



DEPARTMENT OF THE AIR FORCE
WASHINGTON DC

OFFICE OF THE UNDER SECRETARY

AFI64-201_AFGM2016-01

5 July 2016

MEMORANDUM FOR DISTRIBUTION C
MAJCOMs/FOAs/DRUs and SAF/AQ (PEOs)

FROM: SAF/SB

SUBJECT: Air Force Guidance Memorandum to *AFI 64-201, Air Force Small Business Programs*

By order of the Secretary of the Air Force, this Air Force Guidance Memorandum (AFGM) immediately implements changes to AFI 64-201, *Air Force Small Business Programs*, dated 01 January 1997. To the extent its directions are inconsistent with other AF publications, the information herein prevails, in accordance with AFI 33-360, *Publications and Forms Management*.

In advance of a rewrite of AFI 64-201 (to be reissued as AFI 90-18X, *Special Management, Air Force Small Business Programs*), the attachments to this memorandum provide new guidance and procedures for implementation of the Air Force Small Business Programs that are effective immediately.

The guidance in this Memorandum becomes void after one year from the issued date, upon incorporation by interim change to, or a rewrite of AFI 64-201, *Air Force Small Business Programs*, whichever is earlier.

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Director, Small Business Programs
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Attachment:
Guidance Changes

Attachment **Guidance Changes**

The below changes to AFI 64-201, dated 1 Jan 1997, are effective immediately.

(Modify Existing) Preamble. Delete “It should be noted that one of the SBP, the Historically Black Colleges and Universities and Minority Institutions (HBCU/ MI), requires users to be cognizant of the US Department of Education’s current listing of accredited post-secondary minority institutions and 10 USC 2323 (a)(1)(c).”

(Replace) SUMMARY OF REVISIONS. This instruction aligns with HAF MD 1-30, *Director, Small Business Programs*, AFPD 90-18, *Small Business Programs* and AFI 33-360, *Publications and Forms Management*. It updates previous guidance on managing Office of Small and Disadvantaged Business Utilization – for DoD this is changed to Office of Small Business Programs (OSBP) per FY06 NDAA (P.L. 109-163), and incorporates updated statutory duties of the Director, Office of Small and Disadvantaged Utilization, enumerated in *the Small Business Act, 15 U.S.C. §644(k), and the FY13 National Defense Authorization Act, P.L. 112-239*). Finally, this AFGM leverages the paragraph formatting of the original AFI for traceability, but will be restructured with standard paragraph numbering in the rewrite of the AFI. The AFGM incorporates the paragraph tiering requirements per AFI 33-360 paragraph 6.6.6., reflects Attachment 1 requirements per AFI 33-360 paragraph 6.5.2., and renumbered duplicate paragraphs designated as 3.3.6.

(Replace) 1.1. SAF/SB. The Director, Office of Small Business Programs (OSBP).

1.1.1. Acts pursuant to statutory authority and is responsible for implementing and executing the functions and duties under sections 8 and 15 of the SB Act on behalf of AT&L as a ‘DoD Component Small Business Program’ and on behalf of the Secretary for the Department of the Air Force (DAF).

1.1.1.1. Is the principal advisor to the Secretary on all matters pertaining to Small Business Programs (SBPs).

1.1.1.2. Is responsible for developing, implementing, and overseeing small business policy and management of the Component’s Small Business Programs (SBPs) to ensure maximum practicable opportunities for small business prime contracts and subcontracting opportunities, including developing strategic goals and objectives for all DAF OSBPs and monitoring and communicating performance through appropriate metrics. As a DoD Component office, ensures SB goals and objectives are aligned with the DoD OSBP and the DAF’s Strategic Vision/Objectives.

1.1.1.3. Negotiates with DOD OSBP annually to obtain assigned DAF SB goals. In turn, in consultation with AF MAJCOMS, FOAs, DRUs and SAF/AQ (AFPEOs), develops DAF SB goals and associated performance expectations, and assigns and disseminates to DAF stakeholders and organizations, as appropriate. Administers and maintains the DAF SB goals and performance measurements and reports to DAF, DoD, SBA and Congress, as applicable.

1.1.1.4. Conducts periodic assessments of the DAF performance. Reports same to DoD OSBP monthly and provides input to DoD annually in support of the Small Business Administration’s (SBA) Scorecard requirements.

1.1.1.5. Represents DAF in small business policymaking via active participation on Federal-level FAR Small Business Team, DoD DFARS Small Business Sub-committee, and DAR Council activities.

1.1.1.6. Directs, oversees and manages the AF Mentor-Protégé program which requires interaction with DOD OSBP, Industry and acquisition program teams.

1.1.1.7. Monitors and assists in the implementation of all SB Programs, including Small Business Innovative Research (SBIR) and Science Technology Transfer Readiness (STTR) Programs.

1.1.1.8. Represents the DAF on information technology systems issues relating to small business and subcontracting requirements and policies, data, reports, anomalies, etc. (i.e., FPDS-NG, eSRS/FSRS, payment systems).

