro-Net database and validated by the OSDBU. The final database will include firms in the top 11 NAICS codes by dollar volume awarded by DOE. This will include firms in the area of facility management, remediation, construction, R&D, management and scientific consulting, plate work manufacturing, administrative services, data processing, security, engineering and waste treatment and disposal. **A copy of the OSDBU small business database will be available on the OSDBU website.**

Mentor-Protégé Programs

DOE has an existing Mentor-Protégé program established to promote partnerships between large business prime contractors who serve as mentors and small businesses who can serve as protégés. The SBA Mentor-Protégé program promotes teaming between an 8(a) small business and a large business in order for the small business to qualify as a prime contractor.

In order to promote and enhance these Mentor-Protégé programs, DOE will include in all RFPs a requirement that Mentors in this program will receive additional points in the bid evaluation process.

DOE will promote the Mentor-Protégé program by:

- Developing a list of prime contractors
- Informing DOE prime contractors about program benefits
- Identifying small businesses who are seeking mentors
- Scheduling meetings between DOE prime contractors and small businesses
- Monitoring Mentor-Protégé arrangements

Information on the Mentor Protégé program will be available on the OSDBU website.

Advanced Planning Acquisition Team

DOE will establish an “acquisition team” comprised of representatives of the Office of Procurement, the OSDBU, the Procurement Center Representative (PCR) and the element/field office proposing an acquisition. The team will review all acquisition requests over \$3 million and will make recommendations as to whether an award will be set aside for small business or whether portions of the proposed acquisition will be “broken out” for small business. Additionally, the team will review all acquisitions proposed for bundling. The

decision to proceed with unnecessary or unjustified bundling will be made by the Deputy Secretary. **Information on the team structure and process will be posted on the OSDBU website and written guidance provided to all contracting officers.**

Technical Assistance Services

The OSDBU will provide “hands on” technical assistance to small businesses in order to ensure that they are aware of 1) the requirements for registering on the DOE website or other government websites, in order to be eligible to bid on or be awarded government contracts; 2) where they can receive assistance in order to become certified/registered as 8(a), HUB zone, women-owned and/or service disabled veteran businesses; and 3) where they can obtain financial and bonding assistance.

Reporting Requirements

▪ **Prime Contracts**

All DOE offices/elements will submit a brief monthly report to the OSDBU identifying the prime awards made to small businesses by name and amount. This information will be used by the OSDBU to validate the quarterly award report prepared by the DOE Financial Data Warehouse (FDW) and for its marketing activities on behalf of the department’s small business program. On a quarterly basis, the OSDBU will provide all DOE offices/elements a statistical report of their small business achievements.

▪ **Subcontracts**

The OSDBU will communicate on a semi-annual basis with DOE’s prime contractors on their small business accomplishments and request that they provide verification of the awards made against their subcontracting plan or contract requirements. OSDBU will, from time to time, and contingent on availability of resource, conduct field reviews of the subcontract awards in order to validate the information.

This plan reflects the current small business initiatives and will be updated as needed.

May 2003

ATTACHMENT- A



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To effectuate the purposes of this chapter, small-business concerns within the meaning of this chapter shall receive any award or contract or any part thereof, and be awarded any contract for the sale of Government property, as to which it is determined by the Administration and the contracting procurement or disposal agency

(1)

to be in the interest of maintaining or mobilizing the Nation's full productive capacity,

(2)

to be in the interest of war or national defense programs,

(3)

to be in the interest of assuring that a fair proportion of the total purchases and contracts for property and services for the Government in each industry category are placed with small-business concerns, or

(4)

to be in the interest of assuring that a fair proportion of the total sales of Government property be made to small-business concerns; but nothing contained in this chapter shall be construed to change any preferences or priorities established by law with respect to the sale of electrical power or other property by the Government or any agency thereof. These determinations may be made for individual awards or contracts or for classes of awards or contracts. If a proposed procurement includes in its statement of work goods or services currently being performed by a small business, and if the proposed

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by paragraph (2) in each annual report to the Congress on the state of small business prepared pursuant to section 631b(a) of this title.

(i) Small business set-asides

Nothing in this chapter or any other provision of law precludes exclusive small business set-asides for procurements of architectural and engineering services, research, development, test and evaluation, and each Federal agency is authorized to develop such set-asides to further the interests of small business in those areas.

(j) Small business reservation

(1)

Each contract for the purchase of goods and services that has an anticipated value greater than \$2,500 but not greater than \$100,000 shall be reserved exclusively for small business concerns unless the contracting officer is unable to obtain offers from two or more small business concerns that are competitive with market prices and are competitive with regard to the quality and delivery of the goods or services being purchased.

(2)

In carrying out paragraph (1), a contracting officer shall consider a responsive offer timely received from an eligible small business offeror.

(3)

Nothing in paragraph (1) shall be construed as precluding an award of a contract with a value not greater than \$100,000 under the authority of subsection (a) of section 637 of this title, section 2323 of title 10, section 712 of the Business Opportunity Development Reform Act of 1988 (Public Law 100-656; 15 U.S.C. 644 note), or section 7102 of the Federal Acquisition Streamlining Act of 1994.

**(k) Office of Small and Disadvantaged Business Utilization;
Director**

There is hereby established in each Federal agency having procurement powers an office to be known as the "Office of Small and Disadvantaged Business Utilization". The management of each such office shall be vested in an officer or employee of such agency who shall -

(1)

be known as the "Director of Small and Disadvantaged Business Utilization" for such agency,

(2)

be appointed by the head of such agency,

(3)

be responsible only to, and report directly to, the head of such agency or to the deputy of such head, except that the director for the Office of the Secretary of Defense shall be responsible only to, and report directly to, such Secretary or the Secretary's designee,

(4)

be responsible for the implementation and execution of the functions and duties under this section and section 637 of this title which relate to such agency,

(5)

identify proposed solicitations that involve significant bundling of contract requirements, and work with the agency acquisition officials and the Administration to revise the procurement strategies for such proposed solicitations where appropriate to increase the probability of participation by small businesses as prime contractors, or to facilitate small business participation as subcontractors and suppliers, if a solicitation for a bundled contract is to be issued;

