



Doing Business with The U.S. Department of State



Office of Small and Disadvantaged Business Utilization (OSDBU)

Mission, Vision & Goals

The Office of Small and Disadvantaged Business Utilization (OSDBU) ensures that all legislatively specified categories of small businesses in prime contracts and subcontracts are effectively utilized to the maximum extent possible.

We champion U.S. small business interests in the Department's acquisition process and provide to the small business community training and counseling about doing business with the Department of State in order to expand the base of small business firms selling to the Department. We provide training and counseling to our internal customers about contracting with small businesses and assist them in identifying resources that result in increased opportunities for small businesses. Our customers are the U.S. small business community, State Department personnel serving domestically and overseas, large business prime contractors and small business trade associations. We accomplish our mission through outreach, communication with our customers and teamwork.

1 Define Your Product or Service

- Know the PSC codes for your products or services
https://www.acquisition.gov/PSC_Manual
- Know the NAICS Codes for your products or Services
<https://www.census.gov/naics/>

2 Register Your Business

- Establish a legal entity within your state
- Obtain a Federal Tax ID Number www.irs.gov
- Obtain a DUNS Number <https://www.dnb.com/duns-number/get-a-duns.html>
- Register with System for Award Management www.sam.gov and complete the 'Small Business Profile' at the end.

3 Identify Your Target Market / Customer

- Determine which Bureau(s) or Office(s) buy the services and products you provide by reviewing
 - **The List of State Department Bureaus and Offices** <https://www.state.gov>
 - **Past Procurements:** beta.sam.gov or www.usaspending.gov
 - **Procurement Forecast** <https://www.state.gov/s/dmr/sdbu/pubs/c6447.htm>
 - **Current and Upcoming Opportunities** www.fbo.gov

4 Understand the State Department Procurement Rules

- Federal Acquisition Regulation <https://farsite.hill.af.mil>
- Department of State Acquisition Regulation (DOSAR)
<https://www.state.gov/about-us-office-of-the-procurement-executive/>
- Foreign Affairs Handbook (FAH) & Foreign Affairs Manual (FAM)
<https://fam.state.gov/>

5 Create a Consistent, Solid Market Presence

- Develop a capabilities statement that clearly defines your offerings, differentiators, customers, and lists your set-asides (if any) and contact information
- Invest in a professional presence with a website and business cards that speak to the government market by demonstrating your knowledge of the market, the challenges, and your solution-oriented approach

6 Obtain Necessary Security Clearances

- Most services contracts will require successful offerors to possess security clearances due to the nature of the Department's mission.
- Understand the requirements and process for obtaining a Facility Security Clearance for your business, and Personnel Security Clearances for employees that will be (1) performing key duties within your company, or (2) assigned to State Department contracts.

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Tap into Your Networks

- Attend networking events, matchmaking opportunities, industry days, and bidder conferences where your buyer agencies will have a presence.
- Participate in peer networks that have common missions, such as small business-focused events, as well as industry associations and customer-focused professional development & training conferences
- Market your product and service to your networks - which will include your small business peer networks, large contractors, and government agencies. Realize that relationships take years to build, requirements and budgets get formed through long-term processes, and plan for a strategic, iterative business development process rather than quick transactional engagements.

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Start by Subcontracting

- It is common for companies that are new to State Department to subcontract to current "primes" to gain experience with the mission, practices, and environment in performing at the State Department.
- Research current prime contractors and awarded programs (See Step **3**) and identify opportunities where your company could bring value and resources to a current or future effort as part of a team. Reach out to the primes' Small Business Liaison Officers (SBLOs) and/or Supplier Diversity professionals
- Some subcontracting opportunities are posted on SBA's SUB_Net https://eweb1.sba.gov/subnet/client/dsp_Landing.cfm
- Explore forming Mentor-Protege (MPP) agreements when both partners see mutually beneficial strategic alignment; consider forming MPP Joint Ventures (JVs).

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Consider Contracting "Vehicles"

- Contract "Vehicles" is a streamlined method the government uses to buy goods and services. Vehicles are centrally managed by a federal agency, which reduces acquisition administrative costs and creates time and resource efficiencies.
- Many State Department procurements are awarded through the GSA Federal Supply Schedules and other Government-Wide Acquisition Contracts (GWACs) like NASA SEWP, NIH CIO-SP3, Army ITES2, GSA 8aSTARS, NIH NITAAC <https://www.gsa.gov/technology/technology-purchasing-programs/governmentwide-acquisition-contracts-gwacs>
- Those competitions are only open to companies that have been awarded contracts under the requisite GWACs. If your company is not a contract-holder, teaming/subcontracting is a viable strategy to obtain access to a preferred vehicle.

