

RESEARCH, EDUCATION, AND ECONOMICS MISSION AREA

Consisting of the
Agricultural Research Service
Cooperative State Research, Education, and Extension Service
Economic Research Service, and
National Agricultural Statistics Service

FY-2004 UPDATE

PROCUREMENT OUTREACH PLAN

The Procurement Outreach Plan for Research, Education and Economics (REE) reflects an assessment of the status of achievements under the Procurement Preference Program and outlines strategies for achieving the goals identified. This Outreach plan represents REE's effort to extend information and services to particular segments of the small business community. The Plan focuses on maximizing the exposure of our procurement information to the targeted communities eliminating areas of under representation. The success of our approach is reflected in the increases in prime contract dollars being awarded to Small Business (SB), Small Disadvantaged Business (SDB), Women-Owned Small Business (WOSB), Historically Underutilized Business Zone (HUBZone) concerns, and Service-Disabled Veteran-Owned Small Business (SD-VOSB). The table below compares REE's accomplishments in FY 2003 (year to date) to "planned" goals for that period.

Accomplishments FY 2003 (2nd Quarter)

Preference Category	Planned	Actual
Small Business	50%	69%
8(a) Concerns	12%	18%
(Minority) Small, Disadvantaged	15%	15%
Woman-Owned	10%	13%
HUBZone	2%	4%
Service-Disabled Veteran-Owned	--	2%

Thus far in FY 2003, the Mission Area has met its goal in each of the six categories. The SB category exceeded the planned goal by a large margin while all other goals were met or exceeded. The goal for SD-VOSB was imposed in fiscal year 2002, and though some awards have been made, few firms have been identified thus far. Strategies are being developed in this area.

Awards have been prioritized for 8(a), HUBZone, and Emerging Small Business concerns in all areas, and maximum use is being made of BRAVO Program contractors who hold these certifications. REE continues to participate in procurement opportunity conferences, marketing presentations, and Vendor Outreach Sessions to counsel, assist, and inform small businesses of contracting opportunities within the agency. REE will actively seek Service-Disabled Veterans and other preference concerns for solicitation to increase the amount of prime contract dollars awarded to firms in these categories.

Overall, REE has achieved preference goals through the execution of the standards and strategies outlined in the Procurement Outreach Plan. Changes in the Plan for FY 2004 are outlined below.

ELEMENT I. CUSTOMER BASE

There has been no change in our customer base. The agency continues to support SB, SDB, WOSB, HUBZone, and SD-VOSB firms. We continue to provide opportunities to participate in contract awards.

Goods and services to be acquired include architect engineering, construction (modernization, repair and maintenance, including demolition), facilities management, laboratory equipment, supplies, and chemicals and agricultural supplies. Also included are Information Technology (replacement hardware, licenses, and maintenance), pest control, economic studies, trash removal, hay, animal feed grain, books, periodicals, including farm vehicles and equipment.

Goods and services will be acquired through Simplified Acquisition Procedures, sealed bidding, and negotiated procurements. Another major source of goods and services will be the Federal Supply Schedule contracts. The customer base will include firms and organizations that can provide the goods and services required by the REE Mission Area.

ELEMENT II. UNDER-REPRESENTED GROUPS AND WHY UNDER REPRESENTATION EXISTS

SB, SDB, WOSB, HUBZone, and SD-VOSB concerns are the under represented groups in REE. Under representation derives from the causes identified below:

- (a) In construction projects above the \$3 million dollars, few contracts are won by 8(a), SDB, WOSB, or HUBZone concerns. For these firms, bonding capacity at the higher dollar levels is little to nonexistent. Experience is also a factor, as many firms have not yet acquired the full capabilities, production or bonding capacity demanded for these projects. Further, the firms usually are not located in close proximity to the remote areas where construction must be performed. This exacerbates an already tough situation.
- (b) Another factor relevant to under representation in construction service is the absence of authorized class set-asides that would exclude large businesses from the competition. The SB Competitiveness Demonstration Program requires full and open competition except in limited circumstances. Eligible firms must be able to participate to a significant degree. 8(a) concerns do not fully participate above certain dollar levels, HUBZones lack sufficient capacity, and Emerging small businesses are limited to projects under \$25,000. SDB,

WOSB, and SD-VOSB concerns are required to bid against large businesses to win a construction contract. The success of these firms winning contracts is severely restricted by the requirements of the Program.

