SMALL BUSINESSES DRIVE JOB CREATION AND PROVIDE ECONOMIC STIMULUS | Issue 01

FY 2017 ANNUAL REPORT

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION
U.S. Department of Housing and Urban Development

SMALL BUSINESSES DELIVER GOODS AND SERVICES TO HUD

The U.S. Department of Housing and Urban Development (HUD), Office of Small and Disadvantaged Business Utilization (OSDBU), is pleased to present this inaugural annual report covering Fiscal Year 2017. The report highlights OSDBU’s most notable achievements over the year.

OSDBU: Overview and Mission

Established by Congress in 1965, the U.S. Department of Housing and Urban Development (HUD) is the cabinet-level federal agency responsible for national policy and programs that address America’s housing needs, improve and develop the Nation’s communities and enforce fair housing laws. To support its programs and operations, HUD spends over $1 billion annually on supplies and services. HUD is assisted in carrying out its responsibilities by a variety of independent contractors and vendors.

It is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business and women-owned small business concerns (FAR Part 19.1). HUD’s Office of Small and Disadvantaged Business Utilization (OSDBU) is responsible for ensuring that small businesses are treated fairly and that they have an opportunity to compete and be selected for a fair amount of HUD’s prime contracting and subcontracting opportunities.

In 1978 Congress passed P.L. 95-507 which required every federal contracting agency to create an office of small and disadvantaged business utilization to develop, implement, and manage small business utilization programs, policies and procedures. Reporting directly to the head of the agency, HUD’s Office of Small and Disadvantaged Business Utilization was established in 1979 pursuant to the provisions of Section 15(k) of the Small Business Act as amended (Sec. 221, P.L. 95-507).

The Department is committed to providing universal access to its procurement dollars for all types of businesses both small and large. A significant amount of HUD’s contract dollars is awarded to small businesses which recognizes that small businesses are of vital importance to job growth and the economic strength of the country.

“Small businesses are critical to job creation, community support, and entrepreneurship. They are an integral part of HUD’s mission to create strong, sustainable communities.”

Dr. Ben Carson
Secretary of HUD

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OSDBU Mission and Authorities

HUD’s Office of Small and Disadvantaged Business Utilization’s core mission is to serve as an advocate for small business utilization, ensuring that small, small-disadvantaged, HUBZone, women-owned, service-disabled veteran owned small businesses are treated fairly and have access and the opportunity to compete and be selected for a fair amount of the Department’s prime and subcontracting opportunities.

- Small Business Act and Small Business Investment Act of 1958
- Public Law 95-507, Section B and 15(b)
- 13 CFR §221
- FAR Part 19
- HUD Acquisition Regulations: PART 2410 and 2415
- HUD Acquisition Policy and Procedures Handbook 2210.3 REV 10

Each agency involved in procurement is required to have an office of small and disadvantaged business utilization to uphold the law and oversee small business programs.

“The Department is committed to maximizing federal contracting opportunities for small and disadvantaged businesses. Small businesses are of vital importance to job growth and the economic strength of our country.”

Deputy Secretary
Pamela H. Patenaude
FY 2017 HUD SMALL BUSINESS ACHIEVEMENTS

Fiscal Year 2017 has been successful due in large part to the collaborative efforts of the Office of Small and Disadvantaged Business Utilization, the Office of the Chief Procurement Officer, and HUD Program offices. Accomplishments from FY 2017 include:

• Small business prime contract awards amounted to approximately 49% of all awards, exceeding the agency goal of 39%.

• Met statutory socioeconomic goals for Small Disadvantaged Businesses, Service-Disabled Veteran-Owned Small Businesses, and Women-Owned Small Businesses.

• Achieved Historically Underutilized Business Zone rate of 2.94%, just short of the agency’s goal of 3%, the best result in eight years.

• Exceeded prime subcontracting goal in four of the five categories; Small Business, Women Owned Small Business, Small Disadvantaged Business and Service Disabled Veteran Owned Small Business.

