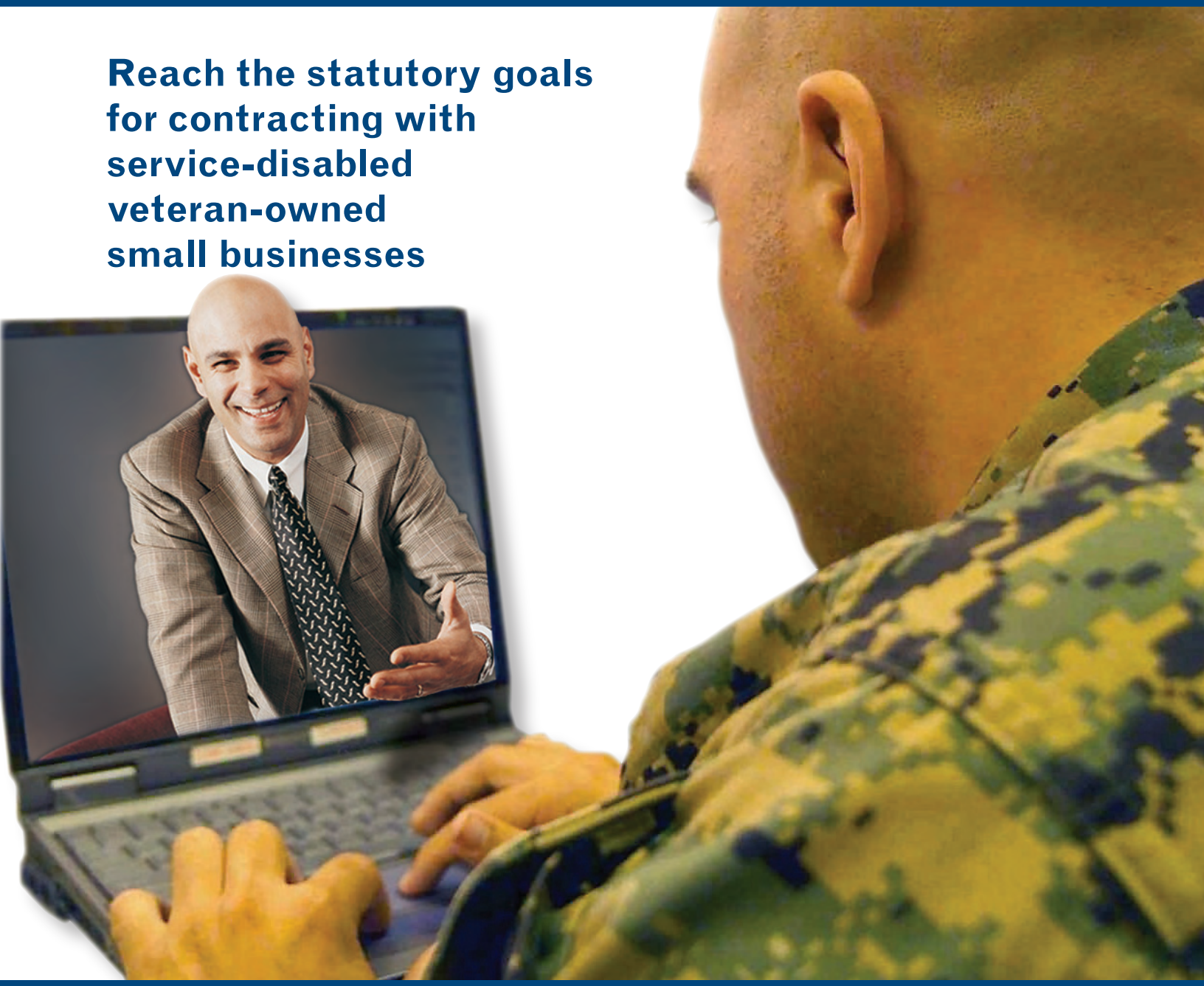
U.S. General Services Administration

Contracting with Veteran-Owned Businesses

Reach the statutory goals for contracting with service-disabled veteran-owned small businesses



GSA: A vanguard for veteran-owned businesses in federal acquisitions.

