## Strategic Objective 1.2: Contracting

Ensure federal contracting goals are met and/or exceeded by collaborating across the federal government to expand opportunities for small businesses and strengthen the integrity of the federal contracting certification process and data

**FY 2014 - 2015 Priority Goal**: Maximize small business participation in federal government contracting to meet the statutory goals and reduce participation by ineligible firms

**FY 2016 - 2017 Priority Goal**: Through September 30, 2017, maximize small business participation in federal government contracting to meet the statutory goal of 23 percent, ensure subgoals are met, and reduce participation by ineligible firms

**FY 2016 - 2017 Priority Goal**: By September 30, 2017, support more disadvantaged small businesses by increasing the number of approved 8(a) certification applications by 5 percent each fiscal year **Objective Lead**: Associate Administrator, Office of Government Contracting and Business Development

Programs/Activities: Small Business Prime Contracting Procurement Set-Aside, Subcontracting Program Compliance, Size Standards, Certificate of Competency, 8(a) Business Development, 7(j) Technical Assistance, HUBZone, Women-Owned Small Business Federal Contracting, Service-Disabled Veteran-Owned Small Business Procurement, Procurement Assistance, and Mentor-Protégé

## Strategies:

- 1. Ensure federal agencies are meeting their small business contracting goals
- 2. Simplify access to federal contracting; attract and educate small businesses on contracting opportunities
- 3. Improve certification processes and data for federal contracting
- 4. Increase small business contracting through training of the federal contracting force

Small business contracting is a win-win; the federal government gets to work with the most innovative small businesses in America today – often with direct access to owners of the business – and small businesses get critical revenue to build and scale their operations. The SBA is working across the federal government to improve coordination and hold senior officials accountable for meeting their small business contracting goals. The Agency continues to simplify access to contracting and is improving the certification process and data quality for federal contracting. All of these efforts are focused on ensuring that at least 23 percent of all prime contracting dollars go to small businesses.

Information on specialized assistance for small businesses in underserved markets (businesses owned and controlled by socially and economically disadvantaged individuals, women, service-disabled veterans, and small businesses located in HUBZones) to maximize participation in prime contracting and subcontracting can be found under Strategic Objective 2.1 (inclusive entrepreneurship). For information regarding reducing fraud, waste, and abuse in contracting programs, refer to Strategic Objective 3.3 (risk mitigation).

**Progress Update**<sup>1</sup>: The SBA, in consultation with OMB, has determined that the performance toward this objective is making noteworthy progress. For the second consecutive year, the federal government surpassed its statutory prime contracting goal and the SBA achieved its Priority Goal of 23 percent of

<sup>&</sup>lt;sup>1</sup> Due to data lags in federal contracting, SBA's FY 2015 Strategic Objective 1.2 Progress Update uses FY 2014 results.

federal contracting dollars going to small businesses. As a result of government-wide focus, small businesses have been awarded \$92 billion in federal contracting dollars. The goal for service-disabled veterans surpassed its three percent target (FY 2014 result of 3.68 percent) for the third time, and small disadvantaged businesses exceeded its five percent target (FY 2014 result of 9.46 percent). Womenowned small business contracts increased from 4.32 percent in FY 2013 to 4.68 percent in FY 2014. Although the HUBZone program continues to recruit new small businesses, the portfolio has not recovered from the re-designation of HUBZone areas from the 2010 census.

Table 1.2a displays the cost to administer the program. It includes direct costs from the operating budget, including grants and contracts, compensation and benefits, Agency-wide costs such as rent and telecommunications, and indirect costs.

Table 1.2a: Prime Contracting Budget - Total Administrative Resources (Thousands)

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Actual	Actual	Actual	Actual	Actual	Actual	Enacted	Request
\$ 29,300	\$ 27,136	\$ 28,126	\$ 26,226	\$ 18,529	\$18,011	\$18,862	\$18,901

Table 1.2b shows progress toward the Priority Goal of meeting the 23 percent federal prime contracting target.

