



“THE PULSE”

Monitoring the Health of HHS' Small Business Program

Tommy G. Thompson, Secretary

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Debbie Ridgely
OSDBU Director

Message from the Director

The summer months have been very busy at HHS, as we bring you our second edition of THE PULSE. In this issue we spotlight our first award under the Department's Strategic Sourcing Initiative to a small, women-owned business for Information Technology peripherals. The initiative is designed to leverage the substantial buying power of our Department, reduce operational costs and drive efficiencies. Westwood Computers, Inc. competed on a Full and Open basis and offered the Government the best value.

Another lead story covers the final rule that amends the regulations for the Historically Underutilized Business Zone Program (HUBZone). The new rule became effective on June 23, 2004, and amends requirements for concerns owned by Indian Tribal Governments or Community Development Corporations. Some additional technical changes have been made to the HUBZone requirements and procedures.

Regulation Update: The Small Business Administration has

withdrawn its proposed rule to restructure the small business size standards. SBA intends to issue an Advance Notice of Proposed Rulemaking to obtain more data before deciding what further actions to take.

We are pleased to announce that plans are underway to hold our first prime contractor roundtable discussion on August 17, 2004. We will be meeting with the primes that receive the largest percentage of dollars from HHS and will work with them to establish a plan to increase small business subcontracting opportunities. The ultimate goal is to hold the prime contractors accountable for their subcontracting plans and use that information in future award decisions.

Also coming up is the 16th. National Training Conference & Small Business Expo, conducted by the National Association of Professional Asian American Women. Mark your calendars for this October 7th. event, in Washington, DC.

Do not miss our story on The Carter Consultancy, a small women-owned minority company that is taking the lead in combating cancer in the Black community.

HHS participated in Small Business Week in Orlando, FL, during May, which was attended by approximately 3,000 small businesses. We met with and counseled numerous companies in the one-on-one appointment

sessions. In a continued celebration of the SBA's 50th. Anniversary, our staff counsels companies all over the country via phone, on a regular basis.

As always, "Keep America Healthy...Invest in a Small Business".

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Historically Underutilized Business Zone (HUBZone) Program

Changes to the HUBZone Program

SBA has issued a final rule that amends the regulations for the HUBZone Program. The new rule was enacted on May 24, 2004 and became effective on June 23, 2004.

The new ruling keeps the 35% employee requirement. However, it adds other requirements depending on whether the small business

concern is owned by Indian Tribal Governments; or by U. S. citizens, Alaska Native Corporations (ANCs) or Community Development Corporations (CDCs).

For Indian Tribal Governments, the small business concern must be wholly or partially owned by one or more Indian Tribal Governments and meet the relevant small business size standards. As for U.S. citizens, ANCs and CDCs, the small business concern must meet the following requirements. They are:

- ❖ Entirely owned and controlled by U.S. citizens;
- ❖ Qualify as a small business under the relevant size standard;
- ❖ Principal office located in an HUBZone area;
- ❖ At least 35% of its employees reside in the HUBZone area;
- ❖ Attempt to maintain the 35% requirements throughout the contract; and
- ❖ Meet new subcontracting requirements.

For continuing updates on amendments and general information about the HUBZone program, visit SBA's website at: www.sba.gov/hubzone/



SMALL BUSINESSES IN THE SPOTLIGHT:

Westwood Computer Corporation

Westwood Computer, a women-owned small business, has recently been named as the sole winner of the Department of Health and Human Services' IT Peripherals BPA. Through a new eCommerce Online Store, this contract will enable Westwood and their GSA Team Partners to provide HHS with the latest products. Together they will deliver products for the following categories: storage, monitors, memory, network accessories, peripherals, projectors, handheld PDAs, power supplies, and UPS'.

Since 1964, Westwood Computer Corporation has been providing computer products and solutions for computing professionals. It is this experience that customers have come to rely on not only for trusted and reliable answers, but for new and innovative solutions to their needs as well. Their sales and technical staff are experienced professionals. Westwood personnel are constantly involved in training and certification programs to insure they maintain their technical breadth of product knowledge. Customers get to know their specific Westwood team. This approach differentiates Westwood Computer Corporation, and has been a vital reason for their long-term success.

Westwood specializes in network analysis and topologies. Their engineering team is fully capable of working from start to finish, every step of the way. Westwood Computer is one of the few resellers in the East to operate their own certified repair facility, as well as, having a large computerized warehouse and integration center.

