

***Workshop on Improving Small
Business Contracting
Competitiveness at AFSPC:
Working Group Status***

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NDIA Rocky Mountain Chapter,
Small Business Committee

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NDIA AFSPC SB Contracting

Working Group Leads

- Alison Brown – Successful SB Contracting Models
- Gordon Bate – SB Services
- Frank Backes – SB Products
- Alison Brown – SB R&D and SBIR Transitions

Had 5 meetings for working group discussions since Jan 2010

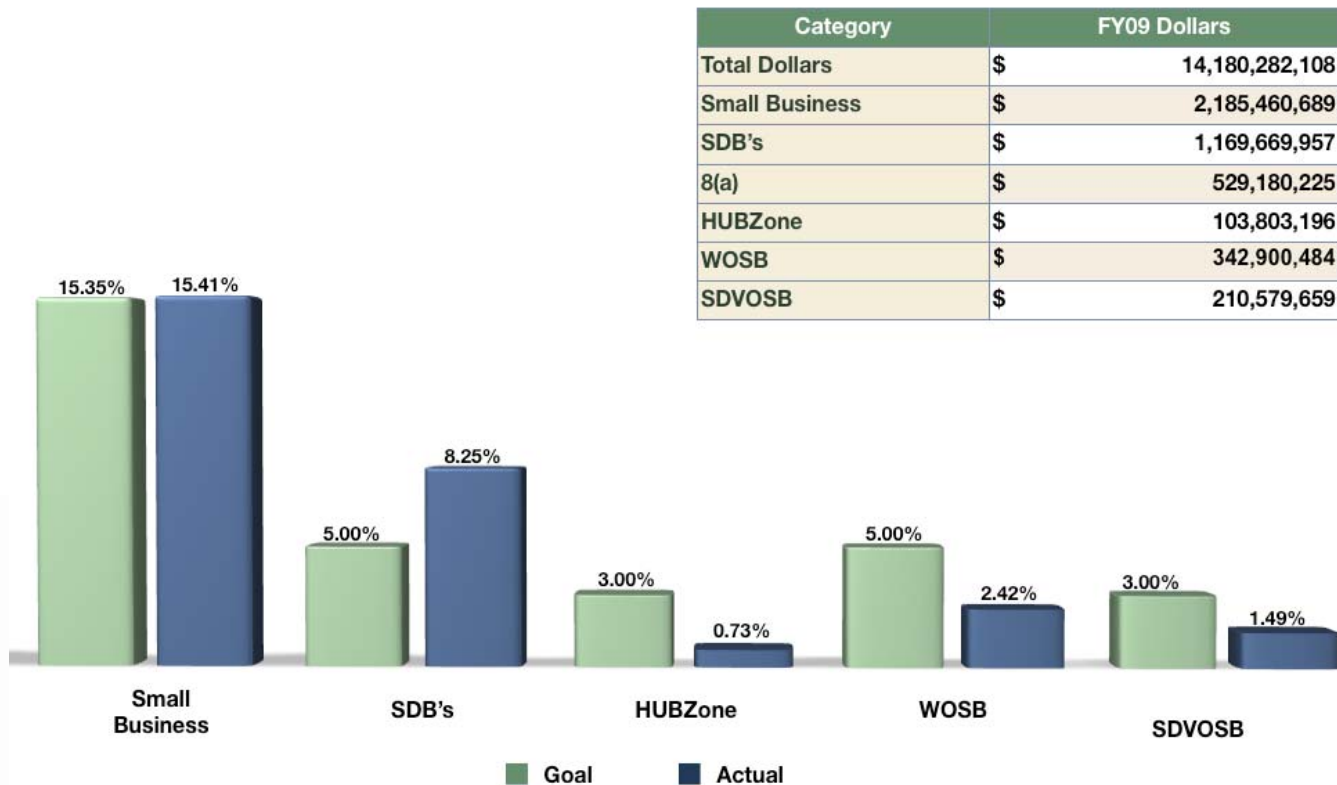
Research on Successful Contracting Models for Increasing Small Business Participation at AFSPC

- Other Agencies use of Small Business
 - NASA/Navy : SB participation in major acquisitions
 - Engagement of SBs in Enabling Concepts phase
- GSA Contracting
 - Majority of GSA contractors are small businesses
- SBIR Phase III Contracting
 - SBIR and Phase III contracting authority can be used to leverage SBs for enabling concept development and technology insertion for Programs of Record