1.1.1.9. Executes a budget for management of the DAF OSBP, excluding SBIR/STTR funding.

1.1.1.10. Consults on a regular basis with members across the DAF, DoD, SBA, the Department of Commerce, other government agencies and Congress.

1.1.1.11. Works with the DAF Corporate structure, AF MAJCOMs, FOAs, DRUs and SAF/AQ (AFPEOs) to coordinate policy, review military and civilian efforts, monitor progress, and make recommendations on matters pertinent to the DAF's utilization of small business (prime and subcontracting) in support of mission requirements.

1.1.1.12. Early Engagement – Acquisition Planning, Market Research, Acquisition Strategy Development and Approval and SB Opportunity Forecasts:

1.1.1.12.1. Works with acquisition program teams and contracting personnel to assist in ensuring acquisition strategies are structured to facilitate small business participation throughout a programs life cycle via direct participation (prime contracts), or where such participation is not available, through subcontracting. (DODD 5000.01/E1.24)

1.1.1.12.2. Assists in acquisition planning activities to identify small business sources and assists in formulation of small business strategies; reviews and formally coordinates on acquisition plans, including supporting documentation such as market research reports, SB Set-Aside(s) determinations, F&O competition/other than F&O competition determinations, bundling and consolidation determinations, subcontracting strategies and participation requirements, including various types of subcontracting plans, sole source justifications, etc.

1.1.1.12.3. Serves as a standing member on acquisition program teams, including, but not limited to early strategy planning, Acquisition Strategy Panels (ASPs) and may serve as a member of Source Selection (SS) Advisory Councils (SSACs) and/or teams (SSTs) relative to SB Strategies and evaluations.

1.1.1.12.4. May serve on AF Multi-Functional Independent Review Teams (MIRTs) and/or OSD Peer Review Teams.

1.1.1.12.5. Oversee and maintain a DAF public Small Business website, including hosting the

Long Range Acquisition Estimate tool (LRAE) which is the source tool for acquisition teams to populate and maintain in order to satisfy statutory requirements to ensure Industry has, at a minimum, a two-year forecast of federal procurement opportunities.

1.1.1.13. Small Business Advice to Contracting Officers Regarding SB Set Asides:

1.1.1.13.1. Ensures acquisition strategies are structured to facilitate small business participation throughout a programs life cycle via direct participation (prime contracts) and where such participation is not available, through subcontracting.

1.1.1.13.2. Carries out the duties and responsibilities associated with requirements set forth in DoDD 5000.01, para E1.24; DODD 4205.01; DoDI 5134.04; AFPD 90-18; AFI 64.201; AFI 63-101 and FAR Part 19, DFARS Part 219, AFFARS Part 5319 and other FAR parts and supplements applicable to competitive and/or sole source acquisitions involving small business requirements.

1.1.1.14. Contract Consolidation & Bundling: Working with Acquisition Officials to Increase the Probability of Small Business Participation

1.1.1.14.1. Coordinates on all bundling justifications required by FAR 7.107.

1.1.1.14.2. Coordinates on all consolidation determinations and justifications required by DFARS 207.170.

1.1.1.15. Review of all Insourcing Proposals Related to Small Business Contracts:
Coordinates on all decisions to convert ‘contract work’ performed by ‘small business contractor(s)’ to that of a Federal employee or public, private partnership.

1.1.1.16. Supervisory Authority over the Small Business Workforce and appointment of SB technical advisors to support local SBA PCRs:

1.1.1.16.1. Is required statutorily to have supervisory authority over Component SB Program personnel performing functions and duties relating to sections 8, 15 and 44 of the SB Act.

1.1.1.16.2. Is established as the Component Functional Leader for Small Business Personnel. Serves with the AT&L-appointed DOD OSBP Functional Leader on a Small Business Functional IPT (FIPT) chartered to establish a Career Path for Small Business Professionals. Requires recurring engagement across all DoD OSBPs, Defense Acquisition Career Managers (DACMs), Defense Acquisition University and Human Capital Initiative points of contact.

1.1.1.17. Cooperation with the Small Business Administration:

1.1.1.17.1. Is required statutorily to assign a small business technical advisor to each office wherein SBA has assigned a PCR-- (a) who shall be a full-time employee of the procuring activity and shall be well qualified, technically trained and familiar with supplies or services purchased at the activity; and (b) whose principal duty shall be to assist the PCR in their duties and functions relating to sections 8, 15 and 44 of the SB Act.

1.1.1.17.2. Ensures field OSBP personnel engage early on small business issues with locally assigned SBA PCRs. Promotes collaborative engagement with local PCRs and SBA offices to

foster win-win outcomes throughout acquisition planning and pre-award activities.

1.1.1.17.3. Ensures field OSBP personnel elevate small business matters and issues timely whenever they cannot be resolved with locally assigned SBA PCRs, Area SBA offices and/or District Offices. In the event of elevation, the Component Office (SAF/SB) will work directly with HQ SBA, HAF stakeholders and the local activity stakeholders to determine the best way forward in resolving the mater(s).