Veterans Entrepreneurship and Small Business Development Act of 1999, Public Law 106-50

- Established the governmentwide goal for participation by service-disabled veteran-owned small businesses at 3% of the total value of prime contract awards for each fiscal year.

Veterans Entrepreneurship and Benefits Improvement Act of 2003, Public Law 108-183

- Allows sole-source contracts and contract set-asides.

Executive Order 13360, Providing Opportunities for Service-Disabled Veteran Businesses To Increase Their Federal Contracting and Subcontracting, October 2004

- Directs agencies to more effectively implement the Veterans Entrepreneurship and Small Business Development Act.
- Directs GSA to establish a Governmentwide Acquisition Contract reserved for participation by service-disabled veteran-owned businesses.
- Directs GSA to conduct outreach assistance to inform service-disabled veteran-owned businesses about Multiple Award Schedules.

"There is no more deserving group of men and women in this nation. And they deserve the best I have to offer..."

Lurita Doan
Administrator
General Services Administration

Completed by GSA prior to February 2005, conducted as an initiative named FASTBREAK:

- Formed partnerships with the VA, the SBA, the Defense Logistics Agency, the DOD and several veterans organizations, including the Association for Service Disabled Veterans, Vietnam Veterans of America and the Task Force for Veterans' Entrepreneurship.
- Improved veteran-related web content on gsa.gov.
- Initiated veteran and SDVOSB conferences and enhanced support through the Regional Small Business Development Centers.
- Improved the accuracy of the socioeconomic categorization for veteran-owned small businesses on Multiple Award Schedules.
- Assisted in the drafting of EO 13360.

Completed by GSA since February 2005, conducted as an initiative named BREAKOUT:

- Achieved a five-fold increase in SDVOSB schedule holders from 96 SDVOSBs in May 2003 to 803 as of April 2007.
- GSA announced the Veterans Technology Services (VETS) Governmentwide Acquisition Contract (GWAC). The VETS GWAC is designed to provide worldwide information technology solutions to federal agencies through contracts with highly qualified technology providers who are also service-disabled veterans. There are more than 40 prime contract holders representing over 260 service-disabled veteran-owned and other small business partners.
- Launched a video training course for contracting officers about including SDVOSBs in procurements.
- Published a Veterans Business Toolkit with the VA's Center for Veterans Enterprise for veteran-owned businesses about conducting business with the federal government.
- Co-sponsored the Second Annual National Veterans Business Conference providing one-on-one information to more than 1300 conference attendees. GSA Administrator Doan was the keynote luncheon speaker.

More progress needed: 3 percent statutory goal versus the .6 percent reality.

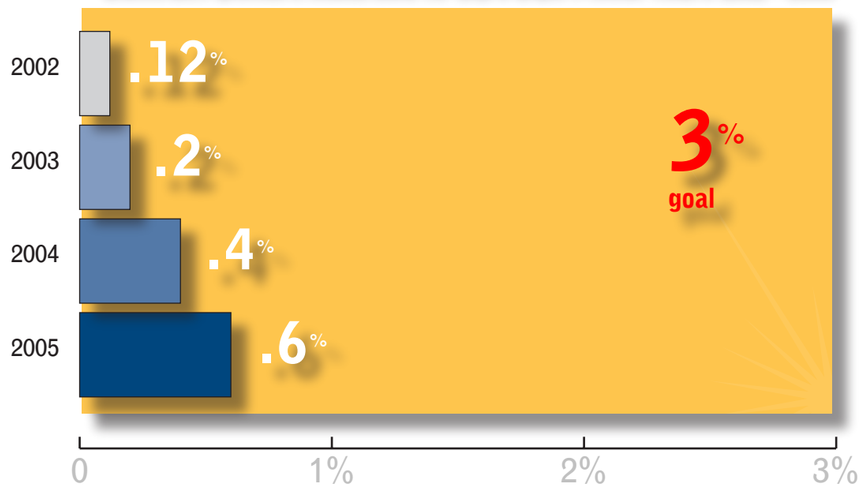
How is the federal government doing?

The Veteran's Entrepreneurship and Small Business Development Act was passed in 1999 and established the governmentwide statutory goal that a minimum of 3 percent of the total value of contract awards for each fiscal year be awarded to service-disabled veteran-owned small businesses. Total federal procurement spending has not reached this goal but has more than quadrupled from FY2002 to FY2005.

