







## Our Commitment

The U.S. Department of the Treasury (Treasury) is committed to providing small, minority-owned, and women-owned businesses with contracting opportunities to provide products and services throughout the agency as either prime contractors or subcontractors. Commitment to business diversity starts with its top leadership, as articulated by the Treasury Secretary. It is included in the strategic plan of the Department and progress is monitored by senior management on a regular basis. Additionally, attainment of small business goals is part of the performance objectives of all procurement officials.

Treasury procures a broad array of good and services -- ranging from metals, inks and paper for the manufacture of coins and currency to information technology, office supplies and janitorial services to support the daily work of its employees. In recent years, Treasury has spent approximately \$7 billion annually in contracts. More than one-third of small business eligible dollars have been awarded to small businesses, minority-owned businesses, and women-owned businesses.

In recent years, Treasury has either met or exceeded the overall small business contracting statutory goal set by the Small Business Administration (SBA), as well as all four of the socioeconomic goals for small disadvantaged businesses, women-owned small businesses, Historically Underutilized Business Zones (HUBZone) businesses, and service disabled veteran-owned small businesses. In particular, Treasury's contract obligations to small disadvantaged businesses and to women-owned small businesses have far exceeded the statutory goals set by Congress.

Because of legal restrictions pertaining to civil rights, no specific goals are established for contracting with minority owned businesses without regard to the size of the business, or women owned businesses with the exception of within certain small business parameters. Nevertheless, minority owned and women owned contracting across Treasury is monitored and tracked on a regular basis.

*Access to Business Opportunities with Treasury* is designed to assist small, minority, and women-owned business owners to understand how to best market specific products and services and navigate the process of conducting business with Treasury. The information compiled in this guide is intended to facilitate access to business opportunities with Treasury.



# Contents

<b>Our Commitment</b> .....	<b>iii</b>	Historically Underutilized Business Zone (HUBZone) Set Asides .....	22
<b>Chapter 1: About the U.S. Department of the Treasury</b> .....	<b>1</b>	Service Disabled Veteran Owned Small Business Set-Asides .....	22
Treasury Headquarters (Departmental Offices).....	1	Women-Owned Small Business Set Asides .....	23
Office of Small and Disadvantaged Business Utilization (OSDBU).....	2	Sole Source Procurements.....	23
Office of Minority and Women Inclusion (OMWI) .....	3	Multi-Agency Contracts.....	23
Treasury Bureaus .....	4	Multiple Award Schedules.....	24
Treasury Inspectors General.....	5	Government-Wide Acquisition Contracts.....	25
<b>Chapter 2: About Small, Minority Owned and Women Owned Businesses</b> .....	<b>6</b>	GSA Federal Strategic Sourcing Initiative.....	25
Small Business.....	6	Blanket Purchase Agreements .....	26
Federal Socioeconomic Programs.....	6	Purchase Card.....	26
8(a) Business .....	7	Unsolicited Proposals .....	26
Small Disadvantaged Business.....	7	Subcontracting Limitations.....	27
Women Owned Small Business.....	8	<b>Chapter 6: Who’s Who in Treasury Procurement</b> .....	<b>28</b>
Historically Underutilized Business Zone Business .....	8	Acquisition Leadership Team .....	28
Veteran Owned Small Business .....	9	Small Business Specialists.....	28
Service Disabled Veteran Owned Small Business .....	9	Procurement Center Representative .....	28
Summary of Certification Requirements .....	10	Program/Project Managers .....	28
Minority Owned Business.....	10	Contracting Officers.....	29
Financial Services Small Business .....	11	Contracting Officer Representatives .....	29
<b>Chapter 3: Steps to Becoming a Treasury Contractor</b> .....	<b>12</b>	General Counsel .....	29
<b>Chapter 4: Finding Opportunities at Treasury</b> .....	<b>15</b>	<b>Chapter 7: Accessing Business Development Support</b> .....	<b>30</b>
FedBizOpps.gov .....	15	Small Business Development Centers .....	30
e-Buy .....	15	Procurement Technical Assistance Centers.....	30
Treasury Forecasts.....	15	Minority Business Development Agency Business Centers.....	30
Public Posting .....	15	Treasury Mentor-Protégé Program.....	30
Sources Sought and Requests for Information .....	15	<b>Chapter 8: Procurement Integrity and Compliance</b> .....	<b>32</b>
Treasury Vendor Outreach Events .....	16	Ethical Requirements and Federal Contracting.....	32
Industry Day/Small Business Day.....	16	The FAR has a Significant Impact on the Contractor’s Business Model.....	32
Conferences and Matchmaking Events .....	16	No Kickbacks, Bribes or Gratuities.....	32
Subcontracting and Teaming.....	17	Responsibility, Suspension and Debarment:.....	33
<b>Chapter 5: How Does Treasury Buy Products and Services?</b> .....	<b>18</b>	Exclusion .....	33
What Treasury Buys.....	18	How You Can Help?.....	34
Contracting Authority .....	18	<b>APPENDIX</b> .....	<b>35</b>
Open Market Acquisitions .....	19	RESOURCES.....	35
Small Business Set-Asides .....	20		



## Chapter 1: About the U.S. Department of the Treasury



### U.S. Department of the Treasury

#### *Mission*

Maintain a strong economy and create economic and job opportunities by promoting conditions that enable economic growth and stability at home and abroad; strengthen national security by combating threats and protecting the integrity of the financial system; and manage the U.S. government's finances and resources effectively.

#### *Goals*

1. Promote domestic economic growth and stability while continuing reforms of the financial system
2. Enhance U.S. competitiveness and job creation, and promote international financial stability and more balanced global growth
3. Fairly and effectively reform and modernize federal financial management, accounting, and tax systems
4. Safeguard the financial system and use financial measures to counter national security threats
5. Create a 21st century approach to government by improving efficiency, effectiveness, and customer interaction

Throughout its rich history, the core mission of Treasury has not changed. Treasury is the steward of the U.S. economy – taking in revenue, paying bills, and, when appropriate, borrowing and investing public funds. In more recent years, Treasury's role has expanded to being a leader in safeguarding and growing the nation's economy. Treasury is organized into the headquarters (Departmental Offices), operating bureaus, and inspectors general.

### Treasury Headquarters (Departmental Offices)

The Departmental Offices are primarily responsible for policy formulation, while the bureaus are primarily the operating units of the organization. Internally, the Departmental Offices are responsible for overall management of Treasury.

#### Treasury Headquarters (Departmental Offices)

- The Office of Domestic Finance
- The Office of Economic Policy
- The Office of General Counsel
- The Office of International Affairs
- The Office of Legislative Affairs
- The Office of Management
- The Office of Public Affairs
- The Office of Tax Policy
- The Office of Terrorism and Financial Intelligence
- The Treasurer of the United States

Departmental Offices consists of several policy and program offices:

- **Domestic Finance** works to preserve confidence in the U.S. Treasury market, effectively manage federal fiscal operations, strengthen financial institutions and markets, promote access to credit, and improve financial access and education in service of America's long-term economic strength and stability.
- **International Affairs** protects and supports U.S. economic prosperity and national security by working to help ensure the most favorable external environment for sustained jobs and economic growth in the United States.
- **Terrorism and Financial Intelligence** marshals the Department's intelligence and enforcement functions with the twin aims of safeguarding the financial system against illicit use and combating rogue nations, terrorist facilitators, weapons of mass destruction (WMD) proliferators, money launderers, drug kingpins, and other national security threats.
- **Economic Policy** reports on current and prospective economic developments and assists in the determination of appropriate economic policies. The office is responsible for the review and analysis of domestic economic issues and developments in the financial markets.
- **Tax Policy** develops and implements tax policies and programs, reviews regulations and rulings to administer the Internal Revenue Code, negotiates tax treaties, and provides economic and legal policy analysis for domestic and international tax policy decisions. Tax Policy also provides revenue estimates for the President's Budget.
- **The Treasurer of the United States** has direct oversight over the U.S. Mint, the Bureau of Engraving and Printing and Fort Knox and is a key liaison with the Federal Reserve. In addition, the Treasurer serves as a senior advisor to the Secretary in the areas of community development and public engagement. Internally, the Departmental Offices are responsible for overall management of Treasury.
- **The Office of Management and the Chief Financial Officer** are responsible for managing the Department's financial resources and overseeing Treasury-wide programs, including human capital, information technology, acquisition, and diversity issues.

Treasury also has an Office of the General Counsel, Office of Legislative Affairs, and an Office of Public Affairs.

## Office of Small and Disadvantaged Business Utilization (OSDBU)

### OSDBU Primary Duties

- Monitor all Department of Treasury procurement activities that involve the participation of small businesses
- Negotiate agency-wide prime and subcontract procurement goals with the Small Business Administration
- Facilitates the resolution of procurement related issues pertaining to small businesses
- Coordinate policy direction and develop new initiatives on subcontracting issues
- Evaluate, review, and make recommendations on subcontracting plans
- Assist small businesses in their marketing to the Treasury headquarters and all of the bureaus
- Assist large prime contractors in identifying potential small businesses to help them to attain their subcontracting goals
- Administer Treasury's Mentor-Protégé Program

The Office of Small and Disadvantaged Business Utilization (OSDBU) is located within the Treasury headquarters and reports to Office of the Treasury Secretary. OSDBU monitors all Department of Treasury procurement activities that involve the participation of small businesses. It is responsible for the development and implementation of an effective program of activities directed to ensure that small, historically underutilized business zone, small disadvantaged, women-owned, veteran owned, and service disabled veteran owned small businesses participation in the Department's direct procurement and subcontract opportunities. OSDBU also negotiates agency-wide prime and subcontract procurement goals with the SBA. It also functions to facilitate the resolution of procurement related issues pertaining to small business. OSDBU assists small businesses in their marketing to the Treasury headquarters and all of the bureaus. To this end, OSDBU sponsors regular Vendor Outreach Session to enable small businesses to meet the bureau small business specialists and discuss upcoming procurement opportunities. It also is responsible for implementing the Treasury Mentor-Protégé Program. Refer to: <http://www.treasury.gov/resource-center/sb-programs/Small-Disadvantaged-Business/Pages/Small-and-Disadvantaged-Business-Utilization1.aspx>.

## Office of Minority and Women Inclusion (OMWI)

### OMWI Primary Duties

- Develop standards for diversity of the workforce and senior management
- Support recruitment/advancement efforts toward workforce diversity at all levels
- Develop standards for increased minority-owned and women-owned business contracts
- Develop standards for technical assistance to businesses
- Develop procedures for contracting that considers the diversity of the applicant
- Develop standards to determine whether contractors and subcontractors are making a good-faith effort to include minorities and women in their workforce
- Submit an annual report to Congress
- Conduct data analysis and produce internal reports
- Provide advice and advocacy

As part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) (P.L. 111-203 § 342), Congress called for the establishment of Offices of Minority and Women Inclusion (OMWI) in eight of the federal financial agencies, including Treasury. Two Offices of Minority and Women Inclusion were established within Treasury: one with express statutory authority that covers the Treasury Headquarters (Departmental Offices) and reports to the Office of the Treasury Secretary, and one in the Office of the Comptroller of the Currency (OCC), reporting to the OCC Administrator.

OMWI is responsible for all matters relating to diversity in management, employment, and business activities, excluding the enforcement of statutes, regulations, or executive orders pertaining to civil rights. OMWI is required to develop standards for equal employment opportunity and the racial, ethnic, and gender diversity of the workforce. OMWI is also required to take steps to seek diversity, in a manner consistent with applicable law, in the workforce at all levels of the organization, but particularly within senior management. In addition to workforce diversity, OMWI is charged with seeking increased participation of minority-owned and women-owned businesses in the programs and contracts of the agency. OMWI is responsible for establishing procedures to determine if agency contractors and their subcontractors have made good faith efforts to include minorities and women in their workforce. An annual OMWI report to Congress is published that includes the status, progress and trends of small, minority owned and women owned business contracting within Treasury headquarters. Refer to: <http://www.treasury.gov/about/organizational-structure/offices/Pages/omwi.aspx> and <http://www.occ.gov/about/who-we-are/careers/omwi.html>

## Treasury Bureaus

In addition to its headquarters, Treasury is organized into operating bureaus, including one devoted to financial services for distressed communities. The Treasury Bureaus make up 98% of the Treasury work force and are responsible for carrying out specific operations assigned to the Department.

