

Office of Small and Disadvantaged Business Utilization
U.S. Department of State

Doing Business with The U.S. Department of State

Mission

The Office of Small and Disadvantaged Business Utilization (OSDBU) works with industry partners, the acquisition corps, and program offices to maximize prime and subcontracting opportunities for U.S. Small Businesses. Our efforts help maintain a viable and innovative industrial base, promote worldwide economic development, and support mission critical functions for every bureau within the Department of State.

10 Steps to Doing Business with The U.S. Department of State

1. Define Your Product or Service

- [Know the PSC Codes for your products or services](#)
- [Know the NAICS Codes for your products or services](#)

2. Register Your Business

- Establish a legal entity within your state
- Obtain a Federal Tax ID Number: www.irs.gov
- 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: www.sam.gov or www.usaspending.gov
- [Procurement Forecast](#)
- Current and Upcoming Opportunities: www.sam.gov
- [DOS Short-Term upcoming opportunities / OSDBU Reviews](#)

4. Understand the State Department Procurement Rules

- [Federal Acquisition Regulation](#)
- [Department of State Acquisition Regulation \(DOSAR\)](#)
- [Foreign Affairs Handbook \(FAH\) & Foreign Affairs Manual \(FAM\)](#)
- Department of State [OSDBU website](#)

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.

7. 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.

8. 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](#)
- Explore forming Mentor-Protege (MPP) agreements when both partners see mutually beneficial strategic alignment; consider forming MPP Joint Ventures (JVs).

9. 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, GSA 8aSTARS, NIH NITAAC
- Those competitions are only open to companies that have been awarded contracts under the requisite GWACs. If you company is not a contract-holder, teaming/subcontracting is a viable strategy to obtain access to a preferred vehicle.

10. 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.

Table 1: Fiscal Year 2021: Small Business Obligations Snapshot

Total Dollars Obligated = \$9.7 Billion

Total Actions = 61,814

Small Business Type	Actions	Dollars	Percentage Of Total Obligations
Total Small Biz	17,941	\$3,767,260,647	38.51%
SDB	10,701	\$2,419,835,230	24.74%
SDVOSB	2,856	\$332,030,962	3.39%
WOSB	3,902	\$411,255,187	4.20%
HUBZone	3,005	\$728,537,281	7.45%

Table 2: Fiscal Year 2021: Small Business Obligations

Snapshot: Top 20 Vendors

Business Name	Total Dollars	% Total Dollars
PAE Government Services	\$452,578,670.63	4.63%
Caddell Construction Co. (DE), LLC	\$379,428,260.69	3.88%
Pernix Federal, LLC	\$319,227,389.00	3.27%
Cherokee Nation Management and Consulting LLC	\$317,570,787.60	3.25%
General Dynamics Information Technology Inc.	\$256,834,945.95	2.63%
Accenture National Security	\$231,608,312.88	2.37%
American International Contractors	\$228,539,686.00	2.34%
AAR Government Services, Inc.	\$187,134,728.39	1.92%
CGI Federal Inc.	\$186,078,816.43	1.90%
SAIC	\$181,922,913.05	1.86%
Triple Canopy, Inc.	\$176,663,464.49	1.81%
CSRA LLC	\$175,357,542.56	1.80%
Inter-Con Security Systems, Inc.	\$167,235,550.41	1.71%
SOC LLC	\$154,390,583.77	1.58%
Dynacorp International LLC	\$149,654,098.32	1.53%
AEGIS Defense Services, LLC	\$136,209,525.79	1.39%
G4S Secure Integration LLC	\$134,155,508.70	1.37%
HCI Management Services Co.	\$125,954,317.84	1.29%
Tatitlek Technologies Inc.	\$103,485,956.69	1.06%
Xator Corporation	\$95,108,137.42	0.97%