(6)

assist small business concerns to obtain payments, required late payment interest penalties, or information regarding payments due to such concerns from an executive agency or a contractor, in conformity with chapter 39 of title 31 or any other protection for contractors or subcontractors (including suppliers) that is included in the Federal Acquisition Regulation or any individual agency supplement to such Government-wide regulation,

(7)

have supervisory authority over personnel of such agency to the extent that the functions and duties of such personnel relate to functions and duties under this section and section 637 of this title,

(8)

assign a small business technical adviser to each office to which the Administration has assigned a procurement center representative -

(A)

who shall be a full-time employee of the procuring activity and shall be well qualified, technically trained and familiar with the supplies or services purchased at the activity, and

(B)

whose principal duty shall be to assist the Administration procurement center representative in his duties and functions relating to this section and section 637 of this title,

(9)

cooperate, and consult on a regular basis, with the Administration with respect to carrying out the functions and duties described in paragraph (4) of this subsection, and

(10)

make recommendations to contracting officers as to whether a particular contract requirement should be awarded pursuant to subsection (a) of this section, or section 637(a) of this title or section 2323 of title 10. Such recommendations shall be made with due regard to the requirements of subsection (m) of this section, and the failure of the contracting officer to accept any such recommendations shall be documented and included within the appropriate contract file. This subsection shall not apply to the Administration.

(I) Breakout procurement center representatives

(1)

The Administration shall assign to each major procurement center a breakout procurement center representative with such assistance as may be appropriate. The breakout procurement center representative shall carry out the activities described in paragraph (2), and shall be an advocate for the breakout of items for procurement through full and open competition, whenever appropriate, while maintaining the integrity of the system in which such items are used, and an advocate for the use of full and open competition, whenever appropriate, for the procurement of supplies

ATTACHMENT B

LI

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To effectuate the purposes of this chapter, small-business concerns within the meaning of this chapter shall receive any award or contract or any part thereof, and be awarded any contract for the sale of Government property, as to which it is determined by the Administration and the contracting procurement or disposal agency

(1)

to be in the interest of maintaining or mobilizing the Nation's full productive capacity,

(2)

to be in the interest of war or national defense programs,

(3)

to be in the interest of assuring that a fair proportion of the total purchases and contracts for property and services for the Government in each industry category are placed with small-business concerns, or

(4)

to be in the interest of assuring that a fair proportion of the total sales of Government property be made to small-business concerns; but nothing contained in this chapter shall be construed to change any preferences or priorities established by law with respect to the sale of electrical power or other property by the Government or any agency thereof. These determinations may be made for individual awards or contracts or for classes of awards or contracts. If a proposed procurement includes in its statement of work goods or services currently being performed by a small business, and if the proposed

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1994, 108 Stat. 3367

(g)

Goals for participation of small business concerns in procurement contracts

(1)

The President shall annually establish Government-wide goals for procurement contracts awarded to small business concerns, small business concerns owned and controlled by service disabled ^[1] veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women. The Government-wide goal for participation by small business concerns shall be established at not less than 23 percent of the total value of all prime contract awards for each fiscal year. The Government-wide goal for participation by small business concerns owned and controlled by service-disabled veterans shall be established at not less than 3 percent of the total value of all prime contract and subcontract awards for each fiscal year. The Governmentwide goal for participation by qualified HUBZone small business concerns shall be established at not less than 1 percent of the total value of all prime contract awards for fiscal year 1999, not less than 1.5 percent of the total value of all prime contract awards for fiscal year 2000, not less than 2 percent of the total value of all prime contract awards for fiscal year 2001, not less than 2.5 percent of the total value of all prime contract awards for fiscal year 2002, and not less than 3 percent of the total value of all prime contract awards for fiscal year 2003 and each fiscal year thereafter. The Government-wide goal for participation by small business concerns owned and controlled by socially and economically disadvantaged individuals shall be established at not less than 5 percent of the total value of all prime contract and subcontract awards for each fiscal year. The Government-wide goal for participation by small business concerns owned and controlled by women shall be established at not less than 5 percent of the total value of all prime contract and subcontract awards for each fiscal year. Notwithstanding the Government-wide goal, each agency shall have an annual goal that presents, for that agency, the maximum practicable opportunity for small business concerns, small business concerns owned and controlled by service-disabled veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small

business concerns owned and controlled by women to participate in the performance of contracts let by such agency. The Administration and the Administrator of the Office of Federal Procurement Policy shall, when exercising their authority pursuant to paragraph (2), insure that the cumulative annual prime contract goals for all agencies meet or exceed the annual Government-wide prime contract goal established by the President pursuant to this paragraph. "service-disabled".

(2)

The head of each Federal agency shall, after consultation with the Administration, establish goals for the participation by small business concerns, by small business concerns owned and controlled by service-disabled veterans, by qualified HUBZone small business concerns, by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women in procurement contracts of such agency. Goals established under this subsection shall be jointly established by the Administration and the head of each Federal agency and shall realistically reflect the potential of small business concerns, small business concerns owned and controlled by service-disabled veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women to perform such contracts and to perform subcontracts under such contracts. Whenever the Administration and the head of any Federal agency fail to agree on established goals, the disagreement shall be submitted to the Administrator of the Office of Federal Procurement Policy for final determination. For the purpose of establishing goals under this subsection, the head of each Federal agency shall make consistent efforts to annually expand participation by small business concerns from each industry category in procurement contracts of the agency, including participation by small business concerns owned and controlled by service-disabled veterans, by qualified HUBZone small business concerns, by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women. The head of each Federal agency, in attempting to attain such participation, shall consider -

(A)

contracts awarded as the result of unrestricted competition; and

(B)

contracts awarded after competition restricted to eligible small business concerns under this section and under the program established under section 637(a) of this title.

(h) Reports to Administration; submittal of information to Congress

(1)

At the conclusion of each fiscal year, the head of each Federal agency shall report to the Administration on the extent of participation by small business concerns, small business concerns owned and controlled by veterans (including service-disabled veterans), qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women in procurement contracts of such agency. Such reports shall contain appropriate justifications for failure to meet the goals established under subsection (g) of this section.