• Received high grades from the Small Business Administration in administration of small business programs, earning an A+ two years in a row for fiscal years 2016 and 2017.

FY 17 SBA Scorecard Grade: A+
FY 16 SBA National Ombudsman Report Grade: A

FY 2017 By-the-Numbers

Small businesses and HUD work together. Over $746 million dollars in contracts were awarded to over 188 small businesses in FY 17 exceeding HUD’s annual small business goal.
HUD’s 2017 Major Buying Activities

Trends in Awards by Classification

Top 10 NAICS Codes

HUD tracks the North American Industry Classification System (NAICS) codes with the highest cumulative dollar amounts awarded by HUD.

HUD’s Purchases

In a typical year, HUD contracts over $1 billion on a variety of services and supplies. A large proportion of the money is used to place task and delivery orders under existing contracts and to exercise options to contracts. The number of new contracts varies from year to year.

Fast Facts

24%
For FY 2017, 24% of HUD award dollars went to investment, banking and securities dealing (523110).

20%
For FY 2017, resident property management services accounted for over 20% of HUD’s total dollars awarded (531311).

16%
For FY 2017, computer-related purchases, including computer systems design services, accounted for over 16% of HUD’s total dollars awarded (541519, 541512).

What HUD buys in Headquarters

HUD’s contracting needs may vary significantly from headquarters to its field offices. At headquarters, for example, contracts and purchases primarily support headquarters programs. They include professional services such as research studies, business process re-engineering, technical assistance to HUD funding recipients and logistical support services for maintenance and supplies.

What HUD buys in the Field

The majority of HUD’s field contracts and purchases support the field program operations of the Department’s Office of Housing. Under its Single Family and Multifamily Housing programs, HUD manages, markets, and sells single and multifamily real estate properties.

Contracted services include property management, property marketing, sales closings, routine inspections and appraisals.

For the mortgage insurance programs, contracted services may include mortgage credit analysis, mortgage insurance endorsement processing, title service and underwriting analysis.

Purchases of general supplies and services to support HUD’s field offices normally do not provide any significant contracting opportunities. Most of these purchases are made with local vendors using simplified acquisition procedures.

For More Information

HUD Small Business Liaisons are authorized to act on behalf of the Office of the Chief Procurement Officer as a liaison between HUD’s Office of Small and Disadvantaged Business Utilization (OSDBU), the U. S. Small Business Administration (SBA), and small business concerns.

www.hud.gov/program_offices/sdb/sbmm
WHAT’S NEXT IN FISCAL YEAR 2018?

OSDBU kicked off FY 2018 with a vendor outreach event focused on HUD’s IT acquisition plans.

HUD INFORMATION TECHNOLOGY INDUSTRY DAY

Deputy Secretary Pamela Patenaude welcomes small businesses

On December 13, 2017, the Department hosted an IT Industry Day reinforcing HUD’s commitment to maximize contracting opportunities for small and disadvantaged businesses.

Leadership Remarks

Members of HUD’s leadership team shared with vendors their strategic vision for upcoming IT acquisition needs for the 2018 Fiscal Year.

Matchmaking

Over 200 vendors learned about HUD’s acquisition needs from HUD program, acquisition and IT staff.

OSDBU is here to serve

HUD’s OSDBU advocates for opportunities to contract with small and disadvantaged business concerns helping the Department meet its small business award goals as well as helping to strengthen communities where these small businesses are based.

Find HUD’s Procurement Forecast on OSDBU’s website and a list of HUD Small Business Marketing Managers by program office. In addition to advocacy, HUD’s OSDBU also serves as the Department’s Ombudsman for small business issues and assists with payment assistance to small business concerns.

Meet the new OSDBU Director, Jean Lin Pao. Appointed in July 2017, Ms. Pao brings decades of HUD expertise and senior executive leadership experience to this critical operational position. She is honored to lead a team of dedicated Small Business Utilization Specialists to promote and advocate for small business participation in federal contracting at HUD. Promoting small businesses not only helps build communities, it supports the US economy overall.

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