Department of Veterans Affairs

FY 2014 Small Business Procurement Scorecard

FPDS-NG Prime Contracting Data as of Feb. 20, 2015 eSRS Subcontracting Data as of Mar. 13, 2015

| Prime Contracting Achievement: | | | 80.98% |
|---|---------------------|--------------|----------------------|
| | 2013 Achievement | 2014 Goal | 2014 Achievement |
| Small Business | 36.21% | 34.77% | 34.42% (\$6.5 B) |
| Women Owned Small Business | 3.35% | 5.00% | 3.42% (\$650.1 M) |
| Small Disadvantaged Business | 7.92% | 5.00% | 8.35% (\$1.6 B) |
| Service Disabled Veteran Owned Small Business | 19.38% | 3.00% | 18.71% (\$3.6 B) |
| HUBZone | 1.72% | 3.00% | 1.50% (\$284.8 M) |

| Subcontracting Achievement: | | | 7.96% |
|---|---------------------|--------------|---------------------|
| | 2013 Achievement | 2014 Goal | 2014 Achievement |
| Small Business | 14.40% | 17.00% | 18.60% |
| Women Owned Small Business | 2.10% | 5.00% | 2.70% |
| Small Disadvantaged Business | 0.90% | 5.00% | 2.60% |
| Service Disabled Veteran Owned Small Business | 0.50% | 3.00% | 0.60% |
| HUBZone | 0.50% | 3.00% | 0.40% |

| Success Factors | | | | |
|--|--|-------|------|--|
| Plan Progress Success Factor Grading Scale: Factor Subtotal Score / 7 | | | | |
| Commitment to Small Business Utilization - The Agency demonstrated, through action and documented evidence, a commitment to utilize small businesses to obtain goods and services. | | | | |
| 2. Effective Engagement of Senior Level Management in Achieving Small Business Goals - The Agency's senior leadership (i.e. Deputy Secretary, Chief Acquisition Officer, Senior Procurement Executive, senior program managers, and OSDBU Director) demonstrated, through action and documented evidence, that they have clearly communicated the importance of achieving the agency's Small Business contracting goals through the chain of command to the contracting officer level. | | | | |
| Data Quality of Small Business Contracting - The Agency demonstrated, through action and documented evidence, a commitment to small business contracting data quality. | | | | |
| Training of Acquisitions Staff - The Agency demonstrated a commitment to small business utilization through regular training of acquisitions staff on the issues/procedures/policies/regulations impacting small businesses. | | | | |
| 5. Outreach to Small Business - The Agency demonstrated, through action and documented evidence, a commitment to growing their small business supplier base and increasing awareness of contracting opportunities for small businesses. | | | | |
| Bundling Avoidance, Justification and Mitigation - The Agency demonstrated, through action and documented evidence, a clearly communicated policy to address and mitigate the adverse effects of contract bundling on small businesses. (For applicable dollar threshold for the agency, see FAR subpart 7.104) | | | | |
| 7. OSDBU Organization - The Agency demonstrated, through action and documented evidence, compliance with Section 1691 - Offices of Small and Disadvantaged Business Utilization - of the National Defense Authorization Act (NDAA) of 2013. | | | | |
| Prime and Subcontracting Grading Scale: $A + \le 150\%$ but $\ge 120\%$ $A < 120\%$ but $\ge 100\%$ $B < 100\%$ but $\ge 90\%$ $C < 90\%$ but $\ge 80\%$ $D < 80\%$ but $\ge 70\%$ $F < 70\%$ | | Total | 6.94 | |

B 98.85%

Comments:

Graded Agency:

The Department of Veterans Affairs (VA's) commitment to providing timely patient care has increased use of national and regionally awarded contracts for the purchase of medical services. The nature of these procurements does not provide significant opportunities for small businesses, resulting in a reduction in overall small business goal achievement in FY 2014. We expect even greater impact in FY 2015.

Public Law 109-461 places Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) and Veteran-Owned Small Businesses (VOSBs) first and second, respectively, in the hierarchy of VA's small business preferences. This mandate makes achievement of the women-owned small business and the Historically Underutilized Business Zone (HUBZone) goals extremely challenging for VA, as these preferences are not available to VA unless SDVOSBs and VOSBs are unavailable.

The SBA's cap on credit for SDVOSB awards conflicts with VA's statutory open-ended commitment to SDVOSB contracting. VA continues to make SDVOSBs its first priority even after it has met its goal. In accordance with the agency's statutory responsibility, the VA Secretary has set goals of 10 percent for SDVOSBs (higher than the 3 percent statutory goal that is established Government-wide) and 12 percent for VOSBs (for which there is no federal goal). VA significantly exceeded both of these goals set by the Secretary. VA recommends SBA lift the cap on SDVOSB performance to recognize VA statutory requirements.