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Strategically Utilize Set-Asides

- The Small Business Act and the Federal Acquisition Regulation mandate that federal agencies set aside work for small and disadvantaged businesses through the Small Business, WOSB, HUBZone, SDVOSB, and 8(a) Programs.
- Identify which you may qualify for, to gain additional opportunities to bid in limited-competition environments.
- Keep in mind that the purpose of any federal agency is to carry out its Mission. Therefore, set-aside status alone is insufficient in winning a contract - technical competence, understanding of requirement, industry experience, and ability to perform the technical and business functions are all essential elements of a successful bidder.

Fiscal Year 2019: Small Business Obligations Snapshot

- Total dollars Obligated = \$9.2 Billion
- Total Actions = 61,576

FY 2019 Small Business Obligations	Small Biz \$ Obligated	Small Biz Actions	Small Biz %	Unique Small Biz Vendors
Total Small Biz	\$2,896 Mil	17,453	31.4%	8241
SDB	\$1,723 Mil	9,023	18.8%	708
WOSB	\$485 Mil	3,153	5.25%	411
SDVOSB	\$376 Mil	3,284	4.1%	232
HUBZone	\$519 Mil	2,645	5.6%	144

Fiscal Year 2019: Small Business Obligations Snapshot

Vendor Name	Dollars Obligated FY 2019
1. B.L. HARBERT INTERNATIONAL	\$813,674,108.91
2. PAE GOVERNMENT SERVICES	\$599,458,558.73
3. GENERAL DYNAMICS INFORMATION TECHNOLOGY	\$509,055,950.25
4. TRIPLE CANOPY	\$296,827,403.67
5. CADDELL CONSTRUCTION CO. (DE),	\$246,602,135.09
6. CGI FEDERAL INC.	\$237,347,864.90
7. AAR AIRLIFT GROUP, INC.	\$211,293,304.34
8. SOC LLC	\$184,317,987.96
9. SAIC	\$179,699,814.98
10. HCI MANAGEMENT SERVICES COMPANY	\$150,758,150.47
11. ACCENTURE NATIONAL SECURITY SERVICES	\$149,410,492.19
12. DYNCORP INTERNATIONAL	\$138,255,916.21
13. INTER-CON SECURITY SYSTEMS	\$136,126,323.72
14. DESBUILD INCORPORATED	\$118,051,067.59
15. MANTECH ADVANCED SYSTEMS INT'L	\$100,588,273.84
16. CDW GOVERNMENT LLC	\$90,746,256.74
17. TATITLEK TECHNOLOGIES	\$83,753,808.14
18. G4S SECURE INTEGRATION	\$82,030,399.57
19. CHEROKEE NATION MISSION SOLUTIONS	\$76,498,816.24
20. EMERGENT	\$74,281,157.28

Fiscal Year 2019: Top 10 NAICS Codes, By Obligation

236220 - Commercial & Institutional Building Construction
561612 - Security Guards & Patrol Services
561210 - Facilities Support Services
541512 - Computer Systems Design Services
541519 - Other Computer Related Services
541513 - Computer Facilities Management Services
541330 - Engineering Services
541614 - Process, Physical Distribution & Logistics Consulting
541611 - Administrative Management & General Management Consulting
488190 - Other Support Activities for Air Transportation

Fiscal Year 2019: Top 10 PSC Codes, By Obligation

Y1AA - Construction of Office Buildings
R408 - Support - Professional: Program Management / Support
R430 - Support - Professional Physical Security & Badging
D399 - IT and Telecom - Other IT and Telecommunications
R706 - Support - Management: Logistics
R499 - Support - Professional - Other
7030 - Information Technology Software
R425 - Support - Professional engineering / Technical
S206 - Housekeeping - Guard
S216 - Housekeeping - Facilities Operations Support

The U.S. Department of State OSDBU is responsible for the implementation and execution of the Department's obligations under the Small Business Act to include:

1. Reviewing the Department's acquisition strategies to increase the probability of participation by small businesses as prime and subcontractors, including utilizing small business and socioeconomic set-aside programs;
2. Facilitating small businesses in seeking payments, late payment interest penalties, and information regarding such concerns from the Department or a prime contractor;
3. Collaborating with the DoS Office of Acquisition Management's (AQM) Small Business Technical Advisor / Small Business Liaison Officer as well as the Small Business Administration's Procurement Center Representative in oversight of procurement processes and mitigating any actions to ensure maximum practicable inclusion of small business in DoS acquisitions;
4. Cooperating and consulting on a regular basis with the Administration and OSDBUs at other federal agencies to identify and resolve challenges pertaining to small business procurement, including effects of new policies or changing business trends;
5. Providing training to small businesses, program office staff, and acquisition personnel on small business - related topics, including set-aside programs, market research, subcontracting, size determinations, simplified acquisitions, compliance, and procurement regulations;
6. Routing small business unsolicited proposals to the appropriate contracting activities;
7. Assisting small business in seeking recourse in the event contracting actions unduly restricted the ability of small business to compete for the work;
8. Conducting and participating in small business 1-on-1 meetings, outreach events, matchmaking, and conferences nationwide to provide information on doing business with the Department;
9. Reviewing subcontracting plans to ensure that small businesses are provided maximum practicable opportunity to participate as subcontractors on awards to large businesses.