**Table 1.2b: Prime Contracting Priority Goal** 

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	
Percent of Federal	Target	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%
Contract Dollars									
Awarded to Small	Actual	22.70%	21.70%	22.30%	23.40%	24.99%	Data Lag		
Businesses									
	Variance	-1%	-6%	-3%	2%	9%	N/A		

**Additional Information:** The data supporting the FY 2014-2015 Priority Goals are not finalized until the third quarter of FY 2016. Every two years, the SBA works with each federal agency to set their prime and subcontracting goals. SBA ensures that the sum total of all of the goals exceeds the 23% target established by law.

Table 1.2c shows progress toward the 8(a) Business Development Priority Goal.

Table 1.2c: 8(a) Business Development Priority Goal

		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Number of 8(a)	Target	N/A	N/A	N/A	N/A	N/A	Baseline	600	600
Approved Applications	Actual	N/A	N/A	N/A	419	391	568		
**	Variance	N/A	N/A	N/A	N/A	N/A	N/A		
<b>Additional Information:</b> The goal is to increase the number of approved applications by 5% from the previous fiscal year.									

Chart 1.2 shows the total federal contract dollars awarded to small businesses. The U.S. Department of Defense had the highest dollar value in support of contracting to small businesses (\$54 billion in FY 2014). The SBA supported the highest percentage of contracting to small businesses (77 percent in FY 2014). For more information on SBA's small business contracting goal, see Strategic Objective 3.1 (program operations).



Chart 1.2: Federal Contracting Dollars (\$ Billions) Awarded to Small Businesses

Strategy 1: Ensure federal agencies are meeting their small business contracting goals

As chair of the Small Business Procurement Advisory Council (SBPAC), the SBA assists agencies in their acquisition planning efforts to help the federal government reach its 23 percent target for small business contracting. The approach includes launching new contracting initiatives, providing training, sharing best practices, publishing data on contracting, and hosting matchmaking events. Each month at the SBPAC, a different agency presents a best practice that has helped their small business contracting, briefs on upcoming outreach and training initiatives, and discusses upcoming rules impacting small business contracting.

The SBA also manages two small business certification programs, the **8(a) Business Development** program and the **HUBZone** program. The **8(a)** Business Development program helps small, disadvantaged businesses compete in the marketplace through the provision of business development assistance. The HUBZone program helps small businesses in certain designated urban and rural areas gain preferential access to federal procurement opportunities.

Table 1.2d displays the targets and results for the federal contracting sub goals, the number of jobs supported from small businesses receiving federal contracts, and number of surveillance reviews.

**Table 1.2d: Prime Contracting Performance Indicators** 

context.