### Bureaus

- The Alcohol and Tobacco Tax and Trade Bureau (TTB)
- The Bureau of Printing and Engraving (BEP)
- The Bureau of the Fiscal Service
- The Community Development Financial Institution (CDFI) Fund
- The Financial Crimes Enforcement Network (FinCEN)
- The Internal Revenue Service (IRS)
- The Office of the Comptroller of the Currency (OCC)
- The U.S. Mint

- [The Alcohol and Tobacco Tax and Trade Bureau \(TTB\)](#) is responsible for enforcing and administering laws covering the production, use, and distribution of alcohol and tobacco products. TTB also collects excise taxes for firearms and ammunition.
- [The Bureau of Engraving & Printing \(BEP\)](#) designs and manufactures U.S. currency, securities, and other official certificates and awards.
- [The Bureau of the Fiscal Service](#) was formed from the consolidation of the Financial Management Service and the Bureau of the Public Debt. Its mission is to promote the financial integrity and operational efficiency of the U.S. government through exceptional accounting, financing, collections, payments, and shared services.
- [The Community Development Financial Institution \(CDFI\) Fund](#) was created to expand the availability of credit, investment capital, and financial services in distressed urban and rural communities.
- [The Financial Crimes Enforcement Network \(FinCEN\)](#) supports law enforcement investigative efforts and fosters interagency and global cooperation against domestic and international financial crimes. It also provides U.S. policy makers with strategic analyses of domestic and worldwide trends and patterns.
- [The Internal Revenue Service \(IRS\)](#) is the largest of Treasury's bureaus. It is responsible for determining, assessing, and collecting internal revenue in the United States.
- [The Office of the Comptroller of the Currency \(OCC\)](#) charters, regulates, and supervises all national banks and federal savings associations. It also supervises the federal branches and agencies of foreign banks. Its goal in supervising banks and federal savings associations is to ensure that they operate in a safe and sound manner and in compliance with laws requiring fair treatment of their customers and fair access to credit and financial products.
- [The U.S. Mint](#) designs and manufactures domestic, bullion and foreign coins as well as commemorative medals and other numismatic items. The Mint also distributes U.S. coins to the Federal Reserve banks as well as maintains physical custody and protection of our nation's silver and gold assets.

## Treasury Inspectors General

### Inspectors General

- The Inspector General
- The Treasury Inspector General for Tax Administration (TIGTA)
- The Special Inspector General for the Troubled Asset Relief Program (SIGTARP)

Treasury also has inspectors general:

- **The Inspector General** conducts independent audits, investigations and reviews to help the Treasury Department accomplish its mission; improve its programs and operations; promote economy, efficiency and effectiveness; and prevent and detect fraud and abuse.
- **The Treasury Inspector General for Tax Administration (TIGTA)** provides leadership and coordination and recommends policy for activities designed to promote economy, efficiency, and effectiveness in the administration of the internal revenue laws. TIGTA also recommends policies to prevent and detect fraud and abuse in the programs and operations of the IRS and related entities.
- **The Special Inspector General for the Troubled Asset Relief Program (SIGTARP)** has the responsibility, among other things, to conduct, supervise and coordinate audits and investigations of the purchase, management and sale of assets under the Troubled Asset Relief Program (“TARP”).

(Effective in 2003, the Bureaus of Alcohol, Tobacco and Firearms (ATF), Federal Law Enforcement Training Center (FLETC), U.S. Customs, and the United States Secret Service (USSS) are no longer Bureaus of the Department of the Treasury. On July 21, 2011, the Office of Thrift Supervision became part of the Office of the Comptroller of the Currency.)



## Chapter 2: About Small, Minority Owned and Women Owned Businesses

---

### Small Business

In 1953, Congress passed the Small Business Act, which created the U.S. Small Business Administration (SBA) and empowered SBA to “counsel and assist small business concerns and assist contracting personnel to ensure that a fair proportion of government contracts for supplies and services is placed with small businesses.” The definition of a small business, as used by Treasury and throughout the federal government, is set forth by SBA. A small business may be a sole proprietorship, partnership, corporation, or any other legal form. However, to be eligible for small business preferences for government contracts, the legal entity must meet the following criteria:

- Is organized for profit
- Has a place of business in the United States
- Makes a significant contribution to the U.S. economy by paying taxes or using American products, materials or labor
- Does not exceed the numerical size standard for its industry
- Is not dominant in its field

SBA uses the North American Industry Classification System (NAICS) as the basis for its size standards, which applies to all federal government programs, including procurement. Depending on the industry, size standard eligibility is based on the average number of employees for the preceding twelve months or on sales volume averaged over a three-year period. Based on those criteria, SBA has established common standards for a small business, depending on its NAICS code:

- Ranging from 100 to 1500 employees for manufacturing and mining industries, and
- Ranging from \$75,000 to \$35.5 million in average annual receipts for non-manufacturing industries

More information on the SBA definition of a small business and the SBA size standards can be found at: [www.sba.gov/sizestandards](http://www.sba.gov/sizestandards). For complete information on size standards, see the SBA’s Small Business Size Regulations (13 CFR Part 121) or the Table of Small Business Size Standards [http://www.sba.gov/sites/default/files/files/Size\\_Standards\\_Table.pdf](http://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf). For more information about NAICS codes, refer to the What Treasury Buys section in Chapter 5 of this guide.

### Federal Socioeconomic Programs

Government agencies, including Treasury, are required by law to award a percentage of contracting dollars to small businesses and set specific procurement goals for overall small business contracting and four socioeconomic small business categories. In the simplest terms, federal socioeconomic programs allow small businesses owned by socially and economically disadvantaged individuals, women, service-disabled veterans, or located in historically underutilized business zoned areas (HUBZones) to qualify for special preferences in federal procurement. To qualify for these preferences, a business must fit the definitions set out by the SBA. Businesses can be certified in more than one category if the owner fits more than one definition, e.g., a business that is small, disadvantaged and woman-owned.

## 8(a) Business

Some certified small disadvantaged businesses also may qualify to participate in the SBA 8(a) Business Development Program. The 8(a) program helps small disadvantaged businesses compete in the federal and private sectors.

The focus of the program is to provide business development support, such as mentoring, procurement assistance, business counseling, training, financial assistance, surety bonding, and other management and technical assistance. However, the major advantage of this program is that it allows the government to contract, on a noncompetitive basis, up to \$4 million (\$6.5 million for manufacturing NAICS) per contract with 8(a) certified businesses. Businesses must meet eligibility requirements established by SBA.

To be eligible for participation in the 8(a) Business Development Program, the applicant must be a small business and be at least 51% owned and controlled by a socially and economically disadvantaged individual or individuals.

Certain individuals are presumed to be socially disadvantaged – they are African-Americans, Hispanic Americans, Asian Pacific Americans, Native Americans and Subcontinent Asian Americans. An individual who is not a member of one of the groups listed can be admitted to the program if he or she shows – through a preponderance of the evidence – that he or she is socially disadvantaged. The evidence can be based on color, ethnic origin, gender, physical handicap or geographic environment.

In addition, successful applicants to the 8(a) program will meet small business size standards and be in business for more than two years. Besides being unconditionally owned and controlled by one or more disadvantaged individuals, the owners must be US citizens, who are in good standing.

More information about the 8(a) program can be found on the SBA web site at:  
[www.sba.gov/content/about-8a-business-development-program](http://www.sba.gov/content/about-8a-business-development-program)

## Small Disadvantaged Business

A Small Disadvantaged Business (SDB) is a small business that is at least 51% owned and operated by one or more persons considered socially and economically disadvantaged. Individuals are considered “socially disadvantaged” if they have been subjected to racial or ethnic prejudice or cultural bias within American society as a result of membership in a group and without regard to their individual qualities.

Economically disadvantaged individuals are defined as socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged. African Americans, Native Americans, Hispanic Americans, Asian Pacific Americans and Subcontinent Asian Americans are presumed to qualify. Such individuals must have a net worth of less than \$750,000, excluding the equity of the business and primary residence.

Businesses can self-certify that they are SDB, making them eligible for benefits in federal procurement. There are three ways to become certified as a SDB:

- All businesses that are current participants in the SBA 8(a) Business Development Program are automatically deemed to be certified as SDBs;
- Any business may apply to the specific procuring agency stating that they meet the eligibility standards of a SDB; or

- A procuring agency may accept certification from another entity (e.g., a private certifying agency or a state or local government) that the business qualifies as a SDB, if the procuring agency recognizes the designation from the specific certifier

It is important to note – all 8(a) certified firms are also SDBs, but all small disadvantaged businesses are not necessarily 8(a) certified. Qualified firms can participate in the 8(a) program for up to nine years.

## Women Owned Small Business

To qualify as a Women Owned Small Business (WOSB), a small business must meet the following two conditions:

- At least 51% owned by one or more women, or, in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more women; the ownership must be direct and not subject to conditions
- Management and daily business operations are controlled by one or more women

There are two ways to certify for the WOSB program: 1) self-certification with supporting documentation, or 2) third party certification, with supporting documentation. Four organizations are designated as third party certifiers:

- El Paso Hispanic Chamber of Commerce
- National Women Business Owners Corporation
- U.S. Women's Chamber of Commerce
- Women's Business Enterprise National Council

More information about the WOSB program can be found on the SBA website at: [www.sba.gov/WOSB](http://www.sba.gov/WOSB)

To qualify as an Economically Disadvantaged Women Owned Small Business (EDWOSB), a small business must meet the following conditions:

- At least 51% owned by one or more women, or, in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more women
- They are economically disadvantaged, i.e., have a personal net worth of less than \$750,000, excluding the equity of the business and primary residence; adjusted gross annual income does not exceed \$350,000 and the fair market value of all of assets does not exceed \$6 million

EDWOSB automatically qualifies as a WOSB.

## Historically Underutilized Business Zone Business

The HUBZone program helps small businesses in urban and rural communities gain preferential access to federal procurement opportunities. SBA is the entity that certifies small businesses into the HUBZone Program.

To qualify for HUBZone certification, an application must be submitted that demonstrates that the business meets the following criteria:

- A small business by SBA size standards;
- Owned and controlled at least 51% by U.S. citizens, a Community Development Corporation, an agricultural cooperative, or an Indian tribe;
- Principal office is located within a HUBZone, which includes lands considered “Indian Country” and military facilities closed by the Base Realignment and Closure Act; and
- At least 35% of its employees reside in a HUBZone.

In addition to determining which businesses are eligible to receive HUBZone contracts, SBA maintains an updated listing of qualified HUBZone small businesses. Contracts are awarded through a sole-source or set-aside based on competition restricted to HUBZone small businesses. The program guidelines are documented in FAR 19.1305 and 19.1306.

## **Veteran Owned Small Business**

To qualify as a Veteran Owned Small Business (VOSB), a business must be at least 51% owned by one or more eligible veterans; or, in the case of any publicly-owned business, at least 51% of the stock is owned by one or more veterans, and whose management and daily business operations are controlled by such veterans.

## **Service Disabled Veteran Owned Small Business**

A Service-Disabled Veteran Owned Small Business (SDVOSB) is a business that is at least 51 percent owned and operated by one or more service-disabled veterans. If a veteran has a permanent service connected disability and the business is run by a spouse or permanent caregiver, the business can still qualify for this status.

As with small businesses in general, SBA places the business responsible for certifying whether it is a SDVOSB. To be considered as a SDVOSB, the firm must self-certify that:

- at least 51% of the business is owned by one or more service-disabled veterans; and
- management and daily business operations are controlled by one or more service-disabled veterans.