(2)

The Administration shall annually compile and analyze the reports submitted by the individual agencies pursuant to paragraph (1) and shall submit them to the President and the Congress. The Administration's submission to the President shall include the following:

(A)

The Government-wide goals for participation by small business concerns, small business concerns owned and controlled by service-disabled veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women and the performance in attaining such goals.

(B)

The goals in effect for each agency and the agency's performance in attaining such goals.

(C)

An analysis of any failure to achieve the Government-wide goals or any individual agency goals and the actions planned by such agency (and

ATTACHMENT C



The Secretary of Energy
Washington, DC 20585

September 23, 2002

MEMORANDUM FOR ALL DEPARTMENTAL ELEMENTS

FROM: SPENCER ABRAHAM *Spencer Abraham*

SUBJECT: Policy Statement on Supporting Small Businesses in
Implementing DOE Missions

Small businesses are the heart of the American economy. Small businesses are often the leaders of innovation and the creators of new technology, new products, and improved business processes.

A priority of this Administration is to enable small businesses to participate fully in Federal contracting. Earlier this year President Bush announced his "Small Business Agenda," which includes: 1) ensuring that Government contracts are open to all small businesses that can supply the Government's needs, and 2) avoiding unnecessary bundling of Government contracts. I fully support these objectives.

To help fulfill these objectives and to promote opportunities for small businesses, I have directed that all departmental elements examine and seek to expand their grant and contract opportunities with small businesses, including small disadvantaged, 8(a), women-owned, service-disabled veteran-owned, and Historically Underutilized Business Zone (HUBZone) businesses. Our efforts should help these businesses to improve their capabilities, experiences, and therefore, strengthen the overall economy of the Nation.

The Office of Small and Disadvantaged Business Utilization (OSDBU) is charged with the management of the Department's small and small disadvantaged business programs and with monitoring performance by the Department in meeting its goals relating to those programs. I have recently tasked the Director of the OSDBU to prepare a Department-wide comprehensive small business strategy to ensure that small businesses are provided the maximum practicable opportunity to participate in departmental programs at the prime contract level. Additionally, I have directed that the plan include a strategy to increase the level and expand the type of subcontracts awarded to small businesses by the Department's facility management contractors.

I am committed to the President's National Policy in support of small businesses and will take a personal interest in examining the progress made by each departmental element at DOE in extending additional and innovative business opportunities to small businesses. I appreciate your support of this initiative.



ATTACHMENT D

CONTRACT BUNDLING

A Strategy for
Increasing Federal Contracting Opportunities
for Small Business

October 2002



*Executive Office of the President
Office of Management and Budget
Office of Federal Procurement Policy*



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL
PROCUREMENT POLICY

October 29, 2002

The President
The White House
Washington, DC 20500

Dear Mr. President:

In March of this year, as part of the Small Business Agenda, you called upon the Office of Management and Budget to prepare a strategy for unbundling federal contracts. On behalf of the Office of Federal Procurement Policy within the Office of Management and Budget, I am pleased to submit the enclosed strategy for increasing federal contracting opportunities for small businesses.

As you know, the number and size of bundled contracts within the executive branch have reached record levels. Although contract bundling can serve a useful purpose, the effect of this increase in contract bundling over the past ten years cannot be underestimated. Not only are substantially fewer small businesses receiving federal contracts, but the federal government is suffering from a reduced supplier base. American small businesses bring innovation, creativity, competition and lower costs to the federal table. When these businesses are excluded from federal opportunities through contract bundling, our agencies, small businesses and the taxpayers lose.

The enclosed report provides an aggressive strategy for holding agencies accountable for eliminating unnecessary contract bundling and mitigating the effects of necessary contract bundling. The recommendations propose a series of regulatory changes to ensure maximum compliance with current contract bundling laws and full use of the resources of the Small Business Administration and agency Offices of Small and Disadvantaged Business Utilization.

With successful implementation of this strategy, we will be making a significant step forward towards ensuring that small businesses and entrepreneurs have access to federal contracting opportunities.

Sincerely,

A handwritten signature in cursive script that reads "Angela B. Styles".

Angela B. Styles
Administrator

Enclosure

PREFACE

On March 19, 2002, the President unveiled a Small Business Agenda that proposed several substantive steps toward creating a dynamic environment where small businesses and entrepreneurs can flourish. The plan included new tax incentives, health care options, and a reduction in regulatory barriers. And for those small businesses seeking to do business with the federal government, the President announced several proposals to improve the access of small businesses to federal contracting opportunities. Specifically, the President called upon the Office of Management and Budget (OMB) to prepare a strategy for unbundling contracts.

In late March, the Office of Federal Procurement Policy (OFPP), within OMB, created an interagency working group to develop strategies for unbundling contracts. This group, chaired by Michael Gerich from OFPP, met on many occasions during the summer and early fall and was instrumental in creating the final report.

OMB and the interagency working group sought significant public comment. On May 6, 2002, OMB issued a notice in the Federal Register requesting public comments. We received 27 public comments on contract bundling and issues related to the access of small businesses to federal contracting opportunities. On June 14, 2002, OMB held a public meeting where interested parties were given an opportunity to express their views. Fourteen individuals made presentations at that public meeting. Comments received from the public, both in writing and at the public meeting, were considered in the preparation of this report.

Special thanks should be given to the following people for their participation in the development of this report: Janis Coughlin, OMB; Luz Hopewell, SBA; Janet Koch, DOD; Karyn Richman, OMB; and Linda Williams, SBA.

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I. Executive Summary

A strategy for unbundling contracts must recognize the combined challenges and benefits of a reduced acquisition workforce and the need to maintain an overall acquisition system that is fair, efficient, and transparent. We cannot afford to revert back to the paperwork and labor-intensive system of the past. Nor can we pursue operational efficiencies at the expense of reducing small business opportunities. The challenge is to strike an appropriate balance between operational efficiency, opportunity, and fairness.