Small Business Resources

Government Contracting Assistance

- Government Contracting training and counseling on topics including marketing, pricing, small business programs, research, and compliance - Procurement Technical Assistance Centers (PTACs) (<http://www.dla.mil/SmallBusiness/Pages/ProcurementTechnicalAssistanceCenters.aspx>). PTACs are located in most states and funded in part by the U.S. Department of Defense to provide small businesses with resources on doing business with Government agencies.
- SBA's Procurement Center Representatives (PCRs) (<http://www.sba.gov/content/procurement-center-representatives>) are assigned to each federal agency to assist in identifying small business set-aside opportunities and conduct market research.
- SBA Small Business Resources, including SBA Regional Offices, Small Business Development Centers, Women's Business Centers (WBCs), Veterans Business Outreach Centers (VBOCs), and SCORE (<https://www.sba.gov/tools/local-assistance>) provide a broad range of assistance (marketing, access to capital, business & financial planning) to businesses at all stages, in any industry.

INDUSTRY ORGANIZATIONS

There are many active industry organizations, associations, and interest groups that provide assistance, programming, networking, and education to their members, the general public, and government agencies through live and virtual events.

Identifying groups that align with your business strategy will help solidify relationships, find potential partners, get updates about relevant regulatory changes and market trends - and facilitate access to many thought leaders and decision makers in your market.

Department of State (DoS) Main Web Site: <http://www.state.gov>

DoS OSDBU (OSDBU): <https://www.state.gov/smallbusiness/>

DoS Procurement Forecast: <https://www.state.gov/Procurement-Forecast>

Small Business Act https://www.sba.gov/sites/default/files/Small%20Business%20Act_0.pdf

North American Industry Classification System (NAICS): <http://www.census.gov/eos/www/naics>

System for Award Management (SAM): <http://www.sam.gov>

Dynamic Small Business Search (DSBS) http://web.sba.gov/pro-net/search/dsp_dsbs.cfm

Federal Business Opportunities (FBO): **NEW:** <beta.sam.gov>

Federal Acquisition Regulation (FAR): <http://fww.acquisition.gov>

- Dept of State Supplement (DOSAR) <https://www.ecfr.gov/cgi-bin/text-idx?>

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- Foreign Affairs Handbook (FAH) & Foreign Affairs Manual (FAM) <https://fam.state.gov>

Procurement Technical Assistance Centers (PTACs):

<http://www.dla.mil/SmallBusiness/Pages/ProcurementTechnicalAssistanceCenters.aspx>

Federal Procurement Data System (FPDS) <https://www.fpds.gov>

USASpending (awards & obligations database) <http://www.usaspending.gov>

SBA Subcontracting Opportunities (Sub-Net): <http://web.sba.gov/subnet>

Government Accountability Office (GA) <https://www.gao.gov/>

Office of Federal Procurement Policy <https://www.whitehouse.gov/omb/management/office-federalprocurement-policy/>

Office of Management & Budget - Major IT investments <https://itdashboard.gov/>

General Services Administration (GSA): <http://www.gsa.gov>

- Federal Supply Schedules <https://www.gsa.gov/buying-selling/purchasing-programs/gsa-schedules>

- Governmentwide Acquisition Contracts (GWACs) <https://www.contractdirectory.gov/contractdirectory/>

- GSA Category Management Initiative <https://www.gsa.gov/buying-selling/category-management>

Small Business Administration (SBA): <http://web.sba.gov/>

- Local Assistance Programs and Partners <https://www.sba.gov/tools/local-assistance>

- 8(a) Program <https://www.sba.gov/8a>

- HUBZone Program <https://www.sba.gov/hubzone>

- Service Disabled Veteran-Owned Program (SDVOSB) <https://www.sba.gov/sdvosb>

- Women Owned & Economically Disadvantaged Women-Owned Small Business Program (WOSB & EDWOSB) <https://www.sba.gov/wosb>

- Mentor Protege Program <https://www.sba.gov/federal-contracting/contracting-assistance-programs/all-smallmentor-protege-program>

U.S. Department of State OSDBU Staff

George Price, Director

Rich Vinnacombe, Deputy Director

Anthony Josey, Procurement Analyst, Small Disadvantaged Business Program

Thelma Edmunds, Procurement Analyst, Women-Owned Business Program

Patricia Foster, Executive Assistant (Contractor)

Anna Urman, Procurement Analyst (Contractor)

U.S. Department of State
OSDBU, SA-6, Room L820
Washington, DC 20522
Phone: (703) 875-6822
Email: smallbusiness@state.gov
www.state.gov/smallbusiness/