Self-certification for SDVOSB can be supported by the presentation of a Defense Department Form 214, which states the owner has a service-connected disability and a letter of adjudication from the US Department of Veterans Affairs (VA).

Contracts are awarded through a sole-source or set-aside based on competition restricted to SDVOSB. The program guidelines are documented in FAR 19.1405 and 19.1406. More information on the SDVOSB Program can be found on the VA website at: [www.vetbiz.gov/](http://www.vetbiz.gov/).

## Summary of Certification Requirements

The following chart contains a summary of the applicable certification requirements for the various small business and socioeconomic business categories.

Type of Business	Entity Responsible for Certification	Certification Procedure (if applicable)
General Small Business	Self-certification	Register business on the System for Award Management(SAM) and SBA web sites
8(a) Business	Small Business Administration (SBA)	Complete application form on the SBA website
Small Disadvantaged Business (SDB)	Self-certification	Register business on SAM and SBA web sites
Women Owned Small Business (WOSB)	Self-certification*	Register business on SAM and SBA web sites
HUBZone Business	Small Business Administration (SBA)	Complete application form on the SBA website
Service Disabled Veteran Owned Business (SDVOSB)	Self-certification	Be able to produce a DD-214 if contested, as well as receive disability rating from VA
Minority Owned (regardless of size)	National Minority Supplier Development Council, Regional Affiliates**	Complete procedures required by the NMSDC Regional Council affiliate nearest the company headquarters.
Small Financial Services Business	No formal certification of size status required; determined by prevailing industry definitions	Asset Managers: \$2 billion or less in assets under management Broker Dealers: 150 or fewer registered representatives

\*WOSB may self-certify to use the services of SBA-approved third party certifiers to demonstrate eligibility.

\*\*Treasury does not officially recognize or require certification of minority business ownership.

## Minority Owned Business

Consistent with the Dodd-Frank Act (P.L. 111-203 § 342), the Treasury Office of Minority and Women Inclusion defines a minority-owned business as having more than 50 percent of the ownership or control of which is held by one or more minority individuals; and more than 50 percent of the net profit or loss of which accrues to one or more minority individuals. The definition of the term 'minority' is Black American, Native American, Hispanic American, or Asian American.

Minority owned businesses are not considered among the federal socioeconomic programs. Although the federal government is committed to ensuring fair inclusion of minority owned businesses, regardless of size, minority businesses cannot qualify for special preferences in federal procurement based on minority ownership status. However, contracting with minority owned businesses is monitored and tracked Treasury-wide on a regular basis.

The National Minority Supplier Development Council (NMSDC) has standardized procedures to assure consistent and identical review and certification of minority owned businesses. Businesses are certified by NMSDC affiliate regional council nearest to the company's headquarters. For information about the NMSDC certification, go to: <http://www.nmsdc.org/>. Treasury does not officially recognize or require certification of minority business ownership.

## **Financial Services Small Business**

In addition to the procurement of products and services through processes governed by the Federal Acquisition Regulation (FAR), Treasury also has the financial agent authority (FAA). Unique to Treasury and granted 150 years ago by the National Bank Acts of 1863 and 1864, the FAA allows Treasury to designate financial institutions to provide certain services on the government's behalf. These businesses act on behalf of the government during the performance of their duties under an agent-principal relationship with Treasury. Financial agents also have the fiduciary obligation to protect the interests of the United States.

In defining small businesses under the FAA, Treasury has used a variety of criteria depending upon the nature of the program being supported. These criteria differ from those established by the SBA for procurement programs. The criteria used by Treasury are based on industry standards for both broker-dealers and asset managers. For asset managers, Treasury uses a prevailing industry definition that any firm with \$2 billion or less in assets under management at the time they are engaged by the Treasury is deemed to be "small." For broker-dealers, Treasury uses the Financial Industry Regulatory Authority (FINRA) definition of small business, which states that any broker-dealer that has 150 registered representatives or fewer is considered "small."

## Chapter 3: Steps to Becoming a Treasury Contractor

The first challenge that many small, minority owned, and women owned businesses encounter in attempting to do business with Treasury is understanding the prerequisites. Below is a basic action plan to assist in preparing to access business opportunities with Treasury.

### 1. Identify your NAICS Code(s) and Business Category

Identify the North American Industry Classification System (NAICS) codes for your products or services and any applicable small business category, including small, small and disadvantaged, women-owned, service-disabled veteran-owned, and/or historically underutilized business zones. To identify your NAICS code, refer to: <http://www.naics.com/search/> (Refer to the What Treasury Buys section in Chapter 5 of this guide for more background information about the NAICS code system.)

### 2. Obtain a DUNS Number

The Data Universal Number System (DUNS) number is a unique nine digit sequence recognized as the universal standard for identifying and tracking over 100 million businesses worldwide. It is mandatory to have a DUNS number before registering your small business in the System for Award Management (SAM). (See Step 3 below.) To obtain a DUNS number, contact Dun and Bradstreet at (888) 814-1435 or visit [www.dnb.com/us](http://www.dnb.com/us).

### 3. Register with System for Award Management

The System for Award Management (SAM) is the primary vendor database for the federal government. SAM collects, validates, stores, and disseminates data in support of agency acquisition missions. Only those vendors registered in SAM are eligible to receive federal contracts. SAM also provides access to the SBA database of small business contractors, the Dynamic Small Business Search (DSBS) [http://web.sba.gov/pro-net/search/dsp\\_dsbs.cfm](http://web.sba.gov/pro-net/search/dsp_dsbs.cfm).

The DSBS allows government buyers to research potential contractors and evaluate the capacity within the small business community to perform certain work. Vendors can also connect to the DSBS to identify small businesses as potential teaming partners or subcontractors.

Vendors receiving payments under Treasury contracts, purchase orders, delivery orders, or other contractual vehicles must be registered in SAM. Information in SAM must be accurate in order for contractors' invoices or contract financing requests to be considered proper for the purpose of prompt payment under Treasury contracts.

To register, go to: [www.sam.gov](http://www.sam.gov). The following information will be needed:

- Obtain a Data Universal Number System (DUNS) Number from <http://fedgov.dnb.com/webform>
- Obtain a Federal Tax Identification Number, Employer Identification Number (EIN), and Taxpayer Identification number (TIN) from: [www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-\(TIN\)](http://www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-(TIN))
- Identify NAICS code(s) based on business capabilities at: [www.census.gov/eos/www/naics](http://www.census.gov/eos/www/naics)
- Provide a bank account number and routing number for electronic payments

#### 4. Register with the Small Business Administration

The Small Business Administration (SBA) is a U.S. government agency that provides support to entrepreneurs and small businesses. (Refer to the About Small, Minority Owned and Women Owned Businesses (Chapter 2) in this guide regarding SBA.) To register, go to: [www.sba.gov](http://www.sba.gov). The following will be needed:

- Identification of the business' legal business structure
- Registered business name (To register the business name, go to: <http://www.sba.gov/content/register-your-fictitious-or-doing-business-dba-name>)
- Federal Tax ID Number and EIN, which can be obtained from: [www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-\(TIN\)](http://www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-(TIN))
- Registration with the state revenue office
- Registration for applicable business licenses and permits

#### 5. Register with Treasury OSDBU

Business representatives who wish to meet with Treasury bureau representatives are encouraged to register their business in the Treasury Small Business Electronic Capabilities Statement (SB-eCS) system. The system is used by Treasury bureau procurement staff to facilitate market research efforts. To register, go to <https://sbecs.treas.gov>.

After creating a login user name and password and completing all fields in the registration template, marketing information can be entered, including a brief capabilities narrative, web site information, and the full business capabilities statement (downloaded in .pdf format).

#### 6. Identify your target market within Treasury

Learn what Treasury and each Treasury bureau purchases by reviewing its top NAICS codes. (Refer to the What Treasury Buys and Finding Business Opportunities at Treasury section in this guide and [www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/dcfo-osdbu-mp-top25.aspx](http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/dcfo-osdbu-mp-top25.aspx) for top NAICS codes for Treasury headquarters and bureaus.)

#### 7. Identify current Treasury procurement opportunities

Identify current procurement opportunities in your NAICS code(s) by checking the Federal Business Opportunity web site (also known as FedBizOpps) ([www.fedbizopps.gov](http://www.fedbizopps.gov) or [www.fbo.gov](http://www.fbo.gov)) and Treasury bureau procurement forecasts ([www.treas.gov/offices/management/dcfo/osdbu/marketing-publications/forecast.shtml](http://www.treas.gov/offices/management/dcfo/osdbu/marketing-publications/forecast.shtml)). (Refer to the Finding Business Opportunities at Treasury (Chapter 4) in this guide.)

#### 8. Familiarize yourself with contracting procedures

Most Treasury bureaus adhere to the Federal Acquisition Regulation (FAR) for the procurement of products and services, which is the set of regulations governing acquisitions and contracting procedures. Become familiar with sections of the FAR that are pertinent to small business contracting. (NOTE: The U.S. Mint, is not required to comply with the FAR or all FAR provisions.) Also, utilize resources such as the Treasury Office of Small Disadvantaged Business Utilization, the SBA Small Business Development Centers, and the MBDA Business Centers to learn about federal contracting procedures. (Refer to the Contracting Authority section in Chapter 5 and the Resources in the Appendix of in this guide.)

## 9. Make your capabilities known

Contact each Treasury Bureau to introduce your company and its business capabilities. The most effective way to do this is by attending Treasury Vendor Outreach Sessions, to discuss those identified opportunities with the small business specialists. (Refer to: Who's Who in Treasury Procurement (Chapter 6) in this guide.) For more details, visit: [www.treas.gov/offices/management/dcfo/osdbu/outreach](http://www.treas.gov/offices/management/dcfo/osdbu/outreach)

## 10. Respond to solicitations

Identify and respond to Treasury Sources Sought announcements, Requests for Information (RFI), Requests for Proposals (RFP), Invitation for Bids (IFB), or Requests for Quotations (RFQ). Responding to RFIs is one of the best ways to market to the government, as well as potentially influencing the acquisition strategy for a particular procurement. (Refer to the Finding Business Opportunities at Treasury (Chapter 4) in this guide.)

## Chapter 4: Finding Opportunities at Treasury

---

The Treasury headquarters and each bureau are responsible for the procurement of products and services for its specific purposes. There are various resources available for businesses to identify contracting opportunities that exist throughout Treasury, as described below:

### FedBizOpps.gov

The Federal Business Opportunities web site (FedBizOpps), the federal procurement's procurement portal, is the primary location to identify contract opportunities at Treasury (as well as other federal agencies) over \$25,000. FedBizOpps allows you to search for federal procurement opportunities and also to receive various automatic email announcements on procurements when they are announced. FedBizOpps can be accessed on the Web at either [www.FedBizOpps.gov](http://www.FedBizOpps.gov) or [www.fbo.gov](http://www.fbo.gov).

### e-Buy

eBuy is an electronic tool of the U.S. General Services Administration (GSA) that is used by government buyers to obtain quotes or proposals for millions of products and services, large quantity purchases, big ticket items, and purchases with complex requirements offered through the GSA Multiple Award Schedule (MAS), including GSA technology contracts. Businesses that are GSA Schedule or Government-wide Acquisition Contracts (GWAC) contractors are able to access all Treasury Request for Quotation (RFQ) and Request for Proposal (RFP) announcements placed under categories for which they hold contracts. e-Buy can be accessed on the Web at [www.gsa.gov/ebuy](http://www.gsa.gov/ebuy). (For more information about GSA Schedules, refer to the Multiple Awards Schedules section in Chapter 5 of this guide.)

### Treasury Forecasts

Public Law 100-656, the Business Opportunity Development Reform Act of 1988, amended the Small Business Act to require agencies to compile and make available projections of contracting opportunities that small businesses may be able to perform. Accordingly, a Forecast of Contract Opportunities for Treasury headquarters and each Treasury bureau is posted each year.