To address contract bundling in the executive branch, the following actions will be taken:

1. Ensure accountability of senior agency management for improving contracting opportunities for small business.
2. Ensure timely and accurate reporting of contract bundling information through the President's Management Council.
3. Require contract bundling reviews for task and delivery orders under multiple award contract vehicles.
4. Require agency review of proposed acquisitions above specified thresholds for unnecessary and unjustified contract bundling.
5. Require identification of alternative acquisition strategies for the proposed bundling of contracts above specified thresholds and written justification when alternatives involving less bundling are not used.
6. Mitigate the effects of contract bundling by strengthening compliance with subcontracting plans.
7. Mitigate the effects of contract bundling by facilitating the development of small business teams and joint ventures.
8. Identify best practices for maximizing small business opportunities.
9. Dedicate agency Offices of Small and Disadvantaged Business Utilization (OSDBUs) to the President's Small Business Agenda.

II. Background

Each year, the federal government awards over \$200 billion in contracts. In fiscal year 2001, there were 11.4 million contract actions valued at \$234.9 billion. Federal

agencies state that they generally award nearly 23 percent of the total dollars spent on federal procurements each year to small businesses. In addition, in fiscal year 2001, large businesses subcontracted approximately \$35.5 billion in federal work to small businesses.

A. What is Contract Bundling?

The Small Business Reauthorization Act of 1997 defines contract bundling as "consolidating two or more procurement requirements for goods or services previously provided or performed under separate, smaller contracts into a solicitation of offers for a single contract that is unlikely to be suitable for award to a small business concern." The Act lists several factors that might cause unsuitability for award to a small business. These are - -

- the diversity, size, or specialized nature of the elements of the performance specified;
- the aggregate dollar value of the anticipated award;
- the geographical dispersion of contract performance sites; or
- any combination of these criteria.¹

The Act requires each federal department and agency, to the maximum extent practicable, to: (1) structure contracting requirements to facilitate competition by and among small business concerns, taking all reasonable steps to eliminate obstacles to their participation; and (2) avoid unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors.

Prior to bundling any contracts, agencies are required to conduct market research to determine whether contract bundling is necessary and justified. To justify contract bundling, agencies must demonstrate "measurably substantial benefits," such as cost savings, quality improvements, reduction in acquisition cycle times, or better terms and conditions.² The Small Business Administration's implementing regulations further define "measurably substantial benefits" by requiring agencies to demonstrate - -

- for contracts of \$75 million or less - - benefits equivalent to 10 percent of contract value (including options), or

¹ The definitions of "bundled contract," "bundling of contract requirements," and "separate smaller contract" are codified in section 3(o) of the Small Business Act (15 U.S.C. § 632(o)).

² The statutory requirements for agencies to conduct market research to determine whether consolidation of procurement requirements is necessary and justified, including identification of "measurably substantial benefits," are codified in section 15(e) of the Small Business Act (15 U.S.C. § 644(e)).

- for contracts over \$75 million - - benefits equivalent to 5 percent of contract value (including options) or \$7.5 million, whichever is greater.³

Several provisions of the Federal Acquisition Regulation (FAR) establish responsibilities for agency personnel who are considering contract bundling. The FAR places responsibility on agency acquisition planners to structure requirements, to the maximum extent practicable, to facilitate competition by and among small business concerns, and avoid unnecessary and unjustified bundling. Agency contracting officers are required to: (1) perform market research to determine whether bundling is necessary and justified; (2) justify their determinations in acquisition strategy documentation that identifies measurably substantial benefits that meet the statutory and regulatory requirements; and (3) consult with SBA representatives on their acquisition strategies.⁴

B. Why Are Contracts Bundled?

Increased demands to make the acquisition process quicker and less complex coupled with reductions in the overall acquisition workforce have driven acquisition managers to bundle requirements. To meet these demands and increase customer satisfaction, agencies have increasingly consolidated contractual requirements into larger contracts and used limited and simplified competition procedures for acquiring products and services.⁵

C. What is the Impact of Contract Bundling on Small Businesses?

According to a report prepared for SBA's Office of Advocacy, for every 100 "bundled" contracts, 106 individual contracts are no longer available to small businesses. For every \$100 awarded on a "bundled" contract, there is a \$33 decrease to small businesses.⁶ Because these types of contracts "run longer and encompass a greater scope, competition is reduced in terms of frequency and the number of opportunities."⁷ Analysis

³ SBA's bundling regulations are codified at 13 C.F.R. § 125.2.

⁴ See FAR sections 7.103 and 7.107 (48 C.F.R. § 1, 7.103 and 7.107) for more information on acquisition planning. Also see FAR Part 10 (48 C.F.R. § 1, 10) and FAR Subpart 19.4 (48 C.F.R. § 1, 19.4) for more information on agency responsibilities to conduct market research and cooperation with SBA.

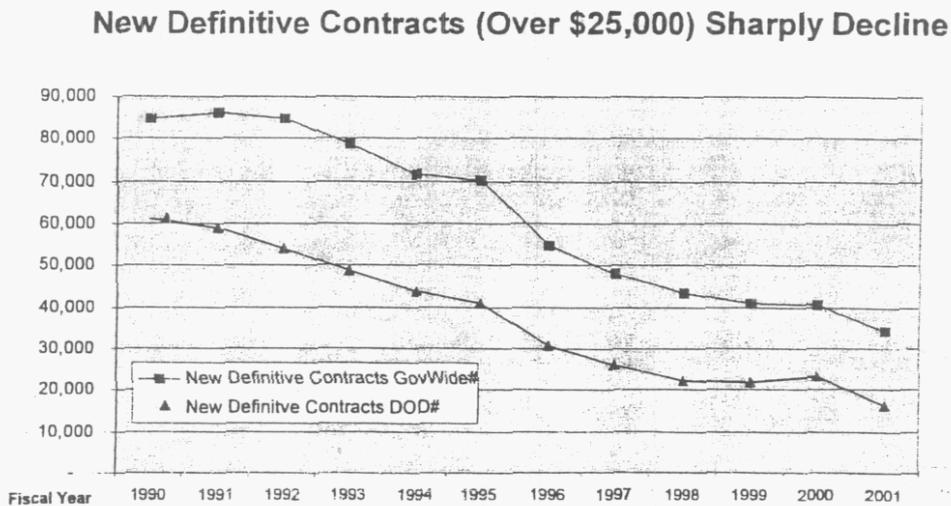
⁵ For a more detailed description of the reasons for agency contract consolidation, see Case Studies in DOD Contract Consolidations: A Study for the Office of Small and Disadvantaged Business Utilization, Appendix C, Logistics Management Institute (LMI), December 2000.