Table 1.20: Frime Con	naching i e										
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
Percent of Federal	- ·	E 000/	E 000/	F 000/	F 000/	<b>F</b> 000/	<b>5</b> 000/	F 000/	E 000/		
Government Prime	Target	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%		
Contracts Awarded to	Actual	7.95%	7.67%	8.00%	8.61%	9.46%	Data Lag				
Disadvantaged 8(a) Small							Ŭ				
Businesses	Variance	59%	53%	60%	72%	89%	N/A				
Additional Information: The data support			1								
	1	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
Percent of Federal	Target	E 000/	E 000/	F 000/	F 000/	F 000/	F 000/	F 000/	E 000/		
Government Prime		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%		
Contracts Awarded to	Actual	4.04%	3.98%	4.00%	4.32%	4.68%	Data Lag				
Women-Owned Small	Variance			,			Ü				
Businesses		-19%	-20%	-20%	-14%	-6%	N/A				
<b>Additional Information:</b> The data supporting the FY 2015 performance indicators are not finalized until the third quarter of FY 2016.											
The shrinking of the gap dem	nonstrates the										
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
Percent of Federal	Target	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Government Prime											
Contracts Awarded to	Actual	2.50%	2.65%	3.03%	3.40%	3.68%	Data Lag				
Service-Disabled Veteran-		4 = 0/	400/	40/	400/	220/	37/4				
Owned Small Businesses	Variance	-17%	-12%	1%	13%	23%	N/A		4.77.4		
Additional Information: The											
2016. A concerted effort to m	eet the SDV							_	_		
	T	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
Percent of Federal	Target	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Government Prime		3.0070	3.00 /0	3.0070	3.00 /6	3.00 /0	3.00 /0	3.00 /6	3.0070		
Contracts Awarded to	Actual	2.77%	2.40%	2.01%	1.76%	1.82%	Data Lag				
HUBZone Small	Variance	00/	200/	220/	410/	200/	NI/A				
Businesses		-8%	-20%	-33%	-41%	-39%	N/A	1 1	( FV/ 2017		
Additional Information: The											
The decline in HUBZone peri				n of the rede	esignation.	An analysis	s of industrie	s most impa	icted will		
enable the SBA to market the	program mo			F3/ 2012	F3/ 2012	FN/ 2014	EV 2015	F3/ 2016	FN/ 0015		
	ı	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
	Tamo	627.000	E70 000	E72 000	E72 000	E01 112	E01 110	E00.000	E00.000		
N. 1. CT.I.	Target	637,000	572,000	572,000	572,000	501,113	501,113	500,000	500,000		
Number of Jobs	A street	627.156	600 222	E27 000	470 E1E	E40,000	Data Lag				
Supported	Actual	637,156	609,333	527,000	479,515	549,000	Data Lag				
	X7	0%	7%	-8%	1/0/	100/	NT/A				
A 4 4:4: 1 I 4 4: The	Variance				-16%	10%	N/A	.1	6 EV 2017		
Additional Information: The data supporting the FY 2015 performance indicators are not finalized until the third quarter of FY 2016 FY											
	ı	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
	T .	NT/A	NT/4	D 11	20	20	20	20	20		
Number of Surveillance	Target	N/A	N/A	Baseline	30	30	30	30	30		
Reviews Completed		3 T / A	3. T / A	20	21	4.4	20				
Reviews Completed	Actual	N/A	N/A	30	31	41	30				
	Variance	N/A	N/A	N/A	3%	37%	0%				
Additional Information: The								en provided	for		
Additional information.				nuicator in		i iustoricai t			101		

#### FY 2015 Accomplishments and Challenges

Due to data lags, the SBA reports on contracting data from the prior fiscal year. In FY 2014, the federal government achieved its prime contracting target of 23 percent for the second consecutive year with a result of 24.99 percent, which amounted to \$92 billion in federal contracting dollars to small businesses. The federal government exceeded its service-disabled veterans goal of 3 percent and small disadvantaged business goal of 5 percent. More agencies reached or surpassed all of their prime contracting goals, and the SBA exceeded all its federal contracting goals. Current performance trends for FY 2015 indicate that the federal government may again exceed the 23 percent statutory requirement for the small business prime contracting goal.

To help meet these goals, SBA's highly skilled and trained analysts, procurement center representatives (PCRs), and actively engaged staff across the federal government promoted small business set-asides. PCRs reviewed requirements which are not unilaterally reserved for small business to identify whether these requirements can be set-aside for small businesses or specific small business socio-economic categories (i.e. women-owned small business, economically disadvantaged small business, service-disabled veteran-owned small business, HUBZone small business, and small and disadvantaged businesses in the 8(a) program). The PCRs assessed contracting actions from more than 2,800 buying entities from among 24 federal agencies. PCRs reviewed acquisition strategies, conducted market analysis, and reviewed policies to ensure maximum opportunities are provided to small business. PCR engagement is directly related to the recent success in attaining the statutory federal contracting goal.