The Forecast of Contract Opportunities includes projections of anticipated contract actions above \$150,000 that small businesses may be able to perform as either a prime or subcontractor to Treasury. It includes a forecast for new procurement opportunities, as well as existing contract opportunities. The existing contract opportunities lists contracts that have been awarded and includes the contract number, description of work, completion date, agency contact, and incumbent contractor information. For more information refer to:

[www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-mp-forecast.aspx](http://www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-mp-forecast.aspx)

### Public Posting

Some Treasury bureaus post opportunities in public spaces within their buildings, typically on bulletin boards. Bureaus may also post information about opportunities on their web sites, which are more readily available to the public. (Refer to the Resources section in this guide or [www.Treasury.gov](http://www.Treasury.gov) for links to each Treasury bureau web site.

### Sources Sought and Requests for Information

Treasury bureaus may conduct market research by posting a Sources Sought or Request for Information (RFI) announcement. Both of these processes allow bureaus to test the marketplace to determine if a requirement can potentially be awarded to a small business.

Bureaus may post a Sources Sought announcement to determine if a requirement can be set-aside for small businesses or other set-aside programs. It is critical for small businesses that meet the requirements of the Sources Sought to respond in the manner and by the date specified in the announcement. If two or more technically qualified businesses can meet the requirements and respond to the notice, then the solicitation could be set aside for small businesses. If there is no response to the notice, the contract opportunity may not be set aside.

Bureaus may post an RFI to gather information from businesses in the market place. The RFI will describe the prospective purpose for which the information is requested, as well as the specific information that is being requested from businesses.

## Treasury Vendor Outreach Events

Treasury hosts Vendor Outreach Sessions that allow small businesses to market their capabilities directly to the Treasury bureau officials. Participants include small business specialists, program managers, or Treasury prime contractors, depending on the type of vendor outreach event being conducted. Treasury Vendor Outreach Sessions are conducted in the Washington D.C. metropolitan area and scheduled throughout the year. Businesses can schedule appointments with officials from the various Treasury bureaus during each event. To view the Vendor Outreach Schedule, go to [www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-outreach-index.aspx](http://www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-outreach-index.aspx)

To effectively market the capabilities of the business and make the best use of time, it is essential for those attending to understand what each bureau buys. Prior to scheduling appointments, business representatives should determine if their business capabilities align with what Treasury buys. Such resources include the list of Top 25 North American Industry Classification System (NAICS) Codes for the respective Treasury bureaus, Forecasts of Contract Opportunities, FedBizOpps, e-Buy, and any other sources of information that provides information about what the Treasury bureaus buy. (Refer to the Finding Business Opportunities at Treasury (Chapter 5) in this guide.)

Business representatives who wish to meet with Treasury bureau officials must register their firm in the Small Business Electronic Capabilities Statement (SB-eCS) system. To register, go to <https://sbecs.treas.gov>.

Registration permits firms to schedule appointments for vendor outreach and receive notices from Treasury about upcoming events and news. Business representatives are encouraged to pre-register because appointments are not otherwise guaranteed. In the event registration is full, businesses can request to be wait-listed.

## Industry Day/Small Business Day

Treasury bureaus may host an Industry Day or Small Business Day to provide small businesses the opportunity to meet and interact with bureau officials. Announcements of Industry Days or Small Business Days are typically posted on [www.FedBizOpps.gov](http://www.FedBizOpps.gov) or invitations may be sent directly to small businesses.

Industry or Small Business Days can vary in format. Some events involve business representatives meeting with agency procurement personnel about their capabilities. Other events may focus on a specific procurement opportunity to ensure engagement with small, minority-owned, or women-owned businesses. Some events may include formal presentations about the procurement process given by program managers. Other events may include matchmaking sessions with bureau officials and prime contractors to identify businesses that can perform the requirements for specific contracts. Space often is limited to a specified number of participants at such events. So, early registration is recommended.

## Conferences and Matchmaking Events

Attending conferences and matchmaking events sponsored by various government agencies, chambers of commerce, or specific industry and other private organizations is another great way to learn about opportunities. A list of various sponsored conferences and events can be found at [www.osdbu.gov](http://www.osdbu.gov).

Each year, Treasury participates in numerous external conferences and matchmaking events, often hosting a booth, making presentations, or conducting matchmaking sessions. After identifying an event, visit the conference web page to view the list of participating federal agencies. If Treasury is participating, plan to visit the Treasury exhibit booth or schedule a matchmaking session, if applicable, to learn about potential opportunities. Treasury also participates in matchmaking events sponsored by the SBA. Advance preparation to learn the business needs of the participating agencies is essential to ensure that the time is well-spent when meeting with Treasury representatives.

## Subcontracting and Teaming

Subcontracting can present small businesses with opportunities that might otherwise be unattainable because of limited resources, staffing, capital, or experience. Recognizing that small firms often do not have the capacity to perform as a prime contractor on certain large contracts, Treasury actively encourages prime contractors to utilize small businesses as subcontractors. In accordance with Public Law 95-507, awards to large businesses applicable to FAR 19, contracts over \$650,000 for supplies, equipment and services or \$1,500,000 and over for construction must have a subcontracting plan, approved by the Director, Office of Small and Disadvantaged Business Utilization or his/her designee, as well as the Small Business Administration, prior to the contract award. *Awards made to small businesses are exempt from this requirement.* The subcontracting plan must include goals for subcontract awards to small, small and disadvantaged, women owned, HUBZone, and/or service disabled veteran owned small businesses. Prime contractors are contractually bound to meet the goals for small business participation that have been established in their approved subcontracting plan.

Government-wide numerical subcontracting goals are established by statute for certified socioeconomic small businesses as follows: small disadvantaged businesses – 5% goal; women-owned small businesses – 5% goal; HUBZone – 3% goal; and service disabled veteran owned small businesses – 3% goal. Although subcontracting goals are established government-wide, subcontracting requirements for individual contracts are negotiated between the respective government agency and the prime contractor.

Teaming is another way that small businesses also can gain access to government contracting opportunities. A teaming arrangement can be formed when two or more companies establish a partnership or joint venture to act as a potential prime contractor under a specific government contract or acquisition program. Teaming also can be formed when a potential prime contractor agrees to have one or more businesses act as its subcontractor under a specific government contract or acquisition program. There are no regulatory requirements for prime contractors to establish teaming arrangements.

There are key resources available for identifying the names, types of businesses, and subcontracting needs of federal prime contractors for prospective subcontracting and teaming arrangements:

- The Contract Awards section of FedBizOpps, the federal procurement's procurement portal ([www.FedBizOpps.gov](http://www.FedBizOpps.gov) or [www.fbo.gov](http://www.fbo.gov))
- SBA subcontracting network (Sub-NET) ([www.sba.gov/content/sub-net](http://www.sba.gov/content/sub-net))
- Federal prime contracting reports available for purchase from the Federal Procurement Data Center ([www.fpds.gov/fpdsng\\_cms/index.php/en/reports.html](http://www.fpds.gov/fpdsng_cms/index.php/en/reports.html))

Prime contractors' small business representatives can be contacted to determine the prime buying needs for current and upcoming contracts, particularly those that have subcontracting goals to meet for small business participation.

## Chapter 5: How Does Treasury Buy Products and Services?

### What Treasury Buys

The North American Industry Classification System (NAICS) classifies business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. economy. The NAICS industry codes define establishments based on the activities in which they are primarily engaged. NAICS codes are also used for administrative, contracting, and tax purposes. Refer to: [www.census.gov/eos/www/naics/](http://www.census.gov/eos/www/naics/)

When the federal government intends to purchase products or services, it identifies the NAICS code that describes the principal purpose of that procurement. A business may have numerous capabilities, and the NAICS code for a given procurement opportunity may not be the same as the primary NAICS code of the business. That will not keep a business from bidding or making an offer, as long as the business meets the size standard for the procurement and has the capacity to provide the products or services.

Treasury buys a variety of products and services to fulfill its mission. Each year, Treasury publishes lists of the TOP 25 NAICS code contracts for Treasury overall, its headquarters, and each bureau. The TOP 25 NAICS list is a resource that businesses can use to quickly determine if Treasury is spending a considerable amount of its resources within their NAICS code(s) and can assist businesses in determining marketing strategies. Businesses that provide products and/or services within these industry codes are encouraged to market their business capabilities to Treasury. The TOP 25 NAICS lists for Treasury are published after the close of the previous fiscal year. To view the TOP 25 NAICS for Treasury headquarters and each individual Treasury bureau, refer to: [www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/dcfo-osdbu-mp-top25.aspx](http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/dcfo-osdbu-mp-top25.aspx).)

### Contracting Authority

Treasury adheres to the Federal Acquisition Regulation (FAR) for the procurement of products and services, which is the set of regulations governing acquisitions and contracting procedures. The FAR requires a full and open competitive process for federal procurements. Treasury headquarters and most Treasury bureaus operate under FAR. (*NOTE: The U.S. Mint is not required to comply with the FAR or all FAR provisions.*)

It is advisable that companies seeking to do business with Treasury should become familiar with the basic FAR rules and procedures. The FAR consists of 8 subchapters, which are further divided into parts and subparts. The subchapters, parts and subparts that are particularly pertinent to the small, minority owned and women owned businesses are:

- Subchapter C, Part 13 – Simplified Acquisitions (Subparts 13.1-13.5)
- Subchapter D, Part 19 – Small Business Programs (Subparts 19.1-19.15)

Other pertinent sections include:

- Subchapter B, Part 8 – Required Sources of Supplies and Services
- Subchapter C, Part 14 – Sealed Bidding and Part 15 – Contracting by Negotiation
- Subchapter C, Part 15 – Contracting by Negotiation

The FAR can be found online at: [www.acquisition.gov/far/current/pdf/FAR.pdf](http://www.acquisition.gov/far/current/pdf/FAR.pdf). A copy may be purchased from the Superintendent of Documents, U.S. Government Printing Office, 732 North Capitol St NW, Washington, DC 20401, telephone (202) 512-1800. The FAR is also available for review at major public libraries.

Under the contracting authority of the FAR, contracting officers across Treasury consider hundreds of requests from program/project managers for the purchase of products and services each year. After giving consideration to using any required business sources for fulfilling the various requests, as determined by specific FAR regulations, the contracting officer determines whether to use open market procedures or one of several pre-existing contract processes. These options are described below. (Please note that the pre-existing contract processes described are not an exhaustive list of all that are available.)

## Open Market Acquisitions

Federal agencies can buy from outside businesses in a variety of ways. Competition among multiple businesses for federal procurement opportunities helps ensure that the government will obtain the highest quality work at the best value.

Open market federal solicitations are published at FedBizOpps, the federal procurement’s procurement portal, which lists procurements valued over \$25,000. (Refer to [www.FedBizOpps.gov](http://www.FedBizOpps.gov) or [www.fbo.gov](http://www.fbo.gov).) In order to compete for an open market contract, businesses must submit a bid or proposal to do the work. The agency selects the best offer and awards the contract to the winning business.

Depending on the size of the contract, there are various levels of potential involvement for small businesses, as outlined in the following chart:

Dollar Amount	Category	Small Business Involvement
0 - \$3,000	Micro Purchase	Typically done via government purchase card; no small business preference; therefore, encourage small business participation
\$3,001 - \$150,000	Simplified Acquisition Procedure	Typically, publicly advertised reserved exclusively for small business participation
\$150,000+	Formal Contracting Procedures	Set aside for small business participation, if rule of two is met, otherwise unrestricted
\$650,000+ (\$1,500,000 and above for construction)	Subcontracting	Contracts awarded to large businesses (when subcontracting possibilities exist) must have a subcontracting plan for small, small disadvantaged business, woman-owned small business, HUBZone business and/or service disabled veteran-owned small business participation.