Prime Metrics Update

NASA FY09 Prime Goals vs. Actual Percentages as of September 30, 2009

FY09 Data Generated December 22, 2009 from FPDS-NG





AIR FORCE SPACE COMMAND FISCAL YEAR 2009

Small Business And Historically Black Colleges and Universities/minority institution Program Goal Allocation (%)

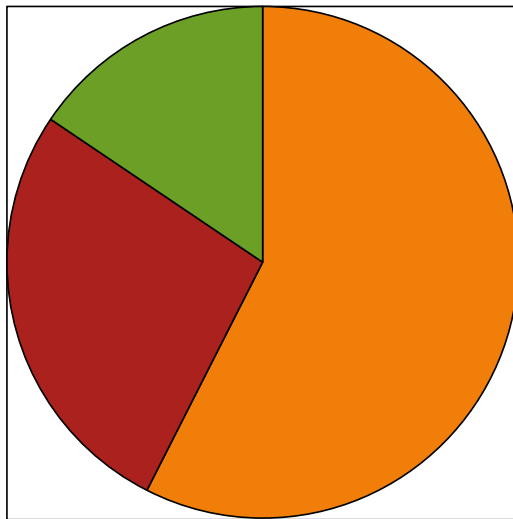


Unit	Total Spend/ % of Spend	Small Business	SDB	Woman- Owned Small Business	HUBZONE	SDVOSB	HBCU/MIs
AFSPC	\$7.8B/100%	15.58	4.53	3.71	1.67	1.68	.60
Peterson/ 21 SW	\$403M/5.3%	58.28	14.75	18.21	2.01	1.90	.06
Vandenberg/ 30 SW	\$152M/2%	91.21	21.26	7.74	3.54	.36	.06
Patrick/ 45 SW	\$333M/4.5%	26.48	14.49	1.76	1.89	1.40	.06
Schriever/ 50 SW	\$204M/2.7%	42.98	31.36	1.13	2.34	.79	.06
Los Angeles/ 61 ABW	\$26M/.5%	82.81	48.41	12.02	18.33	6.30	.06
F.E. Warren/ 90 MW	\$30M/1%	76.0	47.78	16.88	18.94	7.86	.06
Malmstrom/ 341 MW	\$34M/1%	79.63	19.45	16.21	21.30	2.02	.06
Buckley/ 460 SW	\$31M/.5%	84.58	61.33	21.90	3.59	10.75	.06
SMC	\$6.1B/82.5%	3.40	1.55	.39	.17	.54	.06

Note: A numerical goal for HBCU/MI awards has been assigned to AFSPC, and, although, individual goals have not been assigned for the respective units, each unit is expected to seek maximum HBCU/MI participation in contract awards, education & training, cooperative agreements and recruitment.

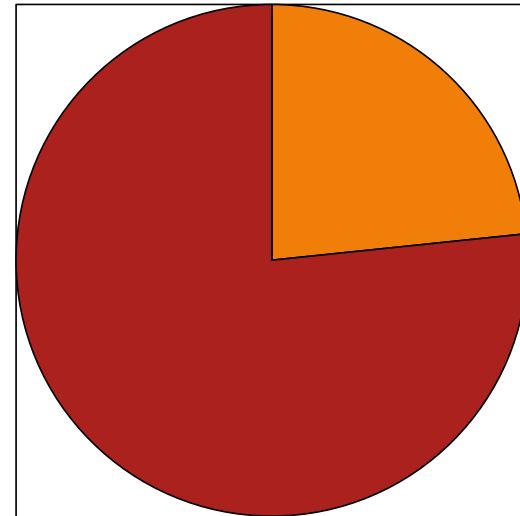
NASA/SMC SB Use Comparison

- NASA SB FY09
 - \$2,185M (15.35%)