Also in FY 2015, the SBA met monthly with agencies' Offices of Small and Disadvantaged Business Utilization to provide training and updates, share best practices, and discuss progress toward prime and subcontracting goals as part of the Small Business Procurement Advisory Committee. The SBA completed negotiations with each agency to set their prime and subcontracting goals for FY 2015 and FY 2016. The Annual Scorecard for both government-wide and individual agencies for FY 2014 is available online.<sup>2</sup> The scorecards measure each agency's progress in meeting their small business and socio-economic prime contracting and subcontracting goals and provide accurate and transparent contracting data.

The Agency plans to propose revisions to HUBZone regulations that will improve program operations. The proposed rule change constitutes a comprehensive revision of Part 126 of SBA's regulations to clarify the procedures of the HUBZone program and implement new measures to reduce fraud, waste, and abuse of the program. Several regulations require clarification or revision in order to address issues identified through program implementation.

The Administration continued to implement QuickPay as a tool to attract contractors. The tool allowed small businesses that are federal prime contractors to receive payment in 15 days rather than the previous 30 days. It will also allow the Federal Acquisition Regulation (FAR) Council to solicit public input on strategies that might be used over the longer term to help maintain effective cash flow and prompt payments to small business contractors. This system also ensures compliance with proper size classification of contractors to the FAR and helps address the SBA Inspector General's Management Challenge 1 that identifies procurement flaws whereby large firms obtain small business awards.

<sup>&</sup>lt;sup>2</sup> The FY 2014 Scorecard is available at <u>www.sba.gov/content/small-business-procurement-scorecards-0.</u>

Central to federal procurement oversight is the role the SBA plays in conducting regulatory compliance reviews. The compliance reviews - known as Surveillance Reviews (for prime contracting) and Small Business Performance Compliance Reviews (for subcontracting) - enabled the Agency to evaluate the implementation of regulations across the federal government to ensure that small businesses are afforded opportunities with federal contracting. SBA's Surveillance Review program completed 30 onsite compliance reviews covering the highest risk agencies that had not met their small business goal in FY 2014. These reviews assessed the quality of a contracting agency's small business program, evaluated its impact, and recommended changes to improve small business participation in the acquisition process.

Also, the Surveillance Review program, led by SBA area office directors and supported by PCRs, instituted new follow-up reviews based upon marginal ratings or unsatisfactory ratings based on FY 2013 procurement data. These eight follow-up reviews, part of the 30 onsite compliance reviews conducted in FY 2015, increased agency attention to correcting findings that inhibit small business participation. The Small Business Performance Compliance Review program, led by SBA's commercial marketing representatives (CMR), focused on monitoring subcontracting programs, a commonly overlooked oversight area in federal acquisitions.

The Agency has collaborated with stakeholders to participate in outreach events to small businesses to increase awareness of the 8(a) Business Development program. The SBA presented numerous training sessions to diverse audiences, to promote the program. Further, the Agency significantly increased training of the federal contracting force by offering onsite sessions at 19 different agencies. As a result, more than 800 federal contracting and acquisition leaders received training.

#### FY 2016 and FY 2017 Planned Performance

The SBA will continue to analyze agency procurements to ensure small business set-asides and will continue to meet monthly with agencies' Offices of Small and Disadvantaged Business Utilization to provide training and updates, share best practices, and discuss progress toward prime and subcontracting goals. Of particular note for FY 2016, contracting goals will now include the overseas goaling exclusions. The SBA will work with agencies to negotiate their FY 2017 and FY 2018 goals and will issue the annual scorecard for both government-wide and individual agencies for FY 2015 (to be published in summer FY 2016). In FY 2016 and FY 2017, the Agency will annually conduct 30 surveillance reviews to assess a contracting entity's small business program, evaluate its impact, and recommend changes to improve small business participation in the acquisition process.