⁶ The Impact of Contract Bundling on Small Business FY 1992 - FY 1999 (Eagle Eye Publishers for the U. S. Small Business Administration, Office of Advocacy, September 2000). In Small Business: Limited Information Available on Contract Bundling's Extent and Effects (GAO/GGD-00-82, March 2000), GAO questioned the probative value of an earlier report by Eagle Eye, because the definition of contract bundling used by Eagle Eye did not correspond with the statutory definition. The later Eagle Eye report (cited above) relies on a similar definition, and thus is subject to the same scrutiny. Nevertheless, we use these figures as anecdotal evidence of the impact of contract bundling and similar practices that may not meet the statutory definition.

⁷ LMI report, *supra*, note 5, pages 4-5 and 4-6.

of the data indicates that, even though the overall dollars spent in contracting with small businesses remained relatively constant, there has been a sharp overall decline in new contract awards. Figure 1 shows a decline in new contract awards (i.e., new contracts rather than contract modifications or orders under existing contracts), from a high of 86,243 in fiscal year 1991 to a low of 34,261 in fiscal year 2001.⁸

Figure 1: New Definitive Contracts (over \$25,000)

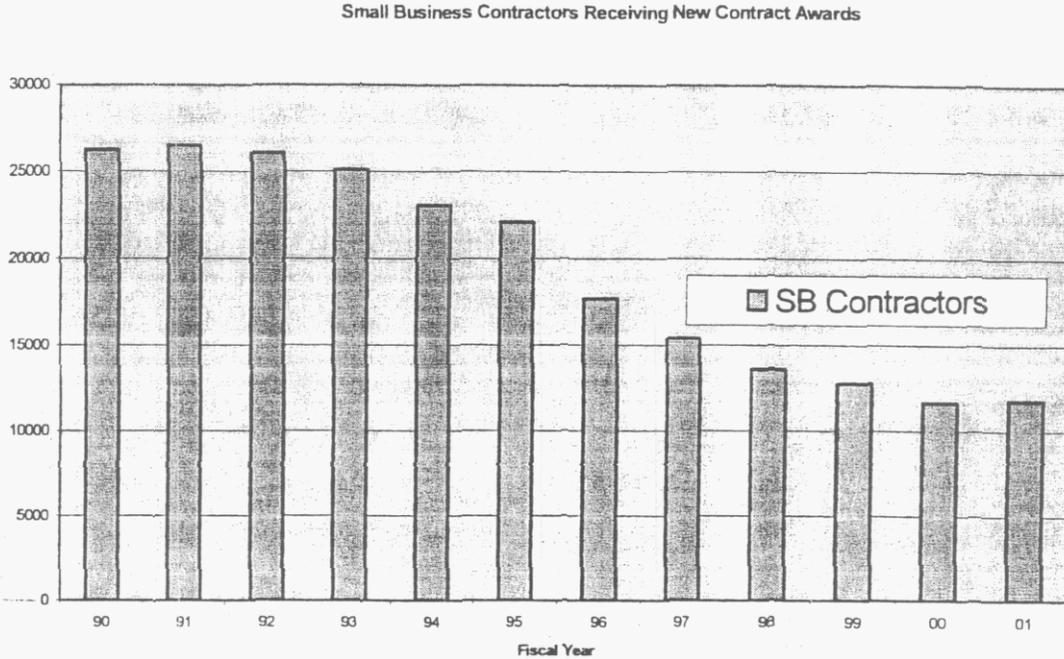


We also found that significantly fewer small businesses are receiving federal government contracts. Figure 2 shows a dramatic decline in the number of small business contractors receiving new contract awards, from a high of 26,506 in fiscal year 1991 to a low of 11,651 in fiscal year 2000.⁹ The significant reductions in new contract awards and the number of small business contractors receiving contract awards signals an increase in contract bundling and a decline in small business opportunities.

⁸ GAO concluded in 2001 that "... small businesses received a higher share in fiscal year 1999 of expenditures in new contracts for most categories of goods and services than they did in fiscal year 1993." (Small Business: Trends in Federal Procurement in the 1990s, GAO-01-119, January 2001, page 12). However, as indicated in Figure 1, the total number of new contract awards declined significantly from fiscal year 1990 to fiscal year 2001. Figure 3 indicates that, during the same period, there was a substantial increase in orders under contracts.

⁹ These figures are based on cumulative data obtained from the Federal Procurement Data System (FPDS).