## Small Business Set-asides

FAR 19.5, FAR 19.502-2, FAR 19.001, FAR 19.1

- Small business set-asides are a powerful vehicle for helping small firms win prime contracts
- Simplified Acquisition Threshold: Acquisitions that have an anticipated dollar value exceeding \$3,000, but not over \$150,000 are automatically reserved for small businesses
- Rule of Two: Acquisitions over \$150,000 are to be set-aside for small businesses when there is a reasonable expectation that offers will be obtained from at least two responsible small businesses
- Non-Manufacture Rule: For small business set-asides, other than for construction or service contracts, the prime contractor must utilize a small business manufacturer unless no small manufacturer exists; Rule does not apply for contracts under \$25,000

## Small Business Set-Asides

The Small Business Set-Aside Program helps assure that small businesses are awarded a fair portion of government contracts by reserving (i.e., “setting aside”) certain government purchases exclusively for small businesses. Determination of whether or not to make a small business set-aside is usually made unilaterally by the contracting officer or in collaboration with the small business specialist.

Under the set-aside program, every purchase of products or services that has an anticipated dollar value range from \$3,000 to \$150,000 is automatically reserved exclusively for small businesses, unless the contracting officer determines that there is not a reasonable expectation of receiving two offers that are competitive in terms of price, quality, and delivery. This dollar value range for purchases is referred to as the “simplified acquisition threshold.”

However, a contracting officer is required to set aside contracts over \$150,000 if there is a reasonable expectation that offers will be obtained from two or more small businesses that are competitive in terms of fair market prices, quality, and delivery. This is referred to as the “Rule of Two.” In many cases, a contracting officer will issue a Sources Sought notice, requesting that small businesses respond with a brief written statement of their qualifications to provide a particular product or service. If the contracting officer determines that the “Rule of Two” is met, the procurement could be set aside. If no acceptable offers are received from responsible small businesses, the set-aside may be withdrawn and the product or service, if still valid, will be solicited on an unrestricted basis. In some instances, market research will show that the “Rule of Two” cannot be met. In such cases, the initial solicitation is not set-aside. Refer to FAR 19.502-2 for more information about the “Rule of Two.”

The non-manufacturer rule is another important provision impacting small business set-asides. For small business set-asides, other than for construction or service contracts, the prime contractor must utilize a small business manufacturer – if the firm itself, is not doing the manufacturing to complete the work. In industries where the SBA determines there are no or very limited small business manufacturers, it may issue individual or class waivers to the non-manufacture rule. It is important to note, for small business set-asides for supplies, the prime contractor must either qualify as a manufacturer or supply the product of a domestic small business manufacturer. For acquisitions that are under \$25,000, the rule does not apply. Refer to FAR 19.001 and FAR 19.1 to learn more about the specifics surrounding the Non-manufacture Rule.

A contracting agency can set aside a procurement for small businesses in general or for a particular type of small business (i.e., 8(a), SDB, HUBZone, SDVOSB, WOSB).

## **8(a) Business Development Program**

### Program Eligibility

#### **FAR 19.8**

- Small firm must be at least 51% owned and controlled by a socially and economically disadvantaged individual(s)
- Meet small business size standards
- In business for at least two full years (unless a waiver for this requirement is granted)
- Unconditionally owned and controlled by one or more disadvantaged individuals who are US citizens

Annual government-wide contracting goals have been legislatively established at 23 percent for small business and 5 percent for small disadvantaged businesses. 8(a) set-asides are a powerful tool for agencies to achieve small business and small disadvantaged business contracting goals.

The 8(a) Business Development Program is designed to assist eligible socially and economically disadvantaged small businesses. The program – which is primarily a business development program - provides qualified firms access to capital and credit, business counseling and training, and contracting opportunities. Contracting officers can set-aside purchases for small firms certified in the 8(a) Business Development Program. An 8(a) set-aside can be facilitated as a sole source or competitive acquisition.

Through the award of sole source and set-aside contracts, the 8(a) program provides market access and growth for qualified businesses. The program is an efficient contracting vehicle for achieving small business and SDB goals. Certified firms can receive sole-source contracts, up to \$4 million for goods and services requirements and up to \$6.5 million for manufacturing requirements. Firms are also allowed to form joint ventures and teams to bid on contracts, giving them greater flexibility to compete for larger prime contracts.

It is important to note – all 8(a) certified firms are also SDBs, but all small disadvantaged businesses are not necessarily 8(a) certified. Qualified firms can participate in the 8(a) program for up to nine years.

## **Historically Underutilized Business Zone (HUBZone) Program**

### Program Eligibility

#### **FAR 19.13**

- Small business must have its principal office located in a HUBZone
- 35% of the firm's employees must reside within a HUBZone, or certify that at least 35% of employees engaged in a HUBZone contract will reside in a HUBZone or Indian reservation
- Firm must be at least 51% owned and controlled by a US citizen

## Historically Underutilized Business Zone (HUBZone) Set Asides

Contracting officers can also set aside purchases for small businesses located in designated HUBZones. A government-wide goal of 3% provides incentives for agencies to award contracts to certified HUBZone firms. In addition, certain contracts can be specifically set-aside for firms located within a HUBZone. And further, in some cases a 10% price evaluation preference may be applicable to a HUBZone certified firm. Review the FAR 19.13 reference for clarity.

To participate in this type of set-aside, a small firm's principal office must be located in a HUBZone and at least 35% of the firm's employees must reside within a HUBZone, or certify that at least 35% of its employees engaged in a HUBZone contract will reside in a HUBZone or Indian reservation.

### Service Disabled Veteran Owned Small Business Program

Program Eligibility

FAR 19.14

- At least 51% owned and controlled by a service-disabled veteran
- Daily operations are controlled by a service-disabled veteran or care giver

### Service Disabled Veteran Owned Small Business Set-Asides

A contracting officer can also set-aside acquisitions for Service Disabled Veteran Owned Small Businesses. To participate in this type of set-aside, such businesses must be at least 51% owned and controlled by a service disabled veteran and the daily management operations of the concern must be controlled by a service-disabled veteran or caregiver. And, they must be a small business. Service disabled veteran owned small businesses are required to self-certify.

### Women Owned Small Business Program

Program Eligibility

FAR 19.15

- WOSB
  - 51% owned & controlled by one or more women who are US citizens
  - Ownership must be direct and not subject to limitations
  - Woman or women must manage day to day operations
- EDWOSB
  - Satisfy all conditions of WOSB
  - Personal net worth of less than \$750,000–Adjusted annual income of \$350,000 or less
  - Market value of all assets does not exceed \$6 million

## Women-Owned Small Business Set Asides

Annual government-wide contracting goals have been legislatively established for women-owned small businesses. As such, 5 percent of the total value of all prime contracts and 5 percent of all subcontracts are to be awarded to women-owned small businesses.

The Small Business Act has been recently amended to authorize set-asides for women owned small businesses or economically disadvantaged women owned small businesses. These set-asides apply only to certain NAICS codes and are limited by dollar thresholds – which will be discussed.

There are specific requirements for Women-Owned Small Business (WOSB) and Economically Disadvantaged Women Owned Small Business (EDWOSB) set-asides, as outlined in the following chart:

Dollar Amount	Category	Small Business Involvement
Industries	The North American Industry Classification System (NAICS) code assigned to the contract must be in an industry in which WOSB are substantially underrepresented. (There are 38 eligible 4-digit NAICS codes designated*)	NAICS code assigned to the contract must be in an industry in which EWOSB are substantially underrepresented. (There are 45 eligible 4-digit NAICS codes designated)
Rule of Two	Contracting officer has reasonable expectation that 2 or more WOSBS will submit an offer.	Contracting officer has reasonable expectation that 2 or more EDWOSBS will submit an offer.
Award Price	There are no limits on the anticipated award price including options for manufacturing or other contracts. Contract can be awarded at fair market price.	

\* A complete list of applicable NAICS codes can be found at: [www.sba.com/wosb](http://www.sba.com/wosb)

## Sole Source Procurements

The government may also award a contract to a business without holding a competition. This kind of award is called a sole source and is available only under special circumstances (e.g. only one firm can perform the work, national security concerns) set out in federal law. Sole source opportunities are also utilized through direct awards to firms within the 8(a) Business Development program for contracts that are less than the applicable thresholds, i.e. \$6.5 million for supplies, \$4 million for services.

Small businesses are encouraged to respond to Sources Sought notices so that the contracting agency can evaluate whether there are two responsible businesses that are likely to bid on the project and determine if the proposed procurement can be set aside for small businesses. Contracting agencies post their Sources Sought notices on FedBizOpps, the federal procurement's procurement portal ([www.FedBizOpps.gov](http://www.FedBizOpps.gov) or [www.fbo.gov](http://www.fbo.gov)).

## Multi-Agency Contracts

Multi-agency contracts are contracts, task-orders or delivery-orders established by one federal government agency that can be used by other government agencies to obtain products and services, consistent with the Economy Act. The two main types of multi-agency contracts are U.S. General Services Administration (GSA) multiple award schedule contracts (MACs) and government-wide acquisition contracts (GWACs). A third type of MAC is the enterprise-wide contract, which is established by a specific federal agency. For instance, when specific needs arise within Treasury that cannot be met by existing MACs, GWACs, or other contracting vehicles, the Treasury Senior Procurement Executive may authorize the establishment of Treasury-wide Acquisition Contract (TWAC).

GSA multiple award schedule contracts are indefinite delivery, indefinite quantity (IDIQ) contracts that are available for use by federal agencies government-wide. IDIQ use means demand exists for a product, but delivery dates and quantities are unknown. GWACs are task order or delivery order contracts for information technology established by one agency for government-wide use. These contracts are managed by the Office of Management and Budget's Office of Federal Procurement Policy and only NASA, the U.S. Environmental Protection Agency, the National Institutes of Health, and the GSA have GWAC authority.

There are numerous GSA Multiple Award Schedules and Government-wide Acquisition Contracts, providing a wide variety of products or services to a government-wide customer base. Businesses included under these contracts compete for the initial contracts and then are eligible to compete further for agency-specific requirements at a task or delivery order level with other contract holders. Examples of the various multi-agency contracts are described below.

## Multiple Award Schedules

**GSA Schedules:** Administered by the U.S. General Services Administration (GSA), federal agencies often select potential businesses from GSA Schedules, also referred to as Multiple Award Schedules or Federal Supply Schedules (FSS). GSA establishes long-term government-wide contracts with businesses to provide access to commercial products and services to their government customers. Through the use of the schedules, GSA can deliver millions of commercial products and services at volume discount pricing to government purchasers.

Whether businesses sell everyday items, like cleaning supplies, or provide specialized services, like language translation or event planning, the GSA Schedules likely have a contract category that fits the business. To be listed on the GSA Schedules, businesses must offer to sell their products or services to the government at what the GSA considers to be a "fair and reasonable price." Federal agencies throughout the government may then buy from the business at the schedule-listed price or ask listed vendors to compete for specific procurements. The GSA Schedules are one of the largest contracting tools in the federal government.

Approximately 80% of all GSA contractors are small business concerns. Within certain parameters, the government, at its discretion, has various methods of maximizing opportunities for small businesses within the various socio-economic programs under the Schedule. Becoming a schedule contractor requires a multi-step process, usually taking several weeks to complete. GSA offers free workshops on obtaining schedule contracts, many tailored to small businesses. More information about GSA Schedules or becoming a GSA Schedules contractor can be found at [www.gsa.gov/gettingonschedule](http://www.gsa.gov/gettingonschedule).

**OASIS SB:** The U.S. General Services Administration administers the One Acquisition Solution for Integrated Services (OASIS) Small Business (SB) contract. OASIS SB, a 100-percent small business set-aside contract, was developed in response to the government's substantial need for a hybrid, government-wide acquisition vehicle. OASIS SB provides a streamlined solution for both commercial and non-commercial needs. OASIS SB is designed to reduce duplication of contracting efforts across the government and provide federal agencies with comprehensive, integrated professional services contract options. OASIS SB compliments GSA's Multiple Award Schedules (MAS) program and provide agencies with more flexible full-service options. Notable features and benefits of OASIS and OASIS Small Business include:

- Government-wide use
- Access to best in class solution providers
- On-ramp/off-ramp procedures to ensure a flexible, vibrant vendor pool
- Integrated support for key government initiatives

For more information, refer to: [www.gsa.gov/oasis](http://www.gsa.gov/oasis)

**FABS:** The U.S. federal government maintains a strong demand for financial and business services, ranging from accounting and budgeting to risk assessment and auditing. The GSA Financial and Business Solutions (FABS) Schedule 520 Contract is used for financial professional services, including transaction specialists, asset litigation experts, debt collectors, and financial advisors. Some financial services contracts require that businesses have a GSA Schedule Contract to bid on them. These are typically posted on GSA eBuy, which is the web site restricted to GSA Schedule Contract holders. For more information about the GSA Financial and Business Solutions (FABS) Schedule 520 Contract, refer to: <http://www.gsa.gov/portal/content/104504>.