■ R&D ■ Services ■ Other

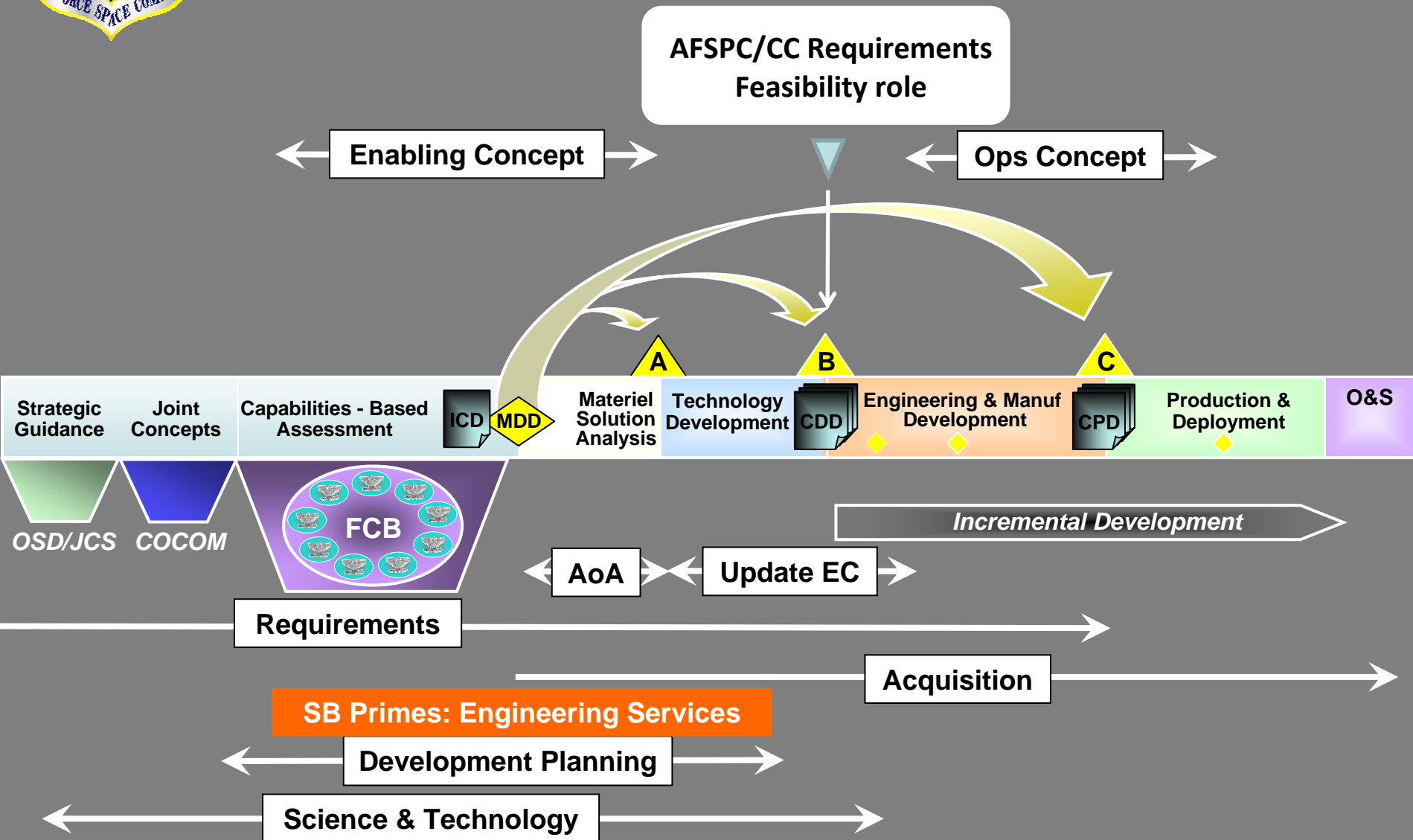
- AFSPC SB FY09
 - All: \$961M (12.4%)
 - SMC: \$225M (3.62%)