Westwood Computer is serving the Federal Government through the GSA's Federal Supply Schedule and those of teaming partners. Consistently honored as one of the top hardware resellers, Westwood has major BPAs in place with the Air Force, Departments of

Homeland Security, Justice, and Commerce.

The Carter Consultancy

A Small Woman and Minority Owned Business, Takes the Lead in Combating Cancer in the Black Community

The call to eliminate health disparities, and the growing recognition of the critical contribution of the social and cultural environment to health status, continues to shape funding initiatives at the Department of Health and Human Services. Although Healthy People 2010 has established the elimination of health disparities as a national goal, it is clear that complex and diverse approaches and interventions must be initiated and tested to impact multiple factors that contribute to health disparities.

Two of HHS' strategic goals are to eliminate disparities in health outcome and access and to increase the availability of primary health care services to underserved populations. There are many companies, organizations, and institutions of higher learning that have worked with the Department to address these public health policy issues. However, less than (2%) of those organizations are owned and controlled by the individuals whose communities experience disproportionately from health disparities, racial and ethnic minorities. This piece of information deserves more attention.

Based on the Small Business Administration's data, contracts to companies owned and controlled by racial and ethnic minorities for all services constitute less than five percent of federal government contracts.

Recognizing the gravity of this public health crisis, The Carter Consultancy, Inc. a small women and minority-owned business located in Alexandria, Virginia, has

taken the lead in establishing an alliance between several Historically Black Institutions and majority research universities. This alliance, of some of the most well respected institutions of higher learning in the country, has established the goal of reducing the prevalence of cancer in the Black community. The alliance is proposing to assist the Department of Health and Human Services more specifically the National Cancer Institute in reducing health disparities. Their vision is to significantly improve access to and utilization of beneficial cancer interventions in 10 Black communities with cancer health disparities by providing a cadre of well-trained Black researchers who will work to reduce cancer health disparities in the Black communities. Although cancer death and incidence rates have declined since the early 1990's, cancer is still the second leading cause of death among Black Americans.

The Carter Consultancy, Inc. brings many measurable successes to this alliance with over 25 years of experience in the field of public health. It is respected as an expert on interventions targeting the Black community. In addition to supporting Health Care initiatives in the state of Missouri, the organization has supported projects for the Centers for Medicare and Medicaid Services the Administration for Children and Families (ACF), and the Health Resources and Services Administration (HRSA).

If the Department is to achieve its goal of eliminating health disparities in underserved populations, new approaches to resolving health disparities must be considered. The Carter Consultancy, in partnership with National Black Caucus of State Legislators, Lott Carey International, Hampton University, Jackson State University, Lincoln University (PA), Wake Forest University Medical School Maya Angelou Research Center, and the University of North Carolina

Chapel Hill-Center for Ethnicity, Culture and Health, has taken a tremendous step forward in proposing innovative strategies that will assist the Department in accomplishing the goal of reducing the widening gap in the quality of healthcare for all American people.



EVENTS

16th National Training Conference & Small Business Exposition

The 16th National Training Conference & Small Business Exposition will be conducted by the National Association of Professional Asian American Women (NAPAW) and Co-Sponsored by the Department of Health & Human Services, Office of Small & Disadvantaged Business Utilization, (OSDBU) and Department of Interior, Office of Small & Disadvantaged Business Utilization.

The conference will be held at the **Department of Interior on Thursday, October 7, 2004**. The theme is *"Yesterday's Dreams, Tomorrow's Reality."* It will address the need to focus on our strengths and unique abilities to translate our dreams of yesterday into a reality of today.

The conference will feature outstanding speakers from the public and private sectors who will discuss current issues relevant to Federal contracting, address problems faced by small businesses in today's contracting arena, and help identify contract opportunities at Executive Agencies. There will be a special program highlighting *"Women-Owned Small Business Success Stories"* which will inspire participants with anecdotes of our journey in reality. Most importantly,

participants will have one-on-one counseling sessions with Exhibitors and Small Business Specialists from many Executive Agencies.

Please visit NAPAW's website for further information at: www.napaw.org

Registration Fee: \$50
Late Registration Fee: \$75
Exhibit Fee: \$100
Late Exhibit Fee: \$150

OPDIV NEWS

Centers for Medicare and Medicaid Services (CMS)

Cost Accounting Systems

A contractor interested in performing work on a cost reimbursement contract must demonstrate that it has developed, or will develop within six (6) months of contract award, a cost accounting system that allows for the collection, tracking and reporting of all costs under a cost reimbursement type contract. A contractor will also need to provide certified documentation that the indirect cost rate agreement is in place, or that it is in the process of obtaining or revising its indirect cost rate agreement.