1.1.1.18. Assists Small Businesses in Obtaining Payments:

Assists small business concerns in obtaining payments, required late payments and interest penalties or information regarding payments based on small business contractor inquires/concerns.

1.1.1.19. Receipt of Unsolicited Proposals: Ensures unsolicited proposals of small business concerns are handled timely in accordance with AFFARS Mandatory Procedures 5315.606.

1.1.1.20. Secretarial Appeals: Receives Secretarial-level appeals from SBA on small business matters and formulates the SECF's response.

1.1.1.21. Small Business Training:

1.1.1.21.1. Provides training to small business concerns and contract specialists, inclusive of acquisition program teams so long as such training does not interfere with the OSBPs primary duties.

1.1.1.21.2. Establishes a tracking system for SB Training provided pursuant to above paragraph. Tracking shall be on a fiscal year basis, including the amount and percentage of the DAF OSBP(s) budget used in support of said training, broken out separately for training provided to Industry and/or Government acquisition and contracting personnel.

1.1.1.22. Air Force Awards Program: Sponsors and administers the Secretary of the Air Force Small Business Awards Program as described in AFI 36-2834, *Small Business Awards Program*

1.1.1.23. Air Force Small Business Outreach Program:

Plans and carries out a coordinated system for promoting an outreach effort with local, state, regional and/or national community interest, inclusive of local/state civic leaders, governments and organizations, members of Congress and Industry to express DoD/AF procurement needs/requirements for purposes of finding sources/matching DoD/AF requirements to Industry capabilities, and for acquisition planning activities/events related to acquiring said goods and services via a variety of Federal procurement methods.

1.1.1.24. SBA Scorecard (Report Control Symbol (RCS) DD-AT&L (SA) 2343).

1.1.1.25.1. Follows SBA Annual Scorecard Criteria and guidelines at:

<http://www.sba.gov/aboutsba/sbaprograms/goals/index.html>, and as supplemented by DoD SB Program Office.

1.1.1.25.2. On a fiscal year basis, solicits mid-term and annual SB Program initiatives and achievements through the AF MAJCOMs, FOAs, DRUs and SAF/AQ (AFPEOs) assigned

SB Directors to prepare and submit a consolidated DAF Scorecard report input for DoD OSBP's use in submission of the annual DoD Scorecard Report to SBA. [Mid-term Period: 1 Oct through 30 Mar; Annual Period: 1 Oct through 30 Sep. Report submissions due to Component OSBP (SAF/SB) 45 calendar days after the end of each mid-term and annual period.]

(Replace) 1.2. SAF/AQ. The Assistant Secretary of the Air Force (Acquisition) supports the DAF Small Business programs and SAF/SB in many areas, including but not limited to acquisition programs and initiatives with SAF/AQ and the AFPEOs, small business acquisition workforce matters, functional leader assistance and FIPT support for AT&L SB Workforce transformation and assistance in implementing SB acquisition policy, as appropriate.

(Replace) 1.5. HQ USAF/A1. The Deputy Chief of Staff for Manpower and Personnel develops, manages, and reports manpower in all personnel programs/systems, including the DAF OSBP, and ensures that subordinate commands establish points of contact to oversee related manpower and personnel matters involving DAF field OSBP personnel, as appropriate. The Air Force Personnel OPR for is HQ USAF/A1C.

(Added) 1.6. AF/DPS. On an annual basis, assist SAF/SB and Senior Leaders, as necessary, to ensure legal mandates for Senior Leaders (small business-related appraisal criteria) are properly accounted for in qualifying Senior Leader appraisals and evaluations.

(Modify) 2. MAJCOM, FOA, DRU and SAF/AQ (AFPEO). Oversee field level small business command and reporting activity functions **(T-1)**.

(Replace) 2.1. Commanders (Head of Activity) of MAJCOM, FOA, DRU, and SAF/AQ (AFPEOs) with delegated Contracting Authority (PGI 202.101):

(Modify) 2.1.1. Implement the SBP within their activities, including the identification of program goals. Ensure that acquisition and technical personnel maintain knowledge of SBP requirements and take all reasonable actions to promote SB participation in the Activity's mission **(T-1)**.

(Modify) 2.1.2. Appoint in writing a full-time MAJCOM, FOA, DRU and/or SAF/AQ (AFPEO) Director of Small Business (DSB) for the Activity in consultation with SAF/SB. The candidate may be eligible for appointment to the position if they possess the business acumen, knowledge of acquisition policies and procedures, training and background to accomplish the small business program. A minimum APDP Level II in contracting is required to qualify for a SBS position; APDP Level III in contracting is required for DSB positions given the greater degree of acquisition and program complexity. The candidate meeting the minimum qualification requirements and successfully completing required DAU Small Business Courses (CON 260A and CON 260B) may be appointed. Provide the signed Letter of Appointment with copies of the completed DAU course certificates to SAF/SB for issuance of Component Director's Certification of Eligibility **(T-1)**.