■ SMC ■ Other



Requirements & Acquisition



GAO: Actions Needed to Address Space and Weapon Acquisition Problems¹

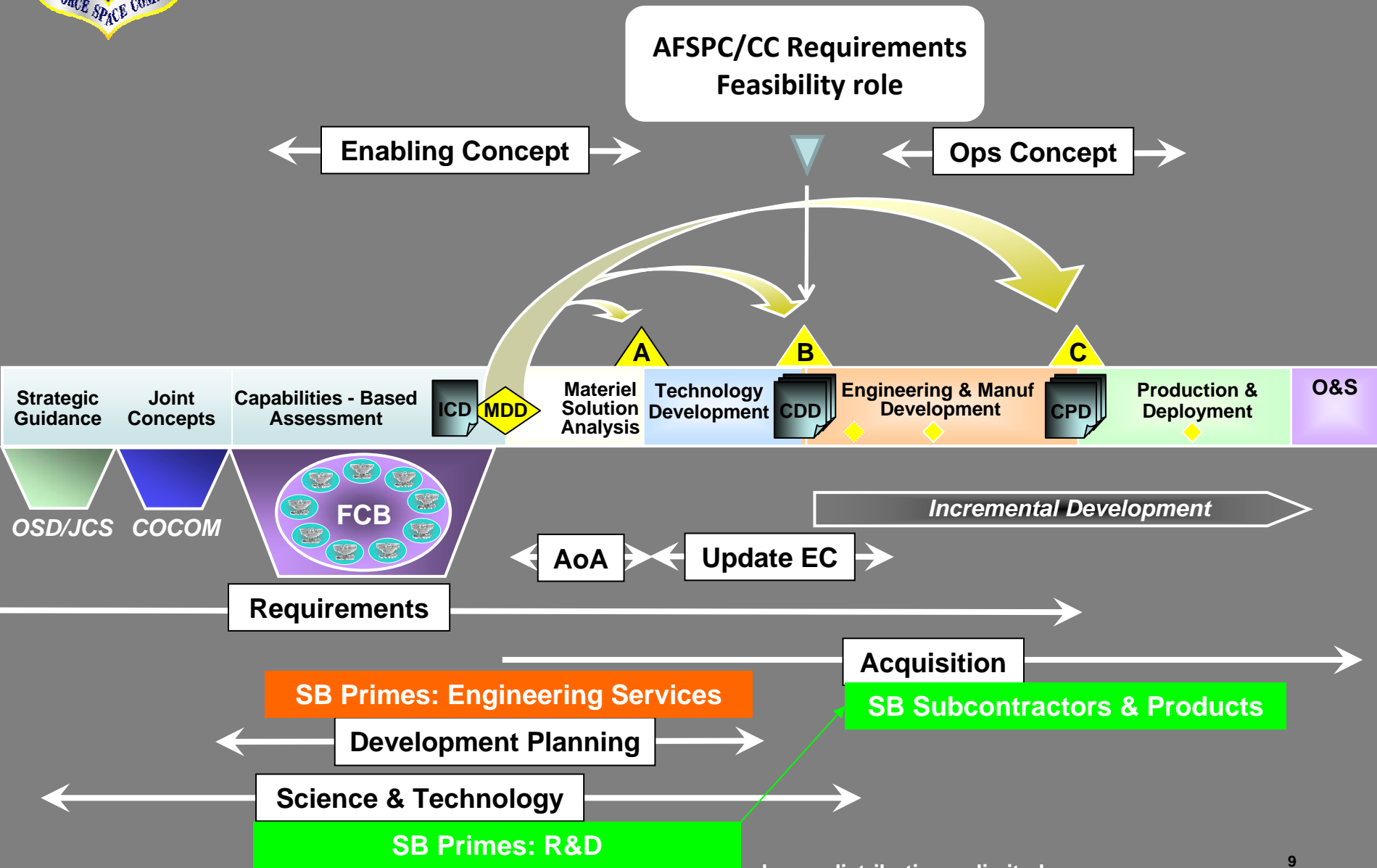
Before undertaking new programs

- Prioritize investments so that projects can be fully funded and it is clear where projects stand in relation to the overall portfolio.
- Follow an evolutionary path toward meeting mission needs rather than attempting to satisfy all needs in a single step.
- Match requirements to resources—that is, time, money, technology, and people—before undertaking a new development effort.
- Research and define requirements before programs are started and limit changes after they are started.
- Ensure that cost estimates are complete, accurate, and updated regularly.
- Commit to fully fund projects before they begin.
- Ensure that critical technologies are proven to work as intended before programs are started.
- Assign more ambitious technology development efforts to research departments until they are ready to be added to future generations (increments) of a product.
- Use systems engineering to close gaps between resources and requirements before launching the development process.

Small Businesses can be utilized in Enabling Concepts phase to address these recommendations