The SBA plans to revise HUBZone regulations to improve operations and enhance procurement opportunities for small businesses located in underserved communities. These regulations will make it easier for small businesses to team together to perform government contracts. The SBA plans to issue final regulations establishing a small business Mentor-Protégé program available to all agencies. The program, once fully implemented, will allow small businesses to team with more experienced firms to provide assistance in order to enhance their capabilities, assist in meeting their small business goals, and improve the ability of the protégés to compete for contracts. By the end of FY 2016, the SBA anticipates that the Mentor-Protégé program will be available for all small business sub-goals including service-disabled veterans, HUBZone, and women-owned-and-controlled small businesses.

# Strategy 2: Simplify access to federal contracting; attract and educate small businesses on contracting opportunities

Small businesses are more likely to engage in federal contracting when the barriers to entry are removed and the process is simplified. Initiatives like QuickPay help small businesses get the cash flow they need to more quickly fund and grow their operations. Federal contracting is complex and the risks associated with failure are high. The SBA can mitigate this risk through the Certificate of Competency (CoC) program, which provides unproven small businesses the ability to receive new federal contract opportunities. The CoC program provides these firms with the ability to develop past performance success which is vital to becoming a competitive contractor. Having sound financial stability is another key element to receive federal contracts.

Also, section 7(j) of the Small Business Act authorizes the SBA to enter into grants, cooperative agreements, or contracts with public or private organizations that can deliver management or technical assistance to eligible individuals and enterprises. This assistance is delivered to 8(a)-certified firms, small disadvantaged businesses, businesses operating in areas of high unemployment or low-income, or small businesses owned by low-income individuals. Refer to Strategic Objective 2.1 (inclusive entrepreneurship) for more information regarding federal contracting in underserved markets.

## FY 2015 Accomplishments and Challenges

The SBA continued to promote the Women-Owned Small Business Federal Contract program through the ChallengeHER campaign. This initiative, undertaken via co-sponsorship with American Express OPEN and Women Impacting Public Policy, educated women-owned small businesses in the federal supply chain. ChallengeHER events, hosted at various agencies and SBA district offices, informed women of contracting opportunities.

In recent years, the use of 7(j) training to assist small disadvantaged businesses (SDBs) has declined. The SBA found that historically about 250 firms were terminated or withdrew from the 8(a) Business Development program each year because they did not reap the benefits of the business development program, many of them not having been introduced to 7(j) training. These efforts, along with increased marketing of the 7(j) program, allowed the SBA to train nearly 5,000 8(a) program participants and other small disadvantaged businesses, resulting in a 30 percent increase over the previous year. In addition, more than 350 firms received individualized intensive 7(j) counseling, exceeding the annual goal by 54 percent. This training helped participating small businesses better prepare themselves for federal contracting opportunities.

To strengthen business development for 8(a) small businesses, the program increased efforts to expand the Mentor Protégé program. This initiative streamlined the mentor protégé application process and shortened response time from 45 days to 10 days, resulting in an increase in the number of agreement approvals by 25 percent from the previous year. In addition, the SBA hosted its first annual mentor-protégé conference, which increased mentor protégé team knowledge of joint ventures and rules and compliance requirements for agreements.

The Agency launched *Destination: HUB* to more fully engage the economic development community to use the HUBZone program as a tool to increase job growth and capital formation in underserved areas. Key components of this initiative include training the small business community in securing

and maintaining HUBZone certification and participating in round table discussions with members of the economic development community.

The Agency conducted outreach sessions for the small business community on a weekly basis to increase understanding of the HUBZone program as a business development tool in seeking and securing federal prime and subcontracts. Additionally, the SBA published a proposed rule to implement several provisions in accordance with the National Defense Authorization Act of 2013 (NDAA) to lower barriers to entry for contracting.