## Government-Wide Acquisition Contracts

Government-wide acquisition contracts (GWAC) are task or delivery order contracts that provide Information Technology for government-wide use. The U.S. General Services Administration has established GWAC so that federal agencies can purchase cost-effective, innovative solutions for information technology requirements. GWACs provide access to IT solutions such as systems design, software engineering, information assurance, and enterprise architecture solutions. Each GWAC is operated by an agency designated by the Office of Management and Budget (OMB). There are numerous GWACs, including the examples below. For information about specific GWACs or becoming a GWAC contractor, refer to: the respective links.

- General Services Administration (GSA), various GWACs. Refer to: [www.gsa.gov/gwacs](http://www.gsa.gov/gwacs)
- Health and Human Services (HHS), National Institutes of Health (NIH) provides various GWACs for hardware, software development, systems integration, technical support services, and integrated system services and solutions for the implementation of imaging technology within NIH and other federal agencies. Refer to <http://nitaac.nih.gov/nitaac/>
- National Aeronautics and Space Administration, Solutions for Enterprise-Wide Procurement V (NASA SEWP V, pronounced 'soup' five) is a GWAC vehicle focused on advanced information technology (IT) products and product based services. Refer to: [www.sewp.nasa.gov/](http://www.sewp.nasa.gov/) and <http://www.sewp.nasa.gov/sewpv/>

There are also specific small business set-aside GWACs. They include the following examples:

- 8(a) STARS II – Awarded to certified 8(a) small, disadvantaged businesses.
- Alliant Small Business – Awarded to small businesses for long-term, large scale program requirements
- VETS – Awarded to service-disabled veteran-owned small businesses

## GSA Federal Strategic Sourcing Initiative

Federal government purchasing is decentralized, and there are overlapping contracts over many organizational components. This results in significant price variations across the government for the same products and services, sometimes with the same contractor.

The GSA Federal Strategic Sourcing Initiative (FSSI) has been implementing strategic sourcing solutions for the government since 2005. FSSI has proven results that include cost savings, improved management visibility and adoption of industry and government agency best practices. FSSI has helped improve the government management of commonly purchased products and services. Current FSSI commodity solutions include:

- Express and Ground Domestic Delivery Services (FSSI DDS2)
- Maintenance, Repair & Operations Supplies (FSSI MRO)
- Office Supplies (FSSI OS2)

- Print Management (FSSI PM)
- Telecommunications Expense Management Services (FSSI TEMS)
- Wireless (FSSI Wireless)

For more information about FSSI, refer to: [http://www.gsa.gov/portal/content/112561?utm\\_source=FAS&utm\\_medium=print-radio&utm\\_term=fssi&utm\\_campaign=shortcuts](http://www.gsa.gov/portal/content/112561?utm_source=FAS&utm_medium=print-radio&utm_term=fssi&utm_campaign=shortcuts)

## Blanket Purchase Agreements

A blanket purchase agreement (BPA) is a type of contracting vehicle used by government agencies that allows them to order and pay for supplies and services that they purchase from approved vendors on a recurring basis. The BPA simplifies the government purchasing process for repetitive orders.

## Purchase Card

Federal government agencies began using the purchase card in the late 1980's as a way to acquire small dollar items in a more efficient manner than open market acquisitions. Treasury established a Purchase Card Program (also known as Credit Card Program), which requires the use of the purchase card (Visa or Mastercard) for all "micro-purchases," i.e., any single authorized purchase that does not exceed \$3,000.

Under the Treasury Purchase Card Program, purchase card holders can go directly to a supplier or service provider for their micro purchase need. System for Award Management (SAM) registration for purchase card businesses is not mandatory and purchase card holders are required to rotate sources when acquiring products and services under the Treasury Purchase Card Program.

## Unsolicited Proposals

An unsolicited proposal is an offer initiated and submitted to Treasury headquarters or one of its bureaus, without solicitation from the government, with the objective of obtaining a contract. Acceptance of proposals for evaluation does not imply a promise to pay, a recognition of novelty or originality, or any restriction on the use of information contained therein to which the government would otherwise be entitled. The fact that a requirement follows receipt of, or is based on, an unsolicited proposal does not in and of itself justify sole source contracting. Historically, Treasury has funded very few unsolicited proposals.

### Subcontracting Limitations

Set-asides –Prime Contract Assistance

FAR 19.508-e; FAR 19.811-3e

- Applies to contracts set-aside for small businesses when the contract amount exceeds \$150,000
- Service –At least 50% of the contract cost for personnel must be expended for employees of the small business
- Supply -Business must perform work for at least 50% of the cost of manufacturing the supplies, not including the cost of materials
- General construction –Business must perform at least 15% of the cost of the contract, not including the cost of the materials, with its own employees.

## **Subcontracting Limitations**

Limitations on subcontracting apply to solicitations and contracts for supplies, services and construction, if any portion of the requirement is set-aside for small business and the contract amount exceeds \$150,000. This limitation applies to service contracts, such that at least 50% of the contract cost for personnel must be expended for employees of the small business. For supply contracts, the business must perform work for at least 50% of the cost of manufacturing the supplies, not including the cost of materials.

For general construction contracts, the business must perform at least 15% of the cost of the contract, not including the cost of the materials, with its own employees. For construction by special trade contractors, the business must perform at least 25% of the cost of the contract, not including the cost of the materials, with its own employees.

For small business set-asides, other than for construction or service contracts, the prime contractor must utilize a small business manufacturer unless no small manufacturer exists. This non-manufacture rule does not apply for contracts under \$25,000.

## Chapter 6: Who's Who in Treasury Procurement

---

Each business opportunity involves the engagement of an entire team of individuals within the Treasury acquisition community. Each one plays an important role in fulfilling program/project objectives, delivering the best value of products and services, ensuring fairness and inclusion in the procurement process, and maintaining the public's trust. Because of the complexity of the federal procurement process, it is sometimes difficult for businesses to know who the various federal procurement officials are and understand their specific roles. The following is a description of the various Treasury procurement officials.

### Acquisition Leadership Team

The Treasury-wide procurement team is led by the Senior Procurement Executive, who also serves as the Suspension and Debarment Official, and operational contracting offices within the bureaus are headed by a Bureau Chief Procurement Officer. The Director of the Office of Small Business Utilization (OSDBU) leads efforts pertaining to small business contracting. Treasury has two Offices of Minority and Women Inclusion (OMWI) with responsibilities that include minority owned and women owned business contracting. The Chief Diversity and Inclusion Officer in Treasury headquarters heads OMWI within the Departmental Offices. The Executive Director heads OMWI within the Office of the Comptroller of the Currency.

### Small Business Specialists

The small business specialists are Treasury employees appointed to take the lead in support of small business utilization within the respective bureaus, serving as the liaison between OSDBU and the contracting bureau. Their duties include locating and screening prospective small business contractors for recommendation to contracting agents. They advise potential contractors about obtaining information about upcoming and pending acquisitions. Contracting officers rely on small business specialists to advise them on their bureau's responsibilities in small business-related issues. The small business specialists actively seeks opportunities for all types of small businesses, assuring the validity of the rationale when a solicitation is not set aside for small business, finding ways to accommodate small business participation in large acquisitions to the extent possible, participating in contract negotiations, and helping to determine the suitability of small business subcontracting plans. The small business specialist also assists small businesses to understand the requirements of contracts.

Each Treasury bureau has an assigned Small Business Specialist who advocates for small businesses within its Bureau. For a current list of Small Business Specialists, refer to: <http://www.treasury.gov/resource-center/sb-programs/Pages/contacts-small-biz-specialists.aspx>.

### Procurement Center Representative

To ensure that opportunities for small businesses to compete for contracts are maximized and that SBA policies are carried out, SBA has assigned one of its staff members to Treasury as the procurement center representative. The role of the Procurement Center Representative is to review proposed acquisitions and recommend small business set-asides of selected acquisitions, new qualified small business sources, and the breakout of components of acquisitions for small businesses.

### Program/Project Managers

Program managers are the technical personnel who initiate new projects or implement changes to an on-going project that require the acquisition of particular products or services. They develop the specific contract

requirements. To the extent practical, they can play an important role in establishing minimum criteria that are not unduly restrictive, so the contract can be within the reach of small businesses. They conduct market research and may lead the selection/evaluation team, cost analyses, and negotiations. They also monitor contractor performance for achievement of program objectives.

## **Contracting Officers**

Contracting officers are primarily responsible for the processing contract requests for products and services, determining the adequacy of market research of prospective businesses that can fulfill the contract, identifying qualified businesses, and monitoring project performance of the business under the contract. They provide support to the program manager in the development of the acquisition plan and guidance on effective strategies to engage businesses for specific contracts. They establish and maintain the ground rules for information sharing about upcoming or pending contracts and ensure high integrity and fairness during all phases of the acquisition process. Contracting officers also manage the publication of acquisition information, vendor engagement events, and communications between potential contractors and the government related to a requirement from release of the solicitation until contract award.

## **Contracting Officer Representatives**

Contracting Officer Representatives plan and coordinate communication exchange activities with the contracting officer. They are often involved in early market research, contractor communications, defining requirements, and supporting a sound acquisition strategy. They provide technical direction to contractors following contract award and monitor contractor performance to ensure products and services conform to contract requirements.

## **General Counsel**

The General Counsel advises Treasury officials on issues related to contract law and interactions with the business community. They provide advice on the propriety of individual procurement contacts and potential conflicts of interest in relation to procurement law and other relevant laws.

## Chapter 7: Accessing Business Development Support

---

### Small Business Development Centers

The Small Business Administration (SBA) partners with the Small Business Development Centers (SBDC) to provide management assistance to current and prospective small businesses. They offer one-stop assistance to individuals and small businesses by providing a variety of information and guidance in central and easily accessible branch locations. The SBDC is designed to deliver counseling, training, and technical assistance in all aspects of small business management. The service includes assisting small businesses with financial, marketing, production, organization, engineering and technical problems, feasibility studies, and more. Refer to: <http://www.sba.gov/content/small-business-development-centers-sbdc>.

### Procurement Technical Assistance Centers

Procurement Technical Assistance Centers (PTACs) provide local, in-person counseling and training services for you, the small business owner. They are designed to provide technical assistance to businesses that want to sell products and services to federal, state, and/or local governments. PTAC services are available either free of charge, or at a nominal cost. PTACs are part of the Procurement Technical Assistance Program, which is administered by the Defense Logistics Agency. Refer to: [www.dla.mil/SmallBusiness/Pages/ptac.aspx](http://www.dla.mil/SmallBusiness/Pages/ptac.aspx).

### Minority Business Development Agency Business Centers

The Minority Business Development Agency (MBDA) is an agency of the U.S. Department of Commerce that helps to create and sustain U.S. jobs by promoting the growth and global competitiveness of businesses owned and operated by minority entrepreneurs. MBDA works throughout the nation to link minority owned businesses with the capital, contracts and markets they need to grow. MBDA administers a network of Business Centers across the United States that provide the following services:

- global business development
- access to capital and finance management
- access to contracts
- access to markets
- strategic business consultation

Working through their network of Business Centers, MBDA strives to create a new generation of minority-owned businesses generating \$100 million in annual revenues. Their strategic focus is to maximize job creation and global competitiveness for minority owned businesses and to foster innovation and entrepreneurship with minority owned businesses in high-growth industries. To locate a MBDA Business Center, go to: [www.mbda.gov/businesscenters](http://www.mbda.gov/businesscenters).