Fiscal Year	Total Federal Spending	Total Spending Awarded to SDVOSBs
2002	$235.4 billion	$298.9 million
2003	$277.5 billion	$549.3 million
2004	$299.9 billion	$1.14 billion
2005	$314.0 billion	$1.89 billion

Source: SBA Goaling Program @ http://www.sba.gov/GC/goals/indexinfo.html

Contract Dollars Awarded to SDVOBs Fiscal Years 2002 - 2005



Source: SBA Goaling Program @ http://www.sba.gov/GC/goals/indexinfo.html

Which agencies are approaching the 3 percent goal?

Current federal spending with service-disabled veteran-owned businesses is concentrated within a few agencies.

Percentage of Spending with SDVOSBs (As a percentage of agency's total spending)					
Agency	FY2001	FY2002	FY2003	FY2004	FY2005
Veterans Affairs, Department of	.41	.42	.41	1.36	2.15
State, Department of	1.17	.53	.66	3.26	2.01
Housing and Urban Development, Department of	.11	.68	1.37	1.17	1.53
Commerce, Department of	.09	.10	.59	.63	1.27
General Services Administration	.05	.11	.38	.59	1.2
National Aeronautics and Space Administration	<0	.20	.23	.39	1.13
Interior, Department of	.03	.15	.29	.73	1.09
Labor, Department of	.00	<0	.15	.87	.85
Transportation, Department of	.16	.33	.56	.89	.84
Justice, Department of	.01	.06	.03	.45	.79
Agriculture, Department	.10	.22	.18	.47	.6
Defense, Department of	.34	.11	0.18	.33	.50
Homeland Security, Department of	N/A	N/A	.09	.48	.48
Health and Human Services, Department of	.13	.23	.42	.50	.45
Treasury, Department of	.44	.40	.53	.13	.28
Energy, Department of	.01	.01	.02	.05	.22
Environmental Protection Agency	<0	<0	<0	.04	.21
Education, Department of	.03	.08	.16	.31	.08

Source: Veterans Small Business Federal Interagency Council

The GSA Multiple Award Schedules and the VETS GWAC provide federal agencies a way to increase opportunities for veteran-owned small businesses to participate in acquisitions.

The benefit of GSA contract vehicles.

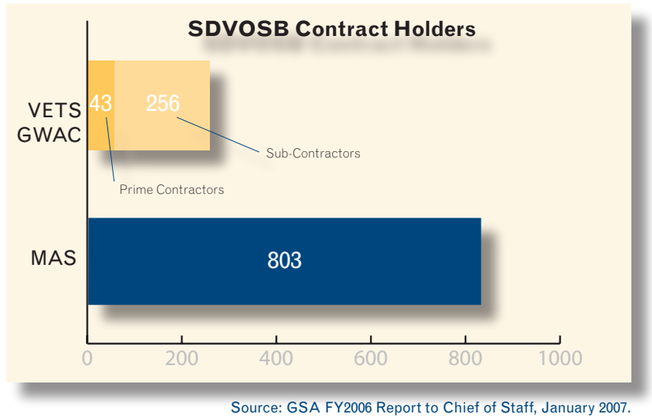
There are 2 types of contract vehicles relevant to service-disabled veteran-owned small businesses:

- **Multiple Award Schedules (MAS):** These contracts are indefinite delivery, indefinite quantity (IDIQ) contracts available to all federal agencies worldwide. Under the MAS Program, GSA enters into governmentwide contracts with commercial firms to provide over 4 million commercial services and products. Agencies place orders directly with MAS contractors.

- **Governmentwide Acquisition Contracts (GWACS):** This vehicle was established in 1996 for integrated IT services and related software and hardware acquisitions. The Veterans Technology Services or VETS GWAC is a set-aside for service-disabled veteran-owned small businesses. The VETS GWAC is new and ready for use as of 2007.

Results for veteran-owned businesses:

SDVOSB vendors in the MAS program have increased from 96 businesses in FY2004 to 803 businesses by the middle of FY2007. The VETS GWAC represents more than 40 SDVOSBs with additional opportunities for subcontractors to participate throughout the performance period.



Source: GSA FY2006 Report to Chief of Staff, January 2007.