#### FY 2016 and FY 2017 Planned Performance

The SBA will finalize the rules implementing the NDAA contracting provisions. The Agency will continue to increase awareness of contracting opportunities and engage other agencies and external stakeholders. It will continue to improve online offerings through the Government Contracting Classroom for an approach that helps small businesses find the right opportunities for federal assistance from wherever they engage with the SBA and its partners. The SBA requests \$2.8 million for the 7(j) program in order to provide business development and contracting training to 8(a) program participants and host webinars to help small businesses learn how to apply for the 8(a) Business Development program.

The Agency will continue expanding opportunities to learn more about Mentor-Protégé program requirements and rules in FY 2016 and anticipates an increase in agreements. In addition to increasing mentoring and training through the 7(j) program, the SBA will host a matchmaking event with larger firms specifically introducing 8(a) firms interested in the Mentor Protégé program.

The SBA will update and maintain its current Geographical Information System for HUBZone maps. This maintenance includes the preparation of geographic files that correspond to the map layers and the maintenance of the public web map applications. The SBA will enhance functionality to better monitor program operations and compliance.

The Agency will expand *Destination: HUB* by bringing the initiative to regions not served during the FY 2015 launch. The Agency will increase its use of videoconferencing to conduct weekly outreach for small businesses in order to increase understanding of the HUBZone program as a business development tool. In future years, greater reliance will be placed on district offices in managing and conducting activities.

## Strategy 3: Improve certification processes and data for federal contracting

Ensuring firms are eligible for small business contracting is paramount to the 8(a) and HUBZone programs' ability to help agencies achieve federal prime and subcontracting goals and helps firms in underserved communities access much needed capital through the federal supply chain. Refer to Strategic Objective 2.1 (inclusive entrepreneurship) for more information regarding federal contracting in underserved markets.

Each agency is responsible for ensuring the quality of its own contracting data, but the SBA conducts additional analysis to help agencies identify potential data anomalies. As part of its ongoing data quality efforts, the SBA works with federal agency procurement staff to provide tools to facilitate data reviews, implement improvements to procurement systems, and conduct training to improve accuracy.

## FY 2015 Accomplishments and Challenges

The SBA worked with agencies and the Office of Federal Procurement Policy to ensure small business contracting data is accurate. The Agency conducted continuous monitoring to minimize the risk of ineligible firms qualifying for its programs. These efforts not only reduced fraud and enhanced contracting data integrity but increased confidence in the SBA and the federal government among the small business community.

In accordance with the Small Business Jobs Act of 2010, the SBA continued reviewing size standards. Specifically, the Agency published proposed rules for NAICS Sectors 22 (Utilities) and 23 (Construction) and published proposed rules on employee-based size standards in NAICS Sectors 31-33 (Manufacturing), 42 (Wholesale Trade), 44-45 (Retail Trade), and industries in other sectors that have employee-based size standards.

Over the past several years, the number of small businesses participating in the 8(a) program has declined from 9,000 firms to fewer than 4,700 firms. Based on customer and stakeholder feedback, a contributing factor to this decline is believed to be the administratively burdensome application process.

Consequently, the Agency undertook a comprehensive review of the 8(a) program with the aim of minimizing the administrative burden for potential and current 8(a) participants and ultimately increasing small business participation. A streamlined application pilot project requiring fewer documents from small businesses proved effective so the Agency is now seeking authority to streamline its application process. Along with the effort to streamline the application process, the SBA hosted monthly outreach events and webinars to help small businesses learn how to apply for the 8(a) program.

#### FY 2016 and FY 2017 Planned Performance

The SBA will continue to work with agencies and OFPP to ensure small business government contracting data is accurate. This approach includes checks on pre-certification applications and continuous monitoring to help reduce the number of ineligible firms and increase confidence in small business data government-wide.

The Agency will continue to streamline the 8(a) Business Development program. Efforts are underway to notify the public and secure OMB's approval of the new application forms. The SBA established a Priority Goal to increase the number of approved firms by 5 percent each fiscal year through FY 2017. In an effort to increase retention of firms through the nine-year program, the SBA plans to reduce the administrative burdens of the annual review process.