(Modify) 2.1.3. The Activity DSB manages the overall activity SB program, reports directly to the commander (Head of the Activity), must be a member of the acquisition corps, APDP Level III in Contracting or Acquisition Program Management and be at a grade commensurate with the Commanders other staff Directors for effective advocacy, management and oversight of the SBP, including interactions with subordinate units, higher headquarters, external agencies, members of Congress, civic leaders and Industry (see paragraph 2.2.) **(T-1)**.

(Modify) 2.1.4. Establish an Activity OSBP for the command DSB with optimum staff and budgetary resources to perform all SBP statutory and regulatory functions and duties **(T-1)**.

(Modify) 2.1.5. Waiver Requests: The Director of the Component OSBP (SAF/SB) may grant a waiver to the full-time DSB requirements as depicted in this section 2.1. Waiver requests must be in writing and will be approved by SAF/SB for up to a 12-month period only. Waiver requests for subsequent 12-month periods may be submitted within the Activity's annual OSBP assessment report (see Attachment 2). Waiver request procedures are as follows: (1) Appointing officials provide written justification to SAF/SB through the activity DSB, (2) Waiver requests shall include a general description of what the activity buys, historical data showing small business initiatives and achievements over the most recent three-year period, including assigned SB prime contract goals and percent achieved (overall SB and each socio-economic category), a description of the activities successes in compliance with small business requirements, and an explanation of how the statutory and regulatory functions and duties will be carried out fully on a part-time basis. **Please note:** In cases where SAF/SB approves a waiver request, the duties of the part-time DSB must take precedence over all other duties, and (3) Disposition of the waiver request will be provided within ten (10) business days after receipt by SAF/SB **(T-1)**.

(NEW) 2.1.6. Termination Procedures. Termination authority resides with the Director, Component OSBP and shall be worked in consultation with the Head of the Activity for the MAJCOM, FOA, DRU and/or SAF/AQ (AFPEO) in the event of proposed termination of an Activity DSBs. For DSBs and/or SBSs residing below the command level, the Component OSBP will work through the command DSB and the Head of the Activity for MAJCOM, FOA, DRU and/or SAF/AQ (AFPEO) activities. Terminations may be voluntary (elective reassignments/promotions as desired by incumbent; separation, retirement), involuntary (unsatisfactory performance). No termination shall operate retroactively **(T-1)**.

(Replace) 2.2. Command Director of Small Business. The command DSB, appointed and certified under paragraph 2.1. above, manages the command OSBP on behalf of the commander and in support of the Component OSBP. At a minimum, the command DSB shall perform the following functions:

(Modify) 2.2.1. Develop command small business mandatory procedures and/or

informational guidance for local, mission unique requirements, as appropriate **(T-2)**.
[Note: Where Air Force-wide applicability applies, command DSBs shall defer to and work with the Component OSBP for development of Air Force-wide SB Policy, as appropriate.]

(Modify) 2.2.2. Develops and manages the command Unit SB Plan to achieve the command goals and objectives (see Attachment 2.) The plan shall be approved and signed by the appointing authority and forwarded to the Component OSBP: *Attention: SAF/SB (Insert Director Name)* **(T-2)**.

(Modify) 2.2.3. Prepares and presents to the Component OSBP, a mid-term and annual SB assessment of the command's performance (see paragraph 1.1.1.25.2.) using the SBA Scorecard criteria and the template herein, Attachment 3 **(T-2)**.

(Modify) 2.2.4. Reviews and provides recommendations on proposed performance elements, standards, and appraisals for subordinate unit DSBs and SBS **(T-2)**.

(Modify) 2.2.5. Establishes and maintains a system for monitoring performance **(T-2)**.

(Modify) 2.2.6. Prepares, reviews, and/or coordinates the command position on Section 8(a), SB set-aside, and certificate of competency and secretarial appeals before forwarding to the Component OSBP Director (SAF/SB) **(T-2)**.

(Modify) 2.2.7. Represents command OSBP on behalf of the commander and the Component OSBP when sponsoring, speaking or teaching at procurement and/or Industry outreach events and conferences. Establish, maintain, and budget for Industry outreach programs to locate sources and match industry capabilities to warfighting needs. The outreach program may include participation in procurement, DoD regional SB councils and related events. Maintain a system for evaluating the effectiveness of the outreach program in identifying / producing new sources and/or in identifying barriers to entry. Work to improve internal acquisition processes and policies to eliminate the barriers for increased small business opportunities and utilization **(T-2)**.

(Modify) 2.2.8. Evaluates and provides for the SB training needs of command personnel, inclusive of establishing a tracking mechanism as stated in paragraph 1.1.1.21.2. above **(T-2)**.

(Modify) 2.2.9. Serves on ad hoc teams and assists the Director (SAF/SB) in strategic planning initiatives to ensure consistency across Component OSBP **(T-2)**.