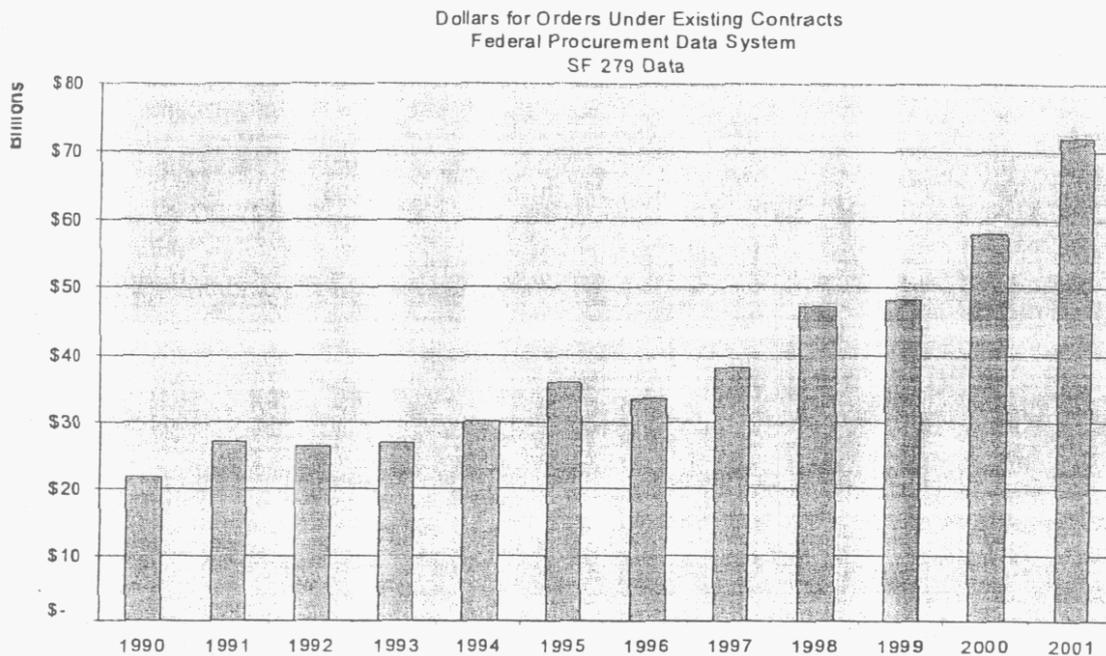
Figure 2: Small Business Contractors Receiving New Contract Awards



This decline in small business participation has been exacerbated by the use of contract vehicles that are not uniformly reviewed for contract bundling. Orders under agency multiple award contracts (MACs), multi-agency contracts, Government-Wide Acquisition Contracts (GWACs), and GSA's Multiple Award Schedule Program are not subject to uniform reviews for contract bundling issues. This lack of uniform review is a problem because, while there has been a sharp decline in other contract actions, there has been a significant increase in orders under these contracts.

Figure 3 shows an increase in department and agency expenditures for orders under existing contracts, from \$21 billion in fiscal year 1990 to a high of \$72 billion in fiscal year 2001. With total fiscal year 2001 procurements valued at \$234.9 billion, orders under existing contracts represent about 31 percent of the total.

Figure 3: Dollars for Orders Under Existing Contracts



D. What Sectors of the Workforce are Responsible for Contract Bundling Issues?

A wide range of agency contracting personnel have responsibilities for fostering small business contracting opportunities and addressing contract bundling issues. For example, the Small Business Act assigns responsibility to agency Offices of Small and Disadvantaged Business Utilization (OSDBUs) to identify proposed solicitations that involve significant contract bundling requirements, and to work with agency contracting personnel and the SBA on procurement strategies to increase the participation by small businesses as prime contractors and subcontractors.¹⁰ By regulation, agency contracting personnel must identify and report to SBA the bundled contracts that the agency has determined are necessary and justified and the small businesses that would be displaced by contract bundling.

1. Agency Acquisition Workforce

The acquisition workforce is composed of numerous career fields. Contracting and purchasing personnel are just a part of the overall acquisition workforce, but they hold

¹⁰ See section 15(k)(5) of the Small Business Act, 15 U.S.C. § 644(k)(5).

primary responsibility for meeting various agency small business contracting goals. In addition, they perform a wide range of duties including: conducting market research; planning acquisitions; soliciting potential contractors; negotiating costs, prices, and terms of contracts; and awarding and administering contracts.

2. Offices of Small and Disadvantaged Business Utilization

The Small Business Act (15 U.S.C. § 631, *et seq.*) requires each department and agency with contracting authority to establish an OSDBU, with reporting authority to the head of the agency. These offices promote contracting opportunities for small businesses, including small business concerns owned and controlled by veterans, service-disabled veterans, women, and socially and economically disadvantaged individuals, as well as those small businesses located in Historically Underutilized Business Zones (HUBZones). OSDBUs are responsible for ensuring that small businesses have the maximum practicable opportunity to participate in the performance of federal contracts as both prime contractors and subcontractors.

With regard to contract bundling, OSDBUs work with SBA to: (1) identify proposed solicitations that involve bundling; (2) facilitate small business participation as prime contractors; and (3) facilitate small business participation as subcontractors and suppliers where participation by small business concerns as prime contractors is unlikely. OSDBU staff assigned to agency contracting offices, known as small business specialists, advise agency contracting and requirements personnel on small business issues and identify potential small business sources. They also review small business subcontracting plans and evaluate contractor performance under those plans. While some agencies may require participation of a small business specialist in the acquisition planning process, there is no government-wide requirement for participation by a small business advocate (internal or external to the agency) as a member of the acquisition planning team.

3. Procurement Center Representatives (PCRs)

SBA assigns Procurement Center Representatives (PCRs) to major contracting offices to implement small business policies and programs. PCR responsibilities include: reviewing proposed acquisitions and recommending alternative procurement strategies; identifying qualified small business sources; reviewing subcontracting plans; conducting reviews of the contracting office to ensure compliance with small business policies; counseling small businesses; and sponsoring and participating in conferences and training designed to increase small business opportunities. Forty-seven PCRs represent SBA at 255 department and agency contracting offices across the country. PCRs cover 11.6 percent of the 2,200 federal contracting offices. However, the 255 contracting offices award approximately \$120 billion of the \$200 billion awarded in federal contracts each year.

III. Strategy: Action Plan

To address contract bundling in the executive branch, the following actions will be taken:

1. **Ensure accountability of senior agency management for improving contracting opportunities for small business.**

Senior agency management will be held accountable for eliminating unnecessary contract bundling and mitigating the effects of necessary and justified contract bundling. Agencies will be required to report to OMB's Deputy Director for Management on a periodic basis on the status of agency efforts to address contract bundling issues. This approach will provide high-level accountability for contract bundling while maintaining a proper balance with mission critical issues. The first agency status reports will be due January 31, 2003.

2. **Ensure timely and accurate reporting of contract bundling information through the President's Management Council.**

Recording and distributing timely and accurate information on contract bundling is the key to accountability. OMB, agencies and the SBA can use this information to monitor contract bundling trends and adjust practices as warranted. The President's Management Council (PMC), composed of deputy secretaries and administrators from the 26 major executive branch departments and agencies, will ensure agency accountability for timely and accurate reporting on contract bundling efforts and statistics. The PMC will be tasked with assisting OMB's Deputy Director for Management with monitoring the status of agency efforts to address contract bundling.