Requirements & Acquisition

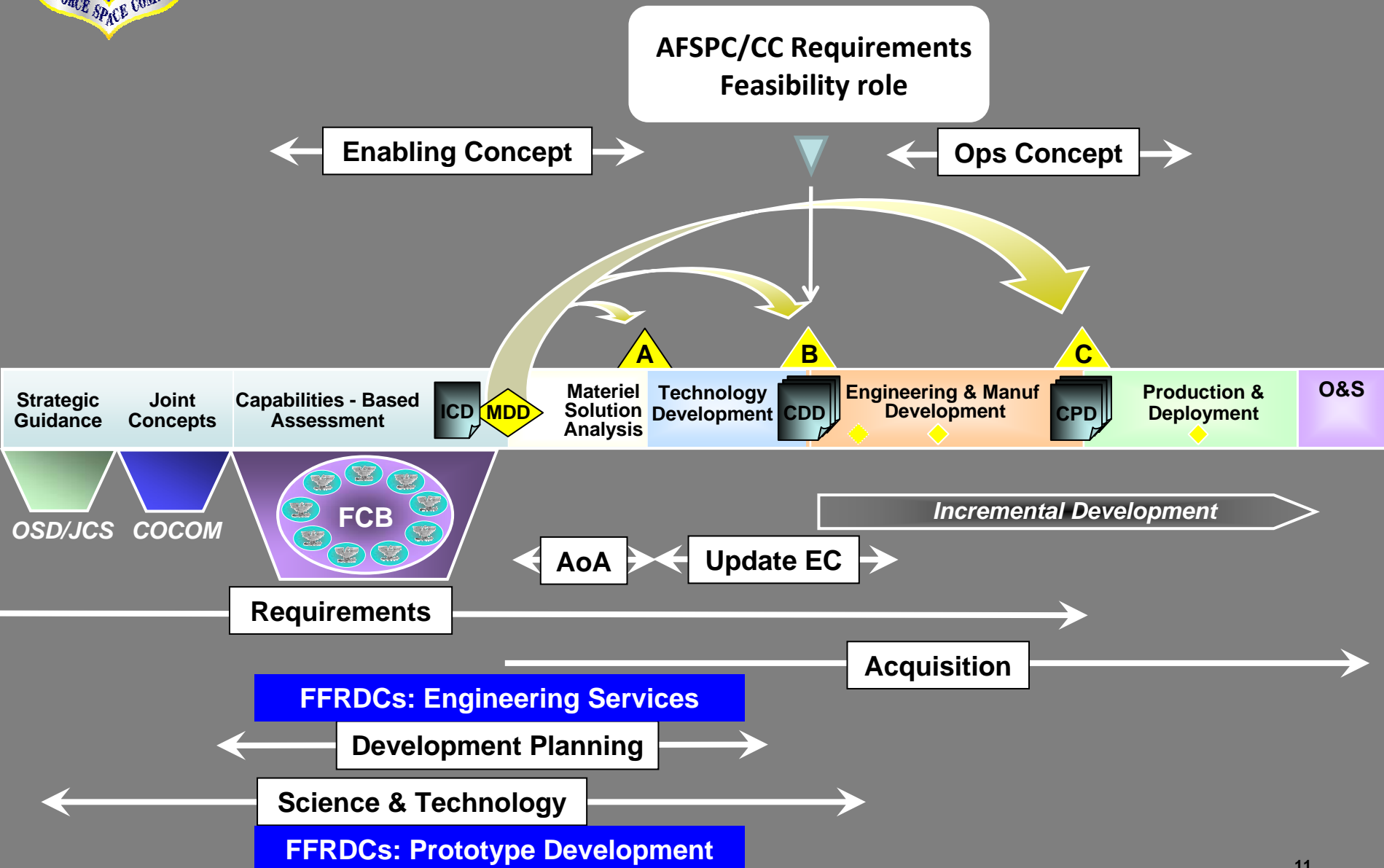


Roles of FFRDCs at AFSPC

- FFRDCs
 - assist the United States government with scientific research and analysis, development and acquisition, and/or systems engineering and integration
 - provide objectivity in analyzing complex technical problems and recommending solutions to Gov problems
 - prohibited from manufacturing products, competing with industry, or working for commercial companies
 - can handle public tech transfer through CRADAs or open source release
- AFSPC FFRDC Support
 - Aerospace, Mitre



Requirements & Acquisition



Alternative FFRDC/SB Utilization

FFRDC Support

- Technology evaluation
- CONOPS Development
- Prototype Development & Test
- Acquisition Support
- Cost Assessments
- Budgeting & POM Support
- RFP Development
- Source Selection
- EVM Oversight
- Independent Program Assessment

Small Business

- SETA Systems Engineering & Operations Support
- CONOPS Development
- Prototype Development & Test

Advantages

- Can focus FFRDC resources more on acquisition support functions
- Technology from “best” prototypes can transition directly to Prime through subcontract with SB
- Maintains OCI avoidance between acquisition decisions and program execution

Select Services Issues

- ❖ **Improved Access to Information, Technical Personnel, and Decision Makers**
- ❖ **Selection Methods: Full Scope vs. Price Past Performance Tradeoff (PPT) or Lowest Cost Technically Acceptable (LCTA)**
- ❖ **Insourcing impacts to contracts**
 - Unbundling: Alternatives to Large Multiple Award IDIQs and other large contracts
 - Limitations on Subcontracting: Changing the 50% rule
 - SB Subcontracting Requirements w/in SBSA (WO, SDVO, 8(a))
 - Set Asides for Portions of Larger Efforts: Will this work? A model for other effort?
 - Size Standards applied to NAICS
 - Acquisition Timeliness: Does everything need to be late and take forever?
 - Proposal Expense and Complexity (Sunk cost vs. ROI)
 - CPARS for Subcontractors
 - Multi Step Procurement