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AFCESA



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TARGET AUDIENCE: *Environmental, Operations & Engineering Flights*

Air Force Small Business Program

PURPOSE:

Ensure understanding of the Air Force Small Business Program.

POLICY:

The Secretary of the Air Force and the Chief of Staff of the Air Force established the Air Force Small Business Program (SBP) Plan, which requires every commander to structure an aggressive small business program. The SBP Plan requires the personal leadership, advocacy and support of commanders at every level in the USAF.

The USAF SBP Plan establishes goals for contracts to be awarded to small and small disadvantaged businesses (SBs and SDBs). As the goals flow down to the MAJCOMs and bases, they tend to increase significantly, resulting in some operational contracting bases having goals as high as 60–75 percent of total contract dollars.

The Federal Acquisition Regulation (FAR), Part 7, and AFI 63-124, Performance Based Services Acquisition (PBSA), require contracting and technical personnel (and others) to jointly develop an acquisition strategy that promotes business decisions that ensure mission accomplishment.

FAR 7.102 states, "... planning shall integrate the efforts of all personnel responsible for significant aspects of the acquisition. The purpose of this planning is to ensure that the Government meets its needs in the most effective, economical, and timely manner." FAR 7.103 states, "... acquisition planners, to the maximum extent practicable, shall structure contract requirements to facilitate competition by and among small business concerns."

Defense FAR Supplement 219.502-2 requires that construction projects—including maintenance and repairs—valued at \$2 million or less be set aside for small businesses.

DISCUSSION:

Small businesses provide approximately 75 percent of net new jobs added to the economy and represent 99.7 percent of all employers. Small businesses are extremely important to a successful U.S. economy.

A number of base personnel incorrectly believe that the base contracting office or squadron forces SB/SDB goals on its customers. AF and MAJCOM commanders have assigned responsibility to the contracting function to ensure that the goals set at higher levels are met.

Others believe that contracts awarded to SBs and SDBs typically require more oversight and do not produce a quality product. The Small Business Administration has historical contract data which clearly supports that SB/SDB contracts are no more susceptible to failure than contracts awarded to other firms. Further, costs/prices are consistent with those of similar goods and services in the marketplace.

SB/SDB goals are not a detriment to the Base Civil Engineer's mission. To meet the SB/SDB goals requires a cooperative effort between civil engineering and contracting personnel to identify projects for SBs/SDBs to accomplish that will benefit the Air Force and the U.S. government. Exorbitant prices and poor performance should not be accepted by anyone involved in the acquisition process, regardless of the supplier.

RECOMMENDATIONS:

Civil engineering and contracting personnel should meet early in an acquisition cycle to identify those projects that are appropriate for SBs/SDBs. Civil engineering personnel should recommend source selection factors and criteria to ensure that the best contractor is selected. Civil engineering and contracting personnel should document any poor performance to ensure that past-performance records are correct.