- **GSA contract vehicles help leverage marketing resources.**
The MAS program and the VETS GWAC allows service-disabled veteran owned businesses to leverage marketing resources to reach through the federal community cost effectively. With GSA's online tools, businesses can provide information to the entire federal purchasing community cost-effectively.

- **GSA contract vehicles also reduce administrative burden and contracting costs.**
Widely used multiple-agency contract vehicles offer veteran-owned businesses the opportunity to do business with multiple agencies under an existing contract. Agencies place purchase orders and task orders against existing contracts.

Results for federal agencies:

The number of orders with SDVOSBs increased measurably since FY 2004. The use of GSA Schedules to contract with service-disabled veteran-owned small business has shown substantial growth.

Fiscal Year	Spent with SDVOSBs using Multiple Award Schedules (MAS)
2004	$120 million
2005	$660 million
2006	$737 million

Source: GSA FY2006 Report to Chief of Staff, January 2007.

- **GSA contracting vehicles support statutory goals.**
Public Law 106-50 establishes that the statutory goal for prime contract dollars awarded to service-disabled veteran-owned small businesses stands at 3 percent. With the Schedules program, identifying and including veteran-owned businesses in the competition for an agency's business requires minimal effort on your part.

- **GSA contract vehicles also reduce administrative burden and contracting costs.**
The Schedules program and GSA's online tools offer a streamlined, automated way to identify and include veteran-owned businesses in the research and Request-for-Quote (RFQ) process. Your agency can place purchase orders and task orders against an existing contract.

Using GSA's online tools to achieve acquisition ease.

Use GSA's online tools to find veteran-owned and service-disabled veteran-owned businesses

GSA's online acquisition tools are designed to make purchasing easier and faster for government agencies. eTools expedite government acquisition activities, such as sourcing products and services, placing orders, and managing the bid process. The eTools also benefit GSA contract holders by allowing vendors to post and update information and learn about business opportunities.

eTools:

GSA*Advantage!*® – GSA's leading online shopping and ordering system provides access to thousands of vendors and millions of services and products. (Page 7 contains further information about GSA*Advantage!*®.)

eLibrary – GSA's online source for GSA and VA Schedules and GWACs information. Users can easily find sources by searching via Schedule number, contractor's name, contract number, Special Item Number (SIN), or keyword. (Pages 8 and 9 contain further information about eLibrary.)

eBuy – GSA's online Request-for-Quote (RFQ) tool for federal purchasing agents. Buyers can create RFQs for any of the products or services offered via GSA's Multiple Award Schedules or GWACs program. (Page 9 contains further information about eBuy.)

With eTools, GSA has simplified the process of locating veteran-owned businesses by classifying vendors by socioeconomic status. To help distinguish whether a vendor is a veteran-owned or service-disabled veteran-owned business, the vendors are labeled with the socioeconomic indicators shown below:

- **v** Veteran-owned small business
- **dv** Service-disabled veteran-owned small business

The VETS GWAC is set aside for service-disabled veteran-owned small businesses. All of the vendors within the VETS GWAC are SDVOSBs.

GSA*Advantage!*®: purchasing power

GSA*Advantage!*® offers an efficient, effective way to shop, allowing customers to compare alternatives in detail, order online, check order status, and handle payment with the GSA SmartPay® Purchase Card or an account with an Activity Address Code.

GSA*Advantage!*® can be found at www.gsaadvantage.gov.

Locating a veteran-owned small business or a service-disabled veteran-owned small business on GSA*Advantage!*®:

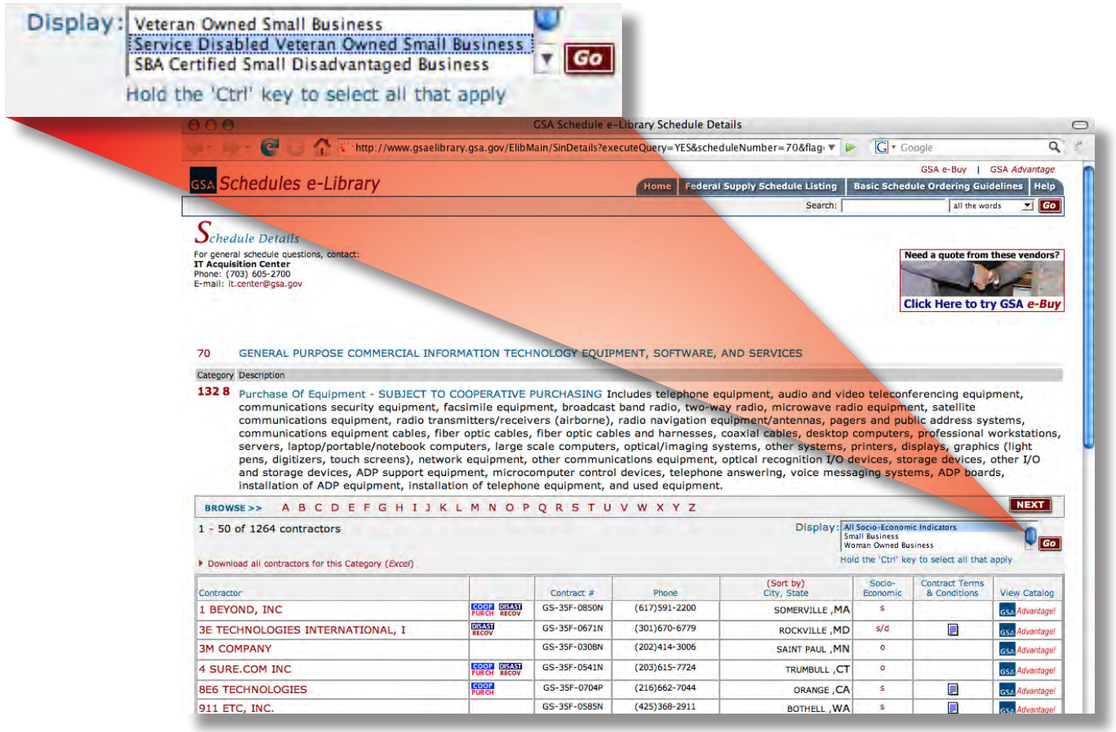
At the bottom of the GSA*Advantage!*® "Advanced Search" page, a user can select "service-disabled veteran-owned small business" or "veteran-owned small business" to limit the search to veteran-owned businesses.

Using GSA's online tools to achieve acquisition ease.

eLibrary: the source for contract information

eLibrary is the online source for the latest contract award information for GSA and VA Schedules, as well as GWACs. eLibrary provides information concerning which suppliers have a contract and what items are available. Users can access this information via various search options such as contractor/manufacturer name, contract number, Special Item Number (SIN), Schedule Number, GWAC name, or keywords.

eLibrary can be accessed at www.gsa.gov/elibrary.



Locating a veteran-owned small business or a service-disabled veteran-owned small business on eLibrary:

From the home page, a user can search by category, Schedule number or keyword. The search will lead to a Schedule detail page with a pull-down menu to allow the user to narrow the display to one or several socioeconomic categories. (To select more than one, the user simply holds down the control key while clicking on selections.) While on the "Search" page, the user can select "service-disabled veteran-owned small business" or "veteran-owned small business" to limit the search.

eLibrary : find the VETs GWAC

eLibrary is now an online source of information about GWACs. eLibrary serves as a starting point to obtain information about the VETS GWACs, its advantages and how to begin an order. Ordering from the VETS GWAC requires a delegation of ordering authority issued by the GSA procurement contracting officer.

From the home page, a user can select search "View all GWACs". From the list of GWACs, select "VETS". This link will lead to a description of the two functional areas that comprise the VETS GWAC and a list of the vendors who hold contracts under the VETS GWAC.

Using GSA's online tools to achieve acquisition ease.