Additionally, the Women-Owned Small Business (WOSB) program requires women-owned small businesses and economically disadvantaged women-owned small businesses to document their current eligibility. The SBA is working to improve the WOSB repository functionality and other aspects of the program.

The SBA will work with the General Services Administration Integrated Award Environment to modify the Electronic Subcontracting Reporting System to improve sub-contracting data. In accordance with the Small Business Jobs Act of 2010, the SBA will review size standards for additional sectors and, where necessary, propose amendments to the applicable standards. The SBA

will also finalize the rules on monetary-based standards and employee-based size standards. The Agency will review and update its size standards methodology white paper to address National Defense Authorization Act of 2013 requirements and other outstanding policy issues. It will also update its databases for size standards analysis, especially economic census tabulations, Federal Procurement Data System-Next Generation, and the Federal System of Award Management.

## Strategy 4: Increase small business contracting through training of the federal contracting force

Contracting officers play a critical role in achieving mission outcomes and increasing small business participation in the federal supply chain. As new contracting tools and regulations become available, the federal acquisition workforce needs to be well trained.

## FY 2015 Accomplishments and Challenges

The Agency developed proposed revisions to HUBZone regulations to improve operations and enhance procurement opportunities for small businesses located in underserved communities. As part of this process, the Agency briefed the federal contracting force via the Offices of Small and Disadvantaged Business Utilization on implications of the proposed revisions.

The SBA Government Contracting Classroom, available online, continued to grow and offered free, self-paced, online learning courses to help small businesses and other stakeholders better understand the federal contracting marketplace. The Classroom launched several new modules that focused on preparing small businesses to acquire federal government contracts.

The Agency has collaborated with stakeholders to participate in outreach events to small businesses to increase awareness of the 8(a) program. The SBA presented numerous trainings to diverse audiences to promote the program and the proper use of it. The SBA participated in a joint DOD/SBA small business training conference. In an effort to train, educate, and develop productive working relationships that benefit small businesses, the conference brought together DOD small business professionals with SBA's PCRs, CMRs, industrial specialists (conduct size determinations and certificates of competency), and 8(a) and HUBZone leaders.

#### FY 2016 and FY 2017 Planned Performance

The SBA will continue to increase awareness of contracting opportunities. The Agency will improve online offerings, an approach that allows small businesses to find the right opportunities for federal assistance from wherever they engage with the SBA and its partners. The Agency will continue to meet monthly with agencies' offices of small and disadvantaged business utilization to provide training and share best practices. The SBA will participate in a joint effort with the U.S. Department of Defense to provide training to SBA procurement center representatives, DOD small business specialists, and contracting officers. The training will focus on small business contracting programs and review SBA and DOD responsibilities.

The 8(a) program will conduct outreach to promote the streamlined procedures to resource partners. This approach should help increase participation in the 8(a) program and encourage more disadvantaged small businesses to participate in Federal contracting opportunities. The Agency will also continue to provide 8(a) program training to the federal contracting force. These sessions are vital for creating contract opportunities for 8(a) program participants. Additionally, the SBA will continue to engage with staff on a joint small business training conference. Future training topics

include: non-manufacturer rule waivers, protest process, limitation on subcontracting, and additional updates on changing rules.

In FY 2016, during implementation of revised regulations for the HUBZone program, the Agency will train offices of small and disadvantaged business utilization, contracting officers and program managers. The Agency will work with acquisition offices on their buying activities to improve government-wide performance against the statutory HUBZone contracting goal of three percent.

In FY 2017, the Agency will train the acquisition community in the use of the government-wide Mentor-Protégé program and the application of HUBZone price evaluation preference in full and open competition. These activities should increase participation of 8(a) and HUBZone-certified firms in the marketplace and increase the number of awards of 8(a) and HUBZone set-asides, which will support the federal acquisition community in attaining the HUBZone contracting goal.