(Modify) 2.2.10. Manages the command small business awards program in accordance with AFI 36-2834 and submits command award recipients to SAF/SB for further competition at the Secretarial level **(T-2)**.

(Deleted) 2.3. Command HBCU/MI Representative.

(Modify) 3. Installations and/or Units with Delegated Contracting Authority.

(Replace) 3.1. Commanders of Installations and/or Units with Annual Contract Obligations in Excess of \$100M:

3.1.1. See paragraphs 2.1.1. through 2.1.6, which apply for this section in total, except where DSB occurs, substitute with SBS.

(Modify) 3.2. Commanders of Units with Contracting Authority NOT included in paragraphs 2.1 or 3.1. Commanders of these units have the responsibilities identified in paragraph 3.1. with the following *EXCEPTION: These commanders may appoint part-time unit SBS to manage their SB programs.* The part-time SBS shall be appointed in writing and must be certified as eligible by the Component OSBP (SAF/SB) as previously stated in paragraphs 2.1.1 through 2.1.6. Each of these part-time SBSs shall be at a grade level permitting effective advocacy, management and oversight of the unit's SB programs and in a position no lower than the Director of Business Operations **(T-3)**.

(Modify) 3.3. Unit Small Business Specialist (SBS). The unit SBSs appointed in paragraphs 3.1. and 3.2., perform the following functions:

(Modify) 3.3.1. Develop and manage the Unit SB Plan and program (see Attachment 2). The plan shall be approved and signed by the appointing authority and submitted to the designated command DSB **(T-3)**.

(Modify) 3.3.2. Establish and maintain a system for monitoring unit SB program performance. Prepare a mid-term and annual report input through the command DSB (see paragraph 1.1.1.25.2 and Attachment 2 and 3) **(T-3)**.

(Modify) 3.3.3. Review acquisitions as required by DFARS 219.201 and as supplemented by AFFARS **(T-3)**.

(Modify) 3.3.4. Represents Unit on behalf of the commander, command and the Component OSBP when sponsoring, speaking or teaching at procurement and/or Industry outreach events and conferences. Establish, maintain, and budget for Industry outreach programs to locate sources and match industry capabilities to warfighting needs. The outreach program may include participation in procurement, DoD regional SB councils and related events. Maintain a system for evaluating the effectiveness of the outreach program in identifying / producing new sources and/or in identifying barriers to entry. Work to improve internal acquisition processes and policies by eliminating barriers for increased small business opportunities and utilization **(T-3)**.

(Modify) 3.3.5. Assists contracting officer where non-responsibility determinations and termination actions are being considered relative to small business contracts and subcontracting **(T-3)**.

(Modify) 3.3.6. Works closely with and assists the unit competition advocate to maximize opportunities at the small business and socio-economic subcategory levels to maximum extent practicable **(T-3)**.

(Modify) 3.3.7. Perform the SBP statutory and regulatory duties, including those set forth by DFARS 219.201 and PGI 219.2, and support the enhancement of SB contracting opportunities **(T-3)**.

(Deleted) 4. Air Force Small Business Quality Council (AFSBQC).

(Replace) 5. Unit SB Plan and Program Assessment Report.

The strategic goals and objectives, as defined in the Air Force SB Plan, influence the actions taken by activity personnel in support of the Air Force's mission. Therefore, the Unit SB Plan and supporting initiatives shall formally promulgate the Air Force SB Plan (Attachment 2). The Small Business Assessment report describes an activity's qualitative and quantitative achievements in pursuit of the goals and objectives published in the Air Force SB Plan (Attachment 3).

(Added) Attachment 1
GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

10 USC 2323 (a)(1)(c) , *U.S. Code, Contract goal for small disadvantaged businesses and certain institutions of higher education*

AFFARS Part 5319, *Air Force Federal Acquisition Regulation Supplement, Small Business Programs*

AFI 33-360, *Publications and Forms Management*

AFI 36-2834, *Small Business Awards*

AFI 63-101, *Integrated Lifecycle Management*

AFPD 90-18, *Small Business Programs*

FAR Part 7, *Federal Acquisition Regulations, Acquisition Planning*

FAR Part 19, *Federal Acquisition Regulations, Small Business Programs*

FAR parts and supplements

FY13 National Defense Authorization Act, P.L. 112-239

DFARS Part 219, *Defense Federal Acquisition Regulation Supplement, Small Business Programs*

DODD 4205.01, *DOD Small Business and Small Disadvantaged Business Utilization (SADBU) Programs*

DODD 5000.01, *Department of Defense Directive, The Defense Acquisition System*

DODI 5134.04, *Director of Small and Disadvantaged Business Utilization*

HAF MD 1-30, *Headquarters of the Air Force Mission Directive, Director, Office of Small Business Programs of the Department of the Air Force*

PGI 202, *Procedures, Guidance and Information, Definitions of Words and Terms The Small Business Act of 1953*

Abbreviations and Acronyms

AFPEO—Air Force Program Executive Office

AFSBQC—Air Force Small Business Quality Council

APDP—Acquisition Professional Development Program

ASP—Acquisition Strategy Panels

AT&L—Acquisition, Technology & Logistics

CON—Contracting, designation used for contracted related listed DAU courses.