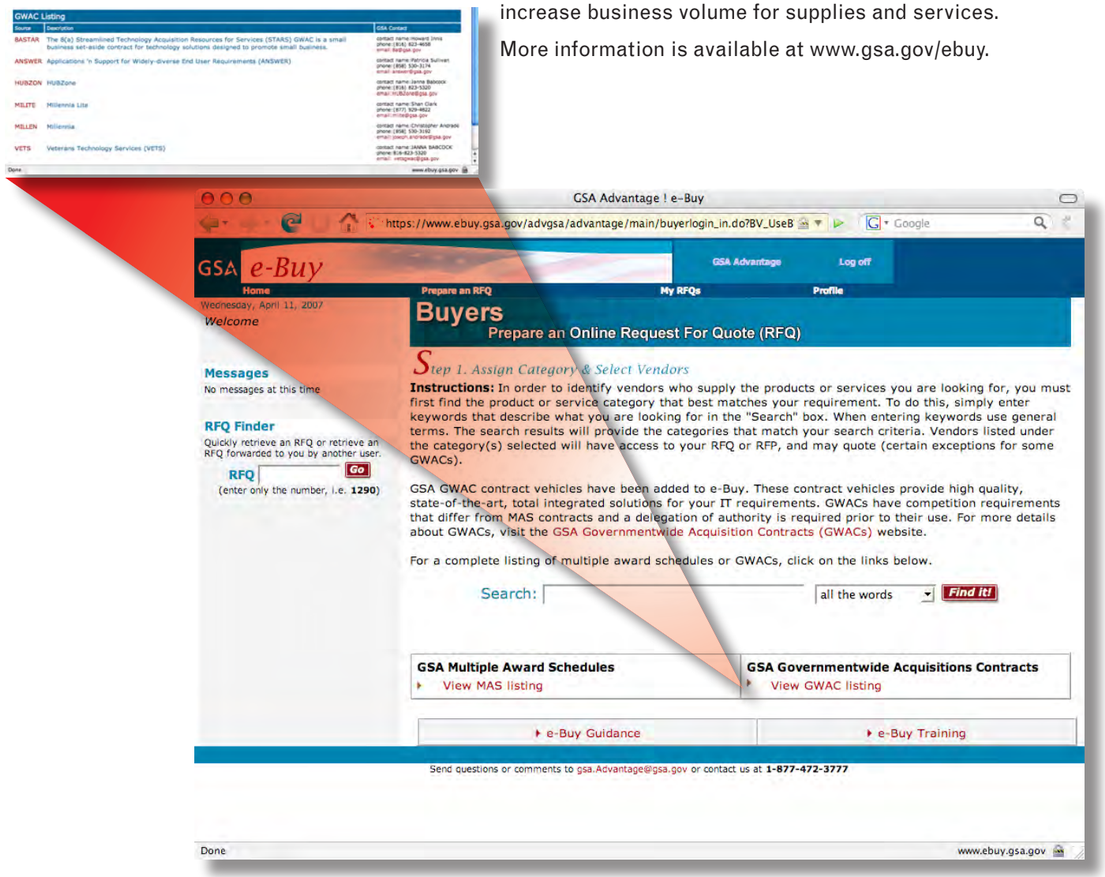
eBuy: the online Request-for-Quote tool

eBuy is an online Request-for-Quote (RFQ) tool designed to facilitate the request for quotes for a wide range of commercial supplies and services that are offered by GSA, MAS and GWAC contractors.

eBuy increases federal agencies' buying power by leveraging the power of the Internet. This enables buyers to obtain quotations that result in "best value" purchasing decisions.

For contractors, eBuy provides greater opportunities to offer quotes and increase business volume for supplies and services.