- (c) Another condition that hampers full representation is the limited numbers of SB bidders in some industries, and their nonexistence in others. For instance, there are few WOSB concerns identified in the Small Business Administration's PRO-Net database for services related to construction, facilities operation or economic studies. Notices posted with trade associations have not identified WOSB concerns in any significant number.
- (d) WOSB and SDB firms with strong capabilities in economic research are nonexistent even after sources sought announcements and surveys of trade memberships.
- (e) SD-VOSB's are a new group arising from the Veteran Entrepreneurship and Small Business Development Act of 1999. Thus far, few firms have been identified in the PRO-Net database of the SBA.

ELEMENT III. GOALS

STANDARDS

- (a) Awards to SB, SDB, and WOSB concerns will be increased by 5 percent each in each preference category. In the HUBZone and SD-VOSB category awards will be increased to meet the 3 percent minimum threshold.
- (b) Participation of WOSB, SDB, SD-VOSB and VOSB will be increased in service contracts for construction, facility operations, and economic research studies by maximizing their inclusion on the Bidders Lists. SD-VOSB concerns will be identified and included on the Bidders/Source List.
- (c) These concerns will be encouraged to establish joint ventures, teaming arrangements, or mentor protégée relationships with large business contractors in the areas of construction, facility operations and economic studies. This should improve their success rate in competitive bidding.
- (d) Award of construction and refuse service to 8(a), HUBZone, and Emerging SB concerns will be maximized through available set-aside authority.

ELEMENT IV. STRATEGIES FOR ACHIEVING GOAL

- (a) Increase the number and value of SB set-asides, where possible, to award at least 66 percent of the actual purchasing volume to SB concerns. It is recognized that construction has limited set-aside capability due to the limitations of the SB Competitiveness Demonstration Program that mandates unrestricted competition in construction-related designated industry

groups. Set-asides for 8(a), HUBZone and Emerging Small Business will be utilized to the maximum extent permissible and consistent with Program dictates.

- (b) Increase the number of SB, SDB, WOSB, and HUBZone firms being included on the Bidders/Source Lists for purchases on the open market. Emphasis will be placed on informing SB, WOSB, SDB, HUBZone, and SDV concerns of REE's requirements.
- (c) Develop target-sensitive strategies and approaches to particular commodities and services to maximize participation by the under represented groups. Identify projects that are suitable for 8(a) concerns. These unfunded projects could be awarded in the fourth quarter if funds become available.
- (d) Encourage joint ventures, teaming arrangements, and other business relationships between large business contractors and firms in the preference categories to improve their chances of winning contract awards.
- (e) Cross-pollinate successful strategies across REE procurement offices by networking and sharing strategies between Area Offices.
- (f) Continue to provide referrals to contractors and capability statements to contracting offices to maximize source lists. Continue to remove obstacles that retard the achievement of these goals.
- (g) Identify additional possible opportunities and ensure that set-asides are established, whenever appropriate.
- (h) Establish relationships and network with trade association on an ongoing basis to identify potential contractors. Expand outreach to the targeted customer base. Use the network to disseminate procurement information to the under represented categories; promote partnerships among the targeted firms; and encourage mentor-protégée relationships between successful contractors and firms in the customer base.
- (i) Represent the REE mission area at SB conferences that target the under represented customer base and provide information on business opportunities within the Mission Area, the availability of the Procurement Forecast, FedBizOpps, and individual purchasing offices. Provide referrals for specialized service and commodities.
- (j) Conduct and attend Procurement Preference Program (PPP) related training once a year. Conduct internal seminars and training to instruct and inform procurement personnel of the reasons, strategies, and techniques of PPP, including setting goals, and monitoring achievements, and reporting on prime and subcontracting programs.
- (k) Continue the ongoing review of procurements that are being considered for full and open competition or bundling and determine which portions can be set-aside for SB concerns.
- (l) Actively encourage eligible firms to become HUBZone certified.