DAF—Department of the Air Force

DAU—Defense Acquisition University

DFAR—Defense Federal Acquisition Regulation

DoD OSBP—Department of Defense Office of Small Business Programs

DPS—Design and Performance Specification

DRU—Direct Reporting Unit

DSB—Director of Small Business
eSRS—electronic Subcontracting Reporting System
FAR—Federal Acquisition Regulations
FIPT—Functional Integrated Process Team
F&O—Full and Open
FOA—Forward Operating Agency
FPDS-NG—Federal Procurement Data System—Next Generation
FSRS—Functional Security Requirements Specifications
HAF—Headquarters Air Force
HBCU/MI—Historically Black Colleges and Universities and Minority Institutions
LRAE—Long Range Acquisition Estimate
MAJCOM—Major Command
MD—Mission Directive
MIR—Multi-Functional Independent Review Teams
PCR—Publication Change Request
PGI—Procedures, Guidance and Information
RCS—Regulations, Codes and Standards
SADBU—Small Business and Small Disadvantaged Business Utilization
SAF—Secretary of the Air Force
SBA—Small Business Administration
SBIR—Small Business Innovation and Research
SBP—Small Business Program and Small Business Professional
SBS—Small Business Specialist
SS—Source Selection
SSAC—Source Selection Advisory Councils
SST—Source Selection Teams
STTR—SBIR (Small Business Innovative Research) and Technology Transfer Research

Terms

Activity Director of Small Business (DSB)—Reports directly to the commander (Head of the Activity) and on behalf of the commander manages the overall activity SB program for the MAJCOM, DRU, FOA, or WG. Also referred to as the field Director of Small Business Programs and serving in an AF Small Business senior leadership role.

Annual Scorecard (Program Assessment Report)—The SBA levies an annual Scorecard requirement with delineated criteria for all federal agencies. The DOD flows this requirement to their DOD Components, as a result SAF/SB flows the request for information to each MAJCOM, DRU and FOA for their inputs in an effort to roll-up a comprehensive AF perspective back to the DOD.

Component—The Head Secretary of Military Department or other Defense Agency who

appoints a component level Director of Small Business programs which reports to the Secretary or second in command and performs SB program management duties exclusively. Also referred to as Director of Small Business Programs or SAF/SB.

Head of the Contracting Activity—The commander, director, or other designated official who has overall responsibility for an organization, command, or major subordinate element that has contracting authority. This is not the senior contracting official. Also referred to as the Head of Activity.

Strategic Plan—The HAF, MAJCOM, DRU, FOA, WG, and CONS strategic goals and objectives, as defined in the Air Force Program Strategic Plan. Annually, OUSD and SAF/SB collaborate with the DSB to establish realistic goals and objectives that align to each organization's mission.

Small Business Professional (SBP)—Individuals assigned to the SB career field who perform SBP duties/functions related to the Small Business Act in support of an office of Small Business Programs.

Second in Command—The Under Secretary of the Air Force, Deputy Commander, Executive Director, or other designated individual who reports directly to the DOD Component Head or field level commander.

Unit Small Business Specialist (SBS)—Synonyms with Small Business Professional.

(Modify) Attachment 2
SAMPLE FORMAT AND INSTRUCTIONS--UNIT SB PROGRAM PLAN

I. EXECUTIVE SUMMARY:

Summarize key features of your plan to meet your Fiscal Year Performance Expectations and Small Business Goals. This section should condense key information from the rest of the plan to five pages or less, including key points the commander wants to emphasize to the Secretary of the Air Force and Congress.

II. PLAN TO ACHIEVE GOALS AND OBJECTIVES:

Describe your implementation approaches to use Small Business opportunity forecasts and the Long Range Acquisition Estimate (LRAE) tool to meet your Performance Expectations and SB Goals. Discuss how your Commander plans to leverage our new Senior Leader SB performance evaluation elements, SB outreach opportunities, the Small Business Dashboard and associated data sets and tools to accomplish this. Additional initiatives should be tracked at the unit and/or command level.

III. METRICS (MARKET SHARE):

SAF/SB will work with your organization determine a reasonable SB Performance Expectation and SB Goal for the following Fiscal Year.

IV. PROGRAM ANNEXES:

Attach supporting plans in the above format. (**NOTE:** Annual revisions will be tailored in accordance with White House, Congressional, and/or related taskings and items of emphasis).

(Modify) Attachment 3

**SAMPLE FORMAT AND INSTRUCTIONS--SMALL BUSINESS PROGRAM
ASSESSMENT REPORT (RCS: SAF-SB(A)9484)**

I. EXECUTIVE SUMMARY:

Summarize fiscal year performance on no more than five pages. Include key points the Commander wants to emphasize to the Secretary of the Air Force.