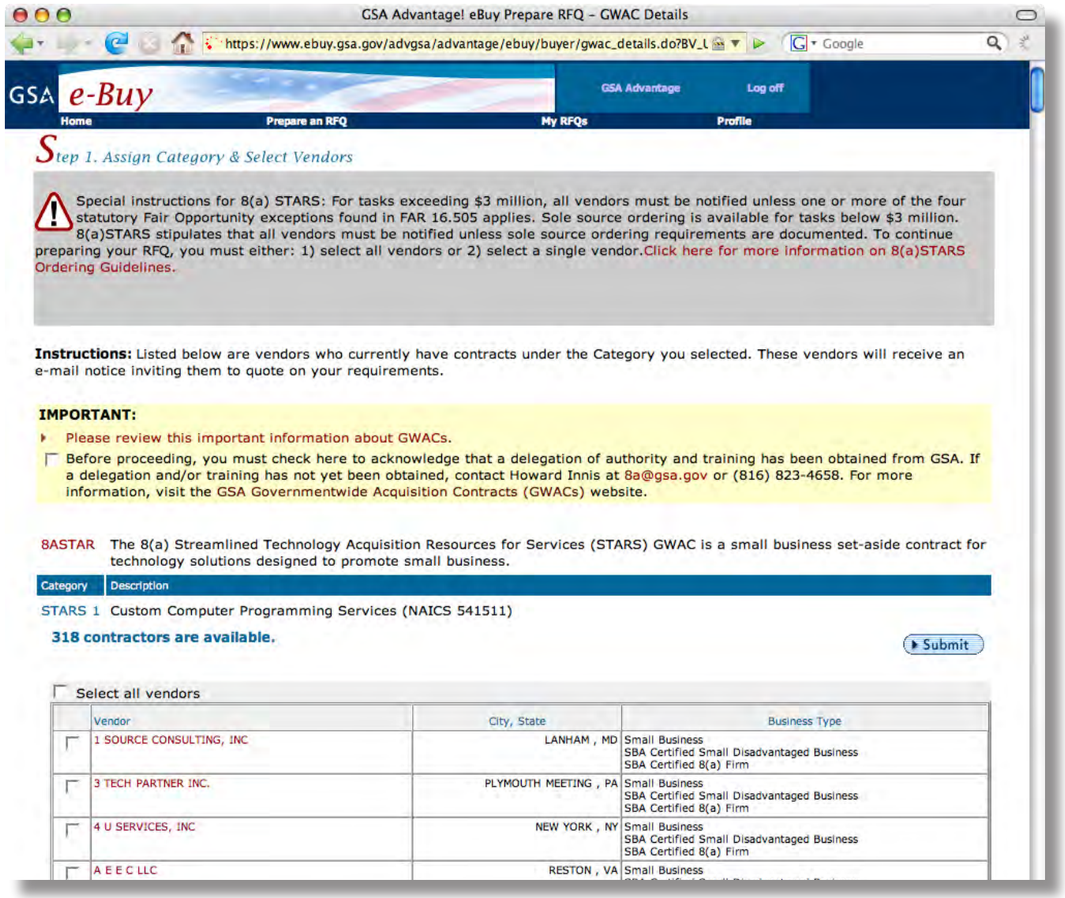
More information is available at www.gsa.gov/ebuy.



eBuy can be used to post an RFQ for the MAS program or GWACs. After logging in, the user must select which contract vehicle will be used for the solicitation.

eBuy: Using eBuy with the VETS GWAC

eBuy can also be used to solicit proposals using the VETS GWAC.



All contractors on the VETS GWAC are service-disabled veteran-owned small businesses. All contract holders for the functional area will receive the solicitation. Additionally, prior to issuing an RFQ, a delegation of authority must be obtained as indicated in the yellow box above.

More Information about the Vets GWAC

GWACs are contract vehicles designed to allow users to acquire a total IT solution that may combine hardware, software, and services. Task orders placed against a GWAC may be customized to meet the full range of IT service solutions.

- The VETS GWAC addresses needs grouped in two functional areas through qualified vendor partners who are also Service-Disabled Veteran Owned Small Businesses.

Functional Area 1:	Functional Area 2:
Systems Operations and Maintenance Includes operating, managing, maintaining any combination of IT operations, software or systems, including IT security.	Information Systems Engineering Includes designing, providing and installing IT software or systems solutions, including IT security.

The CD included with this brochure contains a presentation about using the VETS GWAC and links to other web-based training and resources. Additionally, the Small Business GWAC Center can be be reached for more information at vetsgwac@gsa.gov or (877) 327-8732.

For your convenience, this CD contains hyperlinks to useful websites.

Additional information is available at
www.gsa.gov/service-disabled
www.gsa.gov/vetsgwac
www.gsa.gov/smallbusiness

www.gsa.gov/service-disabled
www.gsa.gov/vetsgwac
www.gsa.gov/smallbusiness

Spring 2007

5-07-00287
Order this publication at gsa.gov/cmls

Use these stickers to show support for awarding contracts to service-disabled veteran-owned businesses. Stickers are available from participating GSA vendors or can be ordered at gsa.gov/cmls.

The design services for this brochure were provided by a service-disabled veteran-owned small business. This acquisition was made through GSA Schedule 541, Advertising and Integrated Marketing Solutions (AIMS).

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