- (m) Conduct a search for SD-VOSB concerns in the most frequently used North American Industry Classification System (NAICS) codes to attain the goal of 3 percent of the actual purchasing volume. Elicit cooperation from the Department of Veteran Affairs and the Federal Procurement Data Center in identifying these firms.
- (n) Encourage the use of SBA's SUB-Net by large business contractors to register active solicitations or other notices in identifying suppliers and or subcontractors.
- (o) Assist prime contractors in locating SB, SDB, WOSB, and HUBZone firms with the necessary capabilities. Refer firms directly to the prime contractor.

ELEMENT V. PERFORMANCE MEASURE: THE RESULTS/OUTCOME OF STRATEGIES UNDERTAKEN TO REACH GOALS

- (a) An appreciable increase in participation by WOSB's, 8(a)'s, SDBs, HUBZone, and SDV concerns in REE's requirements over the previous year through the efforts of the REE buying activities.
- (b) The Bidders/Source Lists of the buying activities will be expanded to include a number of new firms.
- (c) Specialized searches, including networking among procurement professionals, will be conducted to identify prospective sources in those areas where there have been under representation by firms within the preference categories.

ELEMENT VI. RESOURCES REQUIRED TO IMPLEMENT OUTREACH PLAN

STANDARDS

REE anticipates that a total of 1.50 FTE will be required to implement the Outreach Plan including the identification of sources, specialized searches, and evaluation of capabilities. Contract and travel costs have not been determined and will depend upon the strategies employed on specific contracts.

Statement of Leadership Support, and Identification of the Individual(s) Responsible for Reporting Annually on Plan Accomplishments both Internally and Externally

The Head of the Contracting Activity Designee (HCAD) for the REE mission area is fully committed to provide the leadership and direction, enhance and monitor the exposure of procurement information to the targeted communities, and eliminate areas of under-representation. Individuals identified in the enclosed chart are responsible for reporting quarterly on accomplishments in the Plan, internally and externally.

**INDIVIDUALS RESPONSIBLE FOR REPORTING
ACCOMPLISHMENTS**

A. EXTERNAL

<u>Name</u>	<u>Title</u>	<u>Scope of Responsibility</u>	<u>Address</u>
Larry Cullumber	HCAD	Mission Area	5601 Sunnyside Avenue Beltsville, MD 20705-5117

B. INTERNAL

<u>Name</u>	<u>Title</u>	<u>Scope of Responsibility</u>	<u>Address</u>
John Crew	Deputy Area Director	Contracts awarded by North Atlantic Area	600 E. Mermaid Lane Wyndmoor, PA 19038
B. A. Serrano	Area Adm. Officer	Contracts awarded by Beltsville Area	10300 Balto. Ave., Rm 203 Beltsville, MD 20705
Diane Strub	Area Adm. Officer	Contracts awarded by Mid West Area	1815 N. University St. Peoria, IL 61604
Archie Tucker	Deputy Area Director	Contracts awarded by Mid South Area	P.O. Box 225 Stoneville, MS 38776-0225
Mike Wiggett	Area Adm. Officer	Contracts awarded by Northern Plains Area	1201 Oakridge Road Fort Collins, CO 80525
Tina Street	Area Adm. Officer	Contracts awarded by Pacific West Area	800 Buchanan Street Albany, CA 94710
Steve Edney	Area Adm. Officer	Contracts awarded by South Atlantic Area	P. O. Box 5677 Athens, GA 30604-5677
June Williams	Area Adm. Officer	Contracts awarded by Southern Plains Area	7607 Eastmark Drive College Station, TX
Ron Rouse	Br. Chief	Contracts awarded by PPD, Procurement and Property Branch	14th&Independence SW. Washington, DC 20250
Brenda Wood	Br. Chief	Contracts awarded by FD, Facilities Contracts Branch	5601 Sunny side Avenue Beltsville, MD 20705-5124

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