II. QUALITATIVE ACHIEVEMENTS: Describe fiscal year accomplishments for your Small Business Performance Expectations and Small Business Goals. If Performance Expectations and/or Small Business goals were not met, provide rationale. Focus on the following categories as outlined in the SBA Scorecard Success Factors:

1. Commitment to Small Business utilization
2. Effective engagement of senior level management in achieving small business performance expectations & goals
3. Outreach to Small Businesses
4. Training for acquisition and contracting staff regarding small business rules, regulations and/or data systems
5. Commitment to expanding subcontracting opportunities for small businesses
6. Contract bundling challenges (to include Public-Public, Private-Private (P4) Initiatives) and your organization's efforts to minimize the negative impacts on small business contract opportunities

III. QUANTITATIVE PERFORMANCE: Using data provided by SAF/SB regarding your organization's accomplishments (i.e., SB Dashboard), describe quantitative achievements related to most recent fiscal year Small Business Performance Expectations and Goals. If Small Business Performance Expectations and Goals were not met, provide rationale.

IV. SUCCESS STORIES: Provide examples of significant: (1) accomplishments in support of the SBP by individuals or organizations; (2) examples of small businesses saving the Air Force money, providing superior performance and/or providing innovative solutions to satisfy Air Force requirements. Success stories should have also been previously submitted using the process and templates located on the AF Small Business Website (link on SB Dashboard also). (**NOTE:** Annual revisions will be tailored in accordance with White House, Congressional, and/or related taskings and items of emphasis)

(Delete) Attachment 3.

1 JANUARY 1997



Contracting

SMALL BUSINESS PROGRAMS

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

NOTICE: This publication is available digitally on the SAF/AAD WWW site at: <http://afpubs.hq.af.mil>. If you lack access, contact your Publishing Distribution Office (PDO).

OPR: SAF/SB
(Mr Pat Hiller)
Supersedes AFI 64-201, 25 July 1994.

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This instruction implements AFPD 64-2, *Small Business Programs*, by directing requirements for the Air Force's small business programs (SBP). It applies to personnel involved in the acquisition process (including program management, technical development, engineering, requirements, contracting functions, and research and development) and the personnel process (such as education, training, and recruitment). It applies to those elements of the Air National Guard who are currently serving in a Federal or active duty role. To ensure a better understanding of the small business programs' requirements, users must refer to Federal Acquisition Regulations (FAR), Parts 19 and 26; Defense Federal Acquisition Regulation Supplement (DFARS), Parts 219 and 226; Air Force Federal Acquisition Regulation Supplement (AFFARS), Part 5319; Department of Defense (DOD) Directive 4205.1, *DOD Small Business and Small Disadvantaged Business Utilization (SADBU) Programs*, September 11, 1996; and DOD Directive 5134.4, *Director of Small and Disadvantaged Business Utilization*, March 17, 1989. It should be noted that one of the SBP, the Historically Black Colleges and Universities and Minority Institutions (HBCU/MI), requires users to be cognizant of the US Department of Education's current listing of accredited post-secondary minority institutions and 10 USC 2323 (a)(1)(c).

SUMMARY OF REVISIONS

This document is substantially revised and must be completely reviewed.

This instruction aligns with AFPD 64-2. It updates, streamlines, and clarifies previous guidance on managing small business programs, giving greater emphasis to the role of personnel and major command (MAJCOM) commanders. This instruction has been revised throughout.

1. Office of the Secretary of the Air Force. This office will oversee Air Force Secretariat functions.

1.1. SAF/SB. The Director of the Office of Small and Disadvantaged Business Utilization:

- Is the principal advisor to the Secretary on all SBP (small, small disadvantaged, and women-owned businesses and HBCU/MI).
- Develops, implements, and oversees policy and management of the Air Force small business programs (SBP). As chair of the Air Force Small Business Quality Council (AFSBQC) the Director acts on recommendations made by the AFSBQC; develops strategic goals and objectives for the SBP; monitors performance through established metrics, as defined in the Air Force SB and HBCU/MI Program Plan; and performs an annual assessment of each program's accomplishments. Develops, implements, and oversees policy and management of the Air Force small business programs (SBP). As chair of the Air Force Small Business Quality Council (AFSBQC) the Director acts on recommendations made by the AFSBQC; develops strategic goals and objectives for the SBP; monitors performance through established metrics, as defined in the Air Force SB and HBCU/MI Program Plan; and performs an annual assessment of each program's accomplishments. (**NOTE:** AFSBQC assists in the development and deployment of the strategic planning process, and oversees the implementation and management of total quality management concepts within the Air Force SB programs.)
- Reviews and provides recommendations on proposed performance elements, standards, and appraisals for command directors of small business (DSB) who serve as principal staff assistants and advisors to the commanders of MAJCOM, Field Operating Agencies (FOA), Direct Reporting Units (DRU), and Program Executive Officers (PEO).
- Receives and formulates the Secretary of the Air Force's response to Small Business Administration's secretarial appeals.
- Carries out the duties and responsibilities outlined in FAR Part 19, DFARS Part 219, and AFFARS Part 5319.
- Establishes and chairs the US Air Force HBCU/MI Board of Advisors comprised of executives who represent HBCU/MI. Their role is to advise and recommend on policies, procedures, needs assistance, and outreach services which are commensurate with term appointments of two years and consecutive terms limited to six years.
- Consults on a regular basis with Air Force and Department of Defense acquisition managers, representatives of the Small Business Administration, the Department of Commerce, and other government agencies.
- Establishes the US Air Force Steering Committee for HBCU/MI at Headquarters, Air Force to coordinate policy, review military and civilian efforts, monitor progress, and make recommendations on matters pertinent to the Air Force's use of HBCU/MI in support of mission requirements. The committee will be chaired by the HBCU/MI Program Manager, and its membership will be comprised of Secretariat and Air Staff representatives at grade levels sufficient to communicate current principles and policies of their respective codes, as follows:

ASAF/Financial Management and Comptroller (SAF/FM)

ASAF/Acquisition (SAF/AQ)

ASAF/Manpower, Reserve Affairs, Installations, and Environment (SAF/MI)

Public Affairs (SAF/PA)

Legislative Liaison (SAF/LL)

DCS/Personnel (HQ USAF/DP)

DCS/Plans and Operations (HQ USAF/XO)

DCS/Logistics (HQ USAF/LG)

DCS/Communications and Information (HQ USAF/SC)

Chief of Air Force Reserve (HQ USAF/RE)

National Guard Bureau (NGB/CC)

Surgeon General (HQ USAF/SG)

1.2. SAF/AQ. The Office of the Deputy Assistant Secretary for Contracting implements contracting aspects of the SBP through promulgation in the FAR, DFARS, and AFFARS.

1.3. SAF/FM. The Office of the Deputy Assistant Secretary of Budget implements budget policy matters for the SBP.

1.4. SAF/PA. The Office of Public Affairs disseminates public information for the SBP.

1.5. HQ USAF/DP. The Deputy Chief of Staff for Personnel develops, manages, and reports HBCU/MI participation in all personnel programs and ensures that subordinate commands establish points of contact to oversee HBCU/MI issues which involve personnel programs. The Air Force Personnel OPR for HBCU/MI program initiatives is HQ USAF/DPCH.

2. MAJCOM, FOA, DRU, and PEO. Oversee SB and HBCU/MI command and reporting activity functions.

2.1. Commanders of MAJCOM, FOA, DRU, and PEO with Delegated Contracting Authority:

- Implement the SBP within their activities, including the identification of program goals. Ensure that acquisition and technical personnel maintain knowledge of SBP requirements and take all reasonable actions to promote SB and HBCU/MI participation in the unit's mission.
- Appoint in writing a full-time command director of small business (DSB) in consultation with SAF/SB. The command DSB manages the SB program, reports directly to the commander on SB program matters, and is at a grade level sufficient to interface with other staff functions and subordinate units (see paragraph 2.2.).
- Appoint in writing the command, part-time HBCU/MI representative in consultation with SAF/SB. The command HBCU/MI representative reports directly to the commander on HBCU/MI matters and is at a grade level sufficient to interface with other staff functions and subordinate units (see paragraph 2.3.).
- Provide the command DSB and HBCU/MI representative with optimum staff and resources to perform their functions.

NOTE:

The Director, SAF/SB, may grant a waiver to the requirements of paragraph 2.1. upon receipt of adequate justification. In cases where SAF/SB grants a waiver, the duties of the DSB take precedence over all other duties.

2.2. Command Director of Small Business. The command DSB, appointed under paragraph 2.1., manages the command SB program on behalf of the commander. At a minimum, the command DSB will perform the following functions:

- Develops command Federal Acquisition Regulation Supplement coverage for Parts 19 and 26.
- Develops and manages, with the assistance of the HBCU/MI representatives, the command SB and HBCU/MI Program Plan to achieve the command goals and objectives (see paragraph 5.) The plan is approved and signed by the appointing authority, or reporting official, and forwarded to the Director, SAF/SB.
- Prepares and presents to the Director, SAF/SB, an annual SB assessment of the command's performance measured against the goals defined in the SB section of the Air Force SB and HBCU/MI Program Plan (see paragraph 5.).
- Reviews and provides recommendations on proposed performance elements, standards, and evaluations for unit small business specialists (SBS).
- Establishes and maintains a system for monitoring performance.
- Prepares, reviews, and/or coordinates the command position on Section 8(a), SB set-aside, and certificate of competency secretarial appeals before forwarding to the Director, SAF/SB.
- Schedules command representation at procurement and outreach conferences in accordance with Air Force FAR Supplement 5319.201