### Treasury Mentor-Protégé Program

The Treasury Mentor Protégé Program is designed to motivate and encourage well-established businesses to assist in the business development of small businesses, including HUBZone small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, and service disabled veteran-owned small businesses. The program also is designed to improve the performance of Treasury contracts and subcontracts, foster the establishment of long-term business relationships between small businesses and Treasury prime contractors, and increase the overall number of small businesses that receive Treasury contracts and subcontract awards. Mentors can receive additional points in evaluation of its subcontracting plan during proposal evaluation.

Mentors (large or small) must demonstrate a commitment and capability to assist in the development of a small business protégé. Businesses that meet the small business definition are eligible to be protégé firms. The program excludes firms on the Federal List of Debarred or Suspended Contractors ([www.gsaig.gov/index.cfm/suspension-and-debarment-listed-by-state/](http://www.gsaig.gov/index.cfm/suspension-and-debarment-listed-by-state/)).

Protégés may gain opportunities to seek and perform government and commercial contracts through the guidance and support of mentors. Prospective protégé businesses should conduct a self-assessment to identify areas where assistance will be beneficial to growing their business capabilities. The types of guidance and assistance provided to protégé businesses by mentor businesses can include, but are not limited to:

- Financial management
- Organizational management
- Overall business planning and development
- Specific technical assistance
- Use of facilities and/or equipment
- Temporary assignment of personnel
- Loans

Two businesses seeking to enter into a mentor-protégé relationship must jointly develop the application. Both parties are required to sign the application before submission to Treasury. For additional information about the Mentor-Protégé Program, go to: [www.treasury.gov/resource\\_center/sb-programs](http://www.treasury.gov/resource_center/sb-programs).

## Chapter 8: Procurement Integrity and Compliance

---

### Ethical Requirements and Federal Contracting

Federal contracting is different from commercial contracting practices as some standard business practices can be perceived by the government as shortcuts or inflation of costs. Additionally, ethical requirements are considered contract terms. The FAR clause states that “Government contractors must conduct themselves with the highest degree of integrity and honesty.” Without an adequate understanding of federal contracting rules and ethics rules, businesses with less experience can be prone to contract compliance errors and ethics violations. Compliance with ethics rules are not a problem for most businesses and many violations are unintentional. Often businesses with less experience are more prone to ethics errors as they attempt to please their government customer.

The FAR provides extensive rules for the conduct of federal contracting by all federal agencies and by all contractors. Not being aware of and prepared for the federal acquisition environment can create problems later on for a growing business. Businesses have the responsibility to know the federal acquisition environment that they are entering. Ignorance of policies and contract clauses is not a defense for ethical violations.

### The FAR has a Significant Impact on the Contractor’s Business Model

The FAR imposes public policy obligations upon businesses that alter the typical private sector relationship-development activities (e.g. coffee, lunches, gifts). For instance the government customer and the contracting officer cannot have a relationship with the contractor apart from their official roles: i.e. no gifts, no appearance of favoritism, no attending social events together. In the commercial sector these are an expected part of business, however these types of activities would be a violation of federal ethics rules. Unlike in the commercial sector, the federal contracting rules impose criminal and civil penalties for non-compliance.

In addition, government contracting also impacts a vendor’s relationship with its sub-contractors. This is because many FAR requirements established in the prime contract flow down to the subcontractor; therefore a federal contractor’s subcontractors must also comply with FAR requirements. Nonetheless, it is important to understand that the federal government does not have the privity of contract with subcontractors.

### No Kickbacks, Bribes or Gratuities

Kickbacks (a favor for a favor between a vendor and a federal employee) and bribes (actions that result in financial gain, incentives or promises for favoritism) are criminal violations. A contractor employee cannot buy or provide to a federal employee anything of value. Within ethics standards, “something of value” can include cash, post-employment consideration, benefits to family members or as simple as a promise of a favor or even the suggestion of an offer to do a favor.

Steps to Consider for Internal Compliance:

1. Establish a board of directors and management structure appropriate for the company
2. Develop and implement a code of ethics and business conduct that promotes a culture of compliance
3. Use policies, business practices and training to reinforce these values
4. Ensure that enforcement mechanisms are in place to be compliant with the federal regulations
5. Formalize these practices as your organization grows in size and revenue

FAR subpart 3.10 effectively requires a compliance program for contractors with contracts over \$5 million. However, it makes good business sense to have a compliance program in place, even if it is not required. Though not mandatory under all contracts, it is encouraged that a small business develop internal controls that:

1. Are suitable to the size of the company and extent of its involvement in federal contracting
2. Facilitate timely discovery and disclosure of improper conduct in connection with federal contracts
3. Ensure corrective measures are promptly instituted and carried out

Having a plan in place makes good business sense for a firm as the FAR covers areas of fraud, conflict of interest, bribery, gratuity violations and violations of the civil False Claims Act.

## **Responsibility, Suspension and Debarment:**

The Federal Government is required to only contract with responsible entities (refer to FAR 9.4 for additional information). An entity that has been determined not to be responsible can be excluded from federal transactions. This process is called Suspension and Debarment. These are two separate, but similar exclusionary actions available to the Federal Government to protect its interests and ensure it is only working with responsible businesses.

Characteristics of an entity being determined to not be responsible:

1. Criminal Behavior: Fraud, Embezzlement, Theft, Forgery, Bribery, Falsification or Destruction of Records, Making False Statements
2. Violation of the Drug Free Workplace Act
3. Tax Issues: Tax Evasion, Violating Federal Criminal Tax Laws, Unpaid Taxes
4. Felony Conviction
5. Outstanding Child Support
6. Repeated Pattern of Poor Performance
7. Any other offense indicating a lack of business integrity or business honesty that seriously and directly affects present responsibility

If after the due process rights of the respondent are executed, the Suspension and Debarment Official may exclude the entity for a period of three or five years or longer depending on the severity of the offense.

## **Exclusion**

When an entity is suspended or debarred their listing in the System for Awards Management (SAM) is flagged with an active exclusion (website [www.sam.gov](http://www.sam.gov)). Excluded parties (suspended or debarred entities) are prohibited from entering into a new procurement or non-procurement transaction (as a prime, sub-contractor, or employee of a vendor receiving federal funds). Existing engagements with suspended or debarred entities are continued, however agencies shall not engage in new transactions, including:

- New orders under existing contracts and agreements
- New work, options, or extensions of existing contracts or agreements
- Consent to subcontract

## How You Can Help?

Many small businesses run afoul of FAR regulations in their federal contracting as a result of inexperience working with the federal government. Therefore, businesses are encouraged to work closely with the Contracting Officer to address any questions that may come up during contract performance.

If one encounters other difficulties that may impact one's responsibility, it is recommended to reach out to the Senior Procurement Executive, who is the Suspension and Debarment Official for the Treasury, to discuss one's concerns.

If one becomes aware of any instance of fraud waste and abuse, contact one of the numbers below, which are also listed on the fraud poster that all Treasury vendors are required to post at the place of execution of the Treasury contract.

### Office of the Procurement Executive

Suspension and Debarment Unit

Email: [Treasurysuspension&debarment@treasury.gov](mailto:Treasurysuspension&debarment@treasury.gov)

Phone: (202) 622-5666

### Treasury Inspector General

Email: [Hotline@oig.treas.gov](mailto:Hotline@oig.treas.gov)

Hotline: 1-800-359-3898

Office: (202) 927-5260

### Special Inspector General for Troubled Asset Relief Program

Online Form: [www.SIGTARP.gov](http://www.SIGTARP.gov)

Phone: 1-877-SIG-2009

### Treasury Inspector General for Tax Administration

Email: [Complaints@tigta.treas.gov](mailto:Complaints@tigta.treas.gov)

Phone: 1-800-366-4484

## APPENDIX

### RESOURCES

U.S. Department of Treasury	
Organization	Website
U.S. Department of Treasury	<a href="http://www.treasury.gov">www.treasury.gov</a>
U.S. Department of Treasury: Office of Small and Disadvantaged Business Utilization (OSDBU)	<a href="http://www.treasury.gov/resource-center/sb-programs/Small-Disadvantaged-Business/Pages/Small-and-Disadvantaged-Business-Utilization1.aspx">www.treasury.gov/resource-center/sb-programs/Small-Disadvantaged-Business/Pages/Small-and-Disadvantaged-Business-Utilization1.aspx</a>
Treasury Headquarters: Office of Minority and Women Inclusion (OMWI)	<a href="http://www.treasury.gov/about/organizational-structure/offices/Pages/omwi.aspx">www.treasury.gov/about/organizational-structure/offices/Pages/omwi.aspx</a>
Treasury Headquarters: OMWI Annual Report	<a href="http://www.treasury.gov/about/organizational-structure/offices/Documents/OMWI%20FY%202012%20Annual%20Report%20FINAL.pdf">www.treasury.gov/about/organizational-structure/offices/Documents/OMWI%20FY%202012%20Annual%20Report%20FINAL.pdf</a>
Office of the Comptroller of the Currency: Office of Minority and Women Inclusion (OMWI)	<a href="http://www.occ.gov/about/who-we-are/careers/omwi.html">http://www.occ.gov/about/who-we-are/careers/omwi.html</a>
Office of the Comptroller of the Currency: OMWI Annual Report	<a href="http://www.occ.gov/about/who-we-are/careers/omwi-annual-report-fy12.pdf">http://www.occ.gov/about/who-we-are/careers/omwi-annual-report-fy12.pdf</a>

U.S. Department of Treasury and Bureaus	
Organization	Website
U.S. Department of the Treasury	<a href="http://www.treasury.gov">www.treasury.gov</a>
The Alcohol and Tobacco Tax and Trade Bureau (TTB)	<a href="http://www.ttb.gov">www.ttb.gov</a>
The Bureau of Engraving and Printing (BEP)	<a href="http://www.moneyfactory.gov">www.moneyfactory.gov</a>
The Bureau of the Fiscal Service	<a href="http://www.fiscal.treasury.gov">www.fiscal.treasury.gov</a>
The Community Development Financial Institution (CDFI) Fund	<a href="http://www.cdfifund.gov">www.cdfifund.gov</a>
The Financial Crimes Enforcement Network (FinCEN)	<a href="http://www.fincen.gov">www.fincen.gov</a>
The Internal Revenue Service (IRS)	<a href="http://www.irs.gov">www.irs.gov</a>
The Office of the Comptroller of the Currency (OCC)	<a href="http://www.occ.treas.gov">www.occ.treas.gov</a>
The U.S. Mint	<a href="http://www.usmint.gov">www.usmint.gov</a>
The Inspector General	<a href="http://www.treasury.gov/about/organizational-structure/ig/Pages/default.aspx">www.treasury.gov/about/organizational-structure/ig/Pages/default.aspx</a>
The Treasury Inspector General for Tax Administration (TIGTA)	<a href="http://www.treasury.gov/tigta">www.treasury.gov/tigta</a>