The cost accounting system must provide for:

- Proper segregation of direct costs and indirect costs
- Identification and accumulation of direct costs by contract
- A logical and consistent method for allocation of indirect costs to intermediate and final cost objectives
- Accumulation of costs under general ledger control
- A timekeeping system that identifies employees' labor by intermediate or final cost objectives

- A labor distribution system that charges direct and indirect labor to the appropriate cost objectives
- Interim determination of costs charged to a contract through routine posting to books of account
- Exclusion of costs charged to Government contracts of amounts that are not allowable pursuant to FAR Part 31, Contract Cost Principles and Procedures, or other contract provisions
- Identification of costs by contract line item and units
- Segregation of preproduction costs from production costs

An excellent resource for contractors is published by the Department of Defense, and is available on the Defense Contract Audit Agency (DCAA) website. The pamphlet is entitled, "Information for Contractors", DCAAP 7641.90, dated January 2004. You may access an electronic version of this document at: <http://www.dcaa.mil/dcaap7641.90.pdf>

Program Support Center (PSC)

Training

PSC held a proposal writing session in April for approximately 20 small businesses. The training was a ½ day session, which provided small businesses with proposal writing techniques and an overview of preparing a cost proposal. The session was provided, free of charge, as a pilot to see the need for future training. It was a huge success and the evaluations were all positive.

Celebrate the Javits-Wagner-O'Day (JWOD) Program During National Disability Employment Awareness Month!

October is **National Disability Employment Awareness Month**, and a perfect time to celebrate the Javits-Wagner-O'Day (JWOD) Program.

National Disability Employment Awareness month provides Federal employees with the opportunity to recognize those individuals within their agencies who support the JWOD Program, and to learn more about JWOD capabilities that meet their procurement needs.

There are a number of different activities Federal employees may consider in order to recognize the JWOD Program, both in October or any time throughout the year:

- Issue an Announcement from your Secretary or Agency head that recognizes the JWOD Program and National Disability Employment Awareness Month (*examples of Announcements issued by other agencies can be found on the Committee's website, www.jwod.gov*) and expresses your high-level support for the JWOD Program to many Federal employees.
- Assist your Director or other appropriate official in issuing a Memorandum of Support for the JWOD Program, which recognizes the Program's value, reinforces your agency's commitment to the Program and informs Federal personnel of their responsibility to shop JWOD first (*examples of Memoranda issued by other agencies can be found on the Committee's website, www.jwod.gov*).
- Hold a National Disability Employment Awareness Month event with the JWOD Program as one of the main participants. JWOD resources, including videos, literature and speakers, are all available free of charge

(*contact jwodworks@jwod.gov for more information*). Offer Continuing Education Units to acquisition professionals who attend.

- Host a JWOD Vendor Fair or exhibit to showcase JWOD product and service capabilities. Invite your JWOD contractors and/or other local JWOD-participating nonprofit agencies to attend and exhibit. Contact the JWOD Program at jwodworks@jwod.gov for assistance.
- Plan a "JWOD Appreciation Day" for your JWOD service crew (*e.g., janitorial staff at Federal buildings, administrative support services staff, etc.*) Have your Secretary, Procurement Executive, Program Director or other appropriate official present outstanding JWOD employees and participating nonprofits with certificates or plaques.
- Schedule a tour of a nearby JWOD-participating nonprofit agency for your agency's decision-makers and or/purchasing staff.
- Offer JWOD training for purchase card holders and acquisition professionals (*training kits are available from the JWOD Program*) or arrange time for purchase card holders and acquisition professionals to visit the Federal Acquisition Institute's Online University (www.faionline.com) to complete JWOD training for Continuing Education Units at their desks. Federal customers can also learn more about the JWOD Program in the Defense Acquisition University's (DAU) online Acquisition 101 course (*visit www.dau.mil for more information*). Training is also available from JWOD Program personnel—contact jwodworks@jwod.gov to make arrangements.



- Link your Web site to the JWOD Program Web site (www.jwod.gov) and/or design a page of your own listing ways your agency can support the JWOD Program.
- Hang posters and decorate bulletin boards with JWOD information.

Please contact the JWOD Program if you require any assistance in planning a JWOD celebration during National Disability Employment Awareness Month at jwodworks@jwod.gov, or visit www.jwod.gov for more information.