Table 3: Fiscal Year 2021: Top 10 NAICS Codes by Obligation

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

Table 4: Fiscal Year 2021: Top 10 PSC Codes by Obligation

PSC CODE	BY OBLIGATION
R408	Support - Professional: Program Management / Support
Y1AA	Construction of Office Buildings
R430	Support - Professional Physical Security & Badging
R706	Support - Management: Logistics
R499	Support - Professional – Other
S206	Housekeeping – Guard
D399	IT and Telecom - Other IT and Telecommunications
D310	IT and Telecom Cyber Security & Data Backup
R425	Support - Professional engineering / Technical
J015	Maintenance/Repair/Rebuild of Equipment – Aircraft

OSDBU Responsibilities

1. 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:
2. 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;
3. Facilitating small businesses in seeking payments, late payment interest penalties, and information regarding such concerns from the Department or a prime contractor;
4. 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;
5. 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;
6. 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;
7. Routing small business unsolicited proposals to the appropriate contracting activities;
8. Assisting small business in seeking recourse in the event contracting actions unduly restricted the ability of small business to compete for the work;
9. 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;
10. Reviewing subcontracting plans to ensure that small businesses are provided maximum practicable opportunity to participate as subcontractors on awards to large businesses.

[Federal Office of Small and Disadvantaged Business Utilization Directors Interagency Council](#)

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 \(PTACs\)](#). 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.
- The [U.S. Small Business Administration provides federal contracting assistance](#). Procurement Center Representatives (PCRs) help small businesses win contracts, conduct market research, assist small businesses with payment issues, and provides counseling. [Commercial Market Representatives \(CMRs\)](#) work to ensure that small businesses are receiving maximum practicable opportunity to participate as federal subcontractors.
- SBA Small Business Resources, including SBA Regional Offices, Small Business Development Centers, Women's Business Centers (WBCs), Veterans Business Outreach Centers (VBOCs), and [SCORE](#) 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.

Useful Websites

U.S. Department of State

- [Department of State \(DoS\) Main Web Site](#)
- [Department of State Organization Chart](#)
- [DOS Procurement Forecast](#)
- [DOS Short-Term Upcoming Opportunities](#)
- [Foreign Affairs Handbook \(FAH\) and Foreign Affairs Manual \(FAM\)](#)

U.S. Department of State, Office of Small and Disadvantaged Business Utilization (OSDBU)

- [DOS Office of Small and Disadvantaged Business Utilization \(OSDBU\)](#)
- [Office of Small and Disadvantaged Business Utilization – Events](#)
- [OSDBU Facility Security Clearance \(FCL\) FAQ](#)

External Links

- [Small Business Administration \(SBA\)](#)
- [Local Assistance Programs and Partners](#)
- [8\(a\) Program](#)
- [HUBZone Program](#)
- [Service Disabled Veteran-Owned Program\(SDVOSB\)](#)
- [Women Owned & Economically Disadvantaged Women-Owned Small Business Program \(WOSB & EDWOSB\)](#)
- [Mentor Protege Program](#)

External Links (Continued)

- [Small Business Act](#)
- [Dynamic Small Business Search \(DSBS\)](#)
- [SBA Subcontracting Opportunities \(Sub-Net\)](#)
- [Department of State Supplement \(DOSAR\)](#)
- [Federal Acquisition Regulation \(FAR\)](#)
- [General Services Administration \(GSA\)](#)
- [GSA Multiple Award Schedule](#)
- [System for Award Management \(SAM\)](#)
- [Procurement Technical Assistance Centers \(PTACs\)](#)
- [USAS Pending \(awards & obligations database\)](#)
- [Government Accountability Office \(GA\)](#)
- [Office of Federal Procurement Policy](#)
- [GSA Category Management Initiative](#)
- [Government-wide OSDDBU Council](#)
- [2022 Small Business Events](#)
- [Classification System \(NAICS\)](#)
- [Major IT investments](#)
- [Interagency Contract Directory of Government-wide Acquisition Contracts \(GWACs\)](#)