Resources to Become a Treasury Contractor	
Organization	Website
Data Universal Number System (DUNS) Number	<a href="http://www.dnb.com/us">www.dnb.com/us</a> or <a href="http://fedgov.dnb.com/webform">http://fedgov.dnb.com/webform</a>
Dynamic Small Business Search (DSBS)	<a href="http://web.sba.gov/pro-net/search/dsp_dsbs.cfm">http://web.sba.gov/pro-net/search/dsp_dsbs.cfm</a>
Federal Business Opportunities	<a href="http://www.fbo.gov">www.fbo.gov</a> or <a href="http://www.FedBizOpps.gov">www.FedBizOpps.gov</a>
Federal Prime Contracting Reports	<a href="http://www.fpds.gov/fpdsng_cms/index.php/en/reports.html">www.fpds.gov/fpdsng_cms/index.php/en/reports.html</a>
Federal Tax Identification Number	<a href="http://www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-(TIN)">www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-(TIN)</a>
GSA Schedules	<a href="http://www.gsa.gov/gettingonschedule">www.gsa.gov/gettingonschedule</a>
North American Industry Classification System (NAICS) Code	<a href="http://www.naics.com/search">www.naics.com/search</a>
SBA Subcontracting Network (Sub-NET)	<a href="http://www.sba.gov/content/sub-net">www.sba.gov/content/sub-net</a>
System for Award Management (SAM)	<a href="http://www.sam.gov">www.sam.gov</a>
Treasury Forecast of Contract Opportunities.	<a href="http://www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-mp-forecast.aspx">www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-mp-forecast.aspx</a>
Treasury Mentor-Protégé Program	<a href="http://www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-mentor-protege-index.aspx">www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-mentor-protege-index.aspx</a>
Treasury Vendor Outreach Sessions	<a href="http://www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-outreach-index.aspx">www.treasury.gov/resource-center/sb-programs/Pages/dcfo-osdbu-outreach-index.aspx</a>
Treasury OIG Online Complaint Form	<a href="http://www.treasury.gov/about/organizational-structure/ig/Pages/OigOnlineHotlineForm.aspx">www.treasury.gov/about/organizational-structure/ig/Pages/OigOnlineHotlineForm.aspx</a>
Treasury Small Business Electronic Capabilities Statement	<a href="https://sbecs.treas.gov">https://sbecs.treas.gov</a>
Treasury's Top 25 North American Industry Classification System (NAICS) Codes	<a href="http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/dcfo-osdbu-mp-top25.aspx">www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/dcfo-osdbu-mp-top25.aspx</a>

Certification Resources	
Organization	Website
El Paso Hispanic Chamber of Commerce	<a href="http://www.ephcc.org">www.ephcc.org</a>
National Minority Supplier Development Council (NMSDC)	<a href="http://www.nmsdc.org">www.nmsdc.org</a>
NMSDC Standardized Procedures	<a href="http://www.nmsdc.org/nmsdc/app/template/contentMgmt%2CContentPage.vm/contentid/2776">www.nmsdc.org/nmsdc/app/template/contentMgmt%2CContentPage.vm/contentid/2776</a>
NMSDC Affiliate Regional Council	<a href="http://www.nmsdc.org/nmsdc/app/template/contentMgmt%2CContentPage.vm/contentid/1311">www.nmsdc.org/nmsdc/app/template/contentMgmt%2CContentPage.vm/contentid/1311</a>
National Women Business Owners Corporation	<a href="http://www.nwboc.org">www.nwboc.org</a>
Online Representations & Certification Application (ORCA)	<a href="https://orca.bpn.gov">https://orca.bpn.gov</a>
US Women's Chamber of Commerce	<a href="http://www.uswcc.org">www.uswcc.org</a>
Women's Business Enterprise National Council	<a href="http://www.wbenc.org">www.wbenc.org</a>

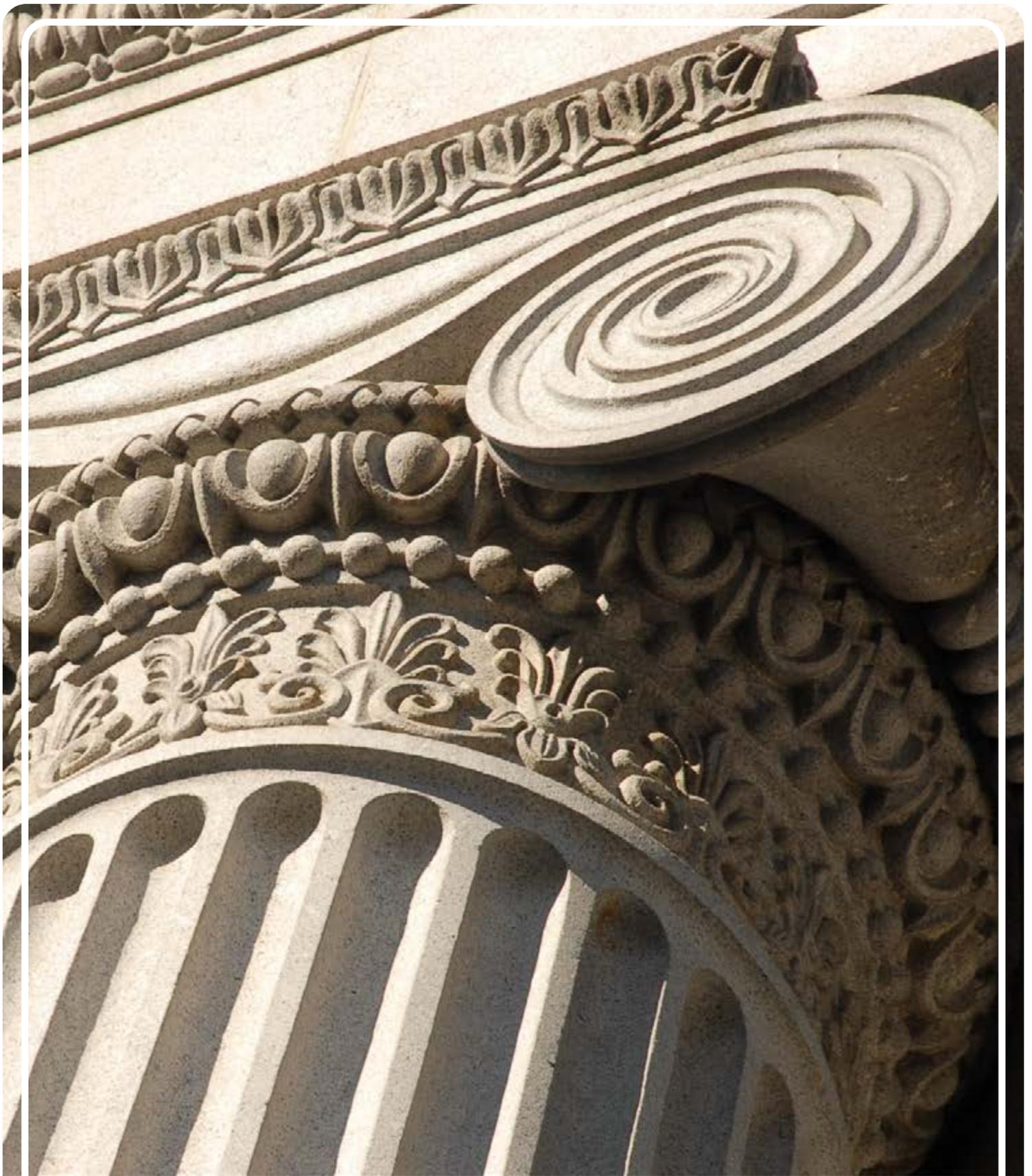
Small Business Resources	
Organization	Website
BusinessUSA	<a href="http://www.business.usa.gov">www.business.usa.gov</a>
Business Name Registration	<a href="http://www.sba.gov/content/register-your-fictitious-or-doing-business-dba-name">www.sba.gov/content/register-your-fictitious-or-doing-business-dba-name</a>
Code of Federal Regulations (13CFR)	<a href="http://www.gpoaccess.gov/cfr/index.html">http://www.gpoaccess.gov/cfr/index.html</a>
e-Buy	<a href="http://www.gsa.gov/ebuy">www.gsa.gov/ebuy</a>
Federal Acquisition Regulation (FAR)	<a href="http://www.acquisition.gov/far/current/pdf/FAR.pdf">www.acquisition.gov/far/current/pdf/FAR.pdf</a>
Introduction to North American Industry Classification System (NAICS) Codes	<a href="http://www.census.gov/eos/www/naics/">www.census.gov/eos/www/naics/</a>
Office of Small and Disadvantaged Business Utilization (OSDBU)	<a href="http://www.osdbu.gov">www.osdbu.gov</a>
Procurement Center Representatives	<a href="http://www.sba.gov/content/procurement-center-representatives">www.sba.gov/content/procurement-center-representatives</a>
Regional Small Business Development	<a href="http://www.knowyourregion.org">www.knowyourregion.org</a>
Service Disabled Veteran Owned Small Business	<a href="http://www.vetbiz.gov">www.vetbiz.gov</a>
Small Business Administration (SBA)	<a href="http://www.sba.gov">www.sba.gov</a>
Small Business Counseling	<a href="http://www.score.org">www.score.org</a>
Small Business Development Centers	<a href="http://www.sba.gov/content/small-business-development-centers-sbdc">http://www.sba.gov/content/small-business-development-centers-sbdc</a>
Small Business Innovation Research	<a href="http://www.sbir.gov">www.sbir.gov</a>
SBA Size Standards	<a href="http://www.sba.gov/sizestandards">www.sba.gov/sizestandards</a>
Table of Small Business Size Standards	<a href="http://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf">www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf</a>
Startup America	<a href="http://www.startupamericapartnership.org">www.startupamericapartnership.org</a>
Women Owned Small Business	<a href="http://www.sba.gov/wosb">www.sba.gov/wosb</a>
8(a) Program Details	<a href="http://www.sba.gov/content/about-8a-business-development-program">www.sba.gov/content/about-8a-business-development-program</a>

Procurement Resources	
Organization	Website
Acquisition Central	<a href="http://www.acquisition.gov">www.acquisition.gov</a>
Defense Federal Acquisition Regulation Supplement	<a href="http://www.dcaa.mil/dfars.html">www.dcaa.mil/dfars.html</a>
Electronic Subcontracting Reporting System	<a href="http://www.esrs.gov">www.esrs.gov</a>
Federal List of Debarred or Suspended Contractors	<a href="http://www.gsaig.gov/index.cfm/suspension-and-debarment-listed-by-state/">www.gsaig.gov/index.cfm/suspension-and-debarment-listed-by-state/</a>
Federal Procurement Data System	<a href="http://www.fpds.gov">www.fpds.gov</a>
Government-wide Acquisition Contracts (GWAC) - 8(a) STARS II	<a href="http://www.gsa.gov/portal/category/25901">www.gsa.gov/portal/category/25901</a>
Government-wide Acquisition Contracts (GWAC) – Alliant Small Business	<a href="http://www.gsa.gov/alliantsb">www.gsa.gov/alliantsb</a>
Government-wide Acquisition Contracts (GWAC) – VETS	<a href="http://www.gsa.gov/vetsgwac">www.gsa.gov/vetsgwac</a>
National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP)	<a href="http://www.sewp.nasa.gov/">www.sewp.nasa.gov/</a>
Past Performance Information Retrieval System	<a href="http://www.ppirs.gov">www.ppirs.gov</a>
Procurement Technical Assistance Centers	<a href="http://www.dla.mil/SmallBusiness/Pages/ptac.aspx">www.dla.mil/SmallBusiness/Pages/ptac.aspx</a>

Selected Federal Government Agencies	
Organization	Website
Alcohol, Tobacco and Firearms (ATF)	<a href="http://www.atf.gov">www.atf.gov</a>
Federal Law Enforcement Training Center (FLETC)	<a href="http://www.fletc.gov">www.fletc.gov</a>
Minority Business Development Agency (MBDA)	<a href="http://www.mbda.gov">www.mbda.gov</a>
OCC Community Reinvestment Act	<a href="http://www.occ.gov/topics/compliance-bsa/cra/index-cra.html">www.occ.gov/topics/compliance-bsa/cra/index-cra.html</a>
United States Secret Service (USSS)	<a href="http://www.secretservice.gov">www.secretservice.gov</a>
U.S. Customs	<a href="http://www.customs.gov">www.customs.gov</a>
U.S. Department of Commerce	<a href="http://www.business.usa.gov">www.business.usa.gov</a>
U.S. Department of Veteran’s Affairs	<a href="http://www.va.gov">www.va.gov</a>
U.S. General Services Administration (GSA)	<a href="http://www.gsa.gov">www.gsa.gov</a>







**U.S. DEPARTMENT OF THE TREASURY**

1500 Pennsylvania Avenue NW, Washington, D.C. 20220

[www.Treasury.gov](http://www.Treasury.gov)