3. **Require contract bundling reviews for task and delivery orders under multiple award contract vehicles.**

The definition of contract bundling in the FAR and SBA regulations will be clarified to require contract bundling reviews by the agency OSDBU for task and delivery orders under multiple award contract vehicles. Because contract bundling reviews are not specifically required by the FAR or SBA regulations for agency multiple award contracts (MACs), multi-agency contracts, Government-Wide Acquisition Contracts (GWACs), or GSA's Multiple Award Schedule Program, these contracts and the orders placed under these contracts effectively escape review. Recent and significant increases in this type of contracting make contract bundling review essential. Proposed regulatory changes will be prepared by January 31, 2003.

4. Require agency review of proposed acquisitions above specified thresholds for unnecessary and unjustified contract bundling.

SBA regulations and the FAR will be modified to require contract bundling reviews of proposed acquisitions above agency-specific dollar thresholds. Individual agency review thresholds for acquisitions between \$2 million and \$7 million should be established based on an agency's volume of contracts and in consultation with the SBA and agency OSDBU. The review will be conducted by the agency OSDBU under guidelines established by the SBA before an agency finalizes a specific acquisition plan. However, appropriate time limits will be established to ensure expeditious consideration. Proposed regulatory changes will be prepared by January 31, 2003.

5. Require identification of alternative acquisition strategies for the proposed bundling of contracts above specified thresholds and written justification when alternatives involving less bundling are not used.

SBA regulations and the FAR will be modified to require agencies to specifically identify alternative acquisition strategies that involve less bundling when an agency contemplates a bundled contract above a threshold between \$2 million and \$7 million. Where a bundled contract is used for an acquisition above the specified threshold, a written justification for using a bundled contract should identify these alternative strategies and the rationale for choosing a particular strategy over alternatives that could involve less bundling. Individual agency thresholds will be established based on an agency's volume of contracts and in consultation with the SBA and agency OSDBU. Proposed regulatory changes will be prepared by January 31, 2003.

6. Mitigate the effects of contract bundling by strengthening compliance with subcontracting plans.

In acquisitions where contract bundling is determined to be necessary and justified, actions will be taken to mitigate the effects of bundling by increasing subcontracting opportunities for small businesses. Federal contractors that receive contracts of \$500,000 for products or services or \$1 million for construction are generally required to prepare plans for subcontracting with small businesses.¹¹ Compliance with these subcontracting plans and agency oversight of contractor compliance with the plans has been inconsistent.¹² To encourage greater small business participation as subcontractors in bundled acquisitions, the FAR will be amended to require agencies to use contractor compliance

¹¹ See FAR Subpart 19.7 (48 C.F.R. § 1, 19.7).

¹² For an examination of agency oversight of contractor compliance with small business subcontracting plans, see Small Business Subcontracting Report Validation Can Be Improved, GAO-02-166R Subcontracting Data, December 13, 2001.

with sub-contracting plans as an evaluation factor for future contract awards. Agencies also will strengthen oversight of contractor efforts to comply with subcontracting plans by establishing procedures that designate personnel responsible for monitoring contractor compliance with subcontracting plans, delineate responsibilities of such personnel, and monitor their performance. These procedures will include specific requirements for agency monitoring of contractor efforts to comply with subcontracting plans for agency multiple award contracts (MACs), multi-agency contracts, Government-Wide Acquisition Contracts (GWACs), and GSA's Multiple Award Schedule Program contracts and orders under all of these types of contracts. Proposed regulatory changes will be prepared by January 31, 2003.

7. Mitigate the effects of contract bundling by facilitating the development of small business teams and joint ventures.

In acquisitions where contract bundling is determined to be necessary and justified, actions will be taken to mitigate the effects of bundling by encouraging the development of teams of small businesses to effectively compete for bundled or consolidated contracts that might be too large or diversified for individual small businesses to perform. SBA bundling regulations encourage the formation of teams of small business contractors to compete for bundled contracts.¹³ However, small businesses face obstacles to forming these teams due to relatively limited time available to respond to agency procurement solicitations, time that could otherwise be used to prepare a proposal in response to the solicitation. Agencies will train and otherwise facilitate early development of teams of small business contractors to compete for upcoming procurements. Also, SBA will determine if regulatory changes are appropriate to encourage the development of these teams and joint ventures.

8. Identify best practices for maximizing small business opportunities.

Some agency acquisition plans and justifications for bundling contracts include successful strategies for maximizing prime and subcontracting opportunities for small businesses. In cooperation with department and agency procurement executives and OSDBU directors, SBA will collect and disseminate these examples and incorporate them in appropriate training courses and materials.

9. Dedicate agency OSDBUs to the President's Small Business Agenda.

In accordance with these recommendations, agency OSDBUs are expected to significantly increase reviews of proposed acquisitions for contract bundling as well as monitor contractor compliance with subcontracting plans. Heads of departments and agencies will ensure that agency OSDBU resources are dedicated to the President's Small Business Agenda by issuing guidance, training personnel, and reallocating resources as necessary.

¹³ See SBA's bundling regulations, *supra*, note 3.



The Deputy Secretary of Energy
Washington, DC 20585

March 18, 2003

MEMORANDUM FOR HEADS OF HEADQUARTERS ELEMENTS

FROM: KYLE E. McSLARROW 
SUBJECT: Small Business Achievements

As we discussed at the March 12, 2003, meeting of the Department's Management Council, I will be reviewing progress against your small business goals as part of my upcoming review of each organization's second quarter, FY 2003 Annual Performance Plan (APP) results.

Attached are charts showing the Department's and each organization's achievements toward our small business goals for the first quarter, FY2003, and through February 2003. If progress continues at the current pace, the Department will only meet about 50 percent of its FY2003 small business goals. Only two organizations are currently on track to meet their individual FY 2003 goals. This is not an acceptable level of performance.

Please take immediate action to ensure accomplishment of your small business goals by the end of the fiscal year. You should be prepared to explain both your progress to date and plans for achieving your goal when we meet to review your next quarter's APP results.

Should you have any questions or need assistance, please do not hesitate to contact Theresa Speake, Director, Office of Small and Disadvantaged Business Utilization at 6-8383.

Attachments: First Quarter FY 2003 Small Business Achievement Chart
Small Business Achievement Chart Through February 2003

FINANCIAL DATA WAREHOUSE
Small Business Awards Analysis for FY 2003 QTR I
(October 1 - December 31)

FY03 Preliminary Projections					
HQ Org	Projected Base	SB Goal %	SB Goal Projected	Actual SB Performance	SB % of Goal Proj.
CI	50,000	20.0%	10,000		0.0%
CN	32,233,946	0.6%	200,173		0.0%
EA	5,959,000	3.7%	220,483		0.0%
ED	696,000	97.0%	675,000	198,934	29.5%
EE	538,000,000	4.8%	25,985,400	1,513,438	5.8%
EH	24,400,000	64.3%	15,689,200	1,736,820	11.1%
EI	27,461,511	44.0%	12,083,065	286,752	2.4%
EM	6,200,000,000	2.2%	137,020,000	16,501,943	12.0%
FE	359,358,000	22.1%	79,246,000	4,458,685	5.6%
GC	563,024	73.0%	411,008	-182,322	-44.4%
HG	117,000	100.0%	117,000		0.0%
IG	6,578,000	1.2%	78,000	7,733	9.9%
IM	40,219,400	78.2%	31,451,571	203,800	0.6%
IN	30,113,314	27.0%	8,130,595		0.0%
ME (Direct)	15,968,000	51.7%	8,255,456	935,364	11.3%
ME (WF)	20,600,000	71.4%	14,710,048	2,412,619	16.4%
NE	132,340,017	2.0%	2,703,468	249,796	9.2%
NNSA	6,266,482,000	3.7%	231,859,834	51,740,304	22.3%
OA	12,654,000	92.3%	11,679,642	3,500,000	30.0%
PA	160,000	41.5%	66,420		0.0%
PI	4,000,000	4.0%	160,000	-24,498	-15.3%
RW	525,000,000	8.0%	42,000,000	1,748,636	4.2%
SC	3,300,000,000	1.3%	42,999,000	1,390,838	3.2%
SO	140,202,174	3.7%	5,187,480	2,253,870	43.4%
WT	3,070,920	3.9%	119,766	12,500	10.4%
Sum:	17,686,226,306	3.8%	671,058,609	88,945,212	13.3%

Power Administrations

Western	78,495,550	74.7%	58,636,176	6,981,460	11.9%
SW & SE	7,500,259	82.3%	6,172,713	992,277	16.1%

Grand Total:	17,772,222,115	4.1%	735,867,498	96,918,949	13.2%
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FINANCIAL DATA WAREHOUSE
Small Business Awards Analysis for FY 2003
(October 1 - February 28, 2003)

FY03 Preliminary Projections					
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CN	32,233,946	0.6%	200,173	18,000	9.0%
EA	5,959,000	3.7%	220,483	100,000	45.4%
ED	696,000	97.0%	675,000	198,934	29.5%
EE	538,000,000	4.8%	25,985,400	4,024,313	15.5%
EH	24,400,000	64.3%	15,689,200	3,170,526	20.2%
EI	27,461,511	44.0%	12,083,065	1,348,099	11.2%
EM	6,200,000,000	2.2%	137,020,000	32,857,433	24.0%
FE	359,358,000	22.1%	79,246,000	9,460,211	11.9%
GC	563,024	73.0%	411,008	-182,322	-44.4%
HG	117,000	100.0%	117,000	0	0.0%
IG	6,578,000	1.2%	78,000	7,733	9.9%
IM	40,219,400	78.2%	31,451,571	365,091	1.2%
IN	30,113,314	27.0%	8,130,595	0	0.0%
ME (Direct)	15,968,000	51.7%	8,255,456	1,511,921	18.3%
ME (WF)	20,600,000	71.4%	14,710,048	5,077,298	34.5%
NE	132,340,017	2.0%	2,703,468	291,861	10.8%
NNSA	6,266,482,000	3.7%	231,859,834	66,115,844	28.5%
OA	12,654,000	92.3%	11,679,642	4,800,000	41.1%
PA	160,000	41.5%	66,420	0	0.0%
PI	4,000,000	4.0%	160,000	-24,498	-15.3%
RW	525,000,000	8.0%	42,000,000	3,270,260	7.8%
SC	3,300,000,000	1.3%	42,999,000	1,993,340	4.6%
SO	140,202,174	3.7%	5,187,480	8,133,245	156.8%
WT	3,070,920	3.9%	119,766	12,500	10.4%
Sum:	17,686,226,306	3.8%	671,058,609	142,549,789	21.2%

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Western	78,495,550	74.7%	58,636,176	8,121,201	13.9%
SW & SE	7,500,259	82.3%	6,172,713	1,229,324	19.9%

Grand Total:	17,772,222,115	4.1%	735,867,498	151,900,314	20.6%
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MEMORANDUM FROM KYLE MCCLARROW
SUBJECT: SMALL BUSINESS ACHIEVEMENTS



The Deputy Secretary of Energy
Washington, DC 20585

March 18, 2003

MEMORANDUM FOR HEADS OF HEADQUARTERS ELEMENTS

FROM: KYLE E. McSLARROW 

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EI	27,461,511	44.0%	12,083,065	1,348,099	11.2%
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SC	3,300,000,000	1.3%	42,999,000	1,993,340	4.6%
SO	140,202,174	3.7%	5,187,480	8,133,245	156.8%
WT	3,070,920	3.9%	119,766	12,500	10.4%
Sum:	17,686,226,306	3.8%	671,058,609	142,549,789	21.2%

Power Administrations

Western	78,495,550	74.7%	58,636,176	8,121,201	13.9%
SW & SE	7,500,259	82.3%	6,172,713	1,229,324	19.9%

Grand Total:	17,772,222,115	4.1%	735,867,498	151,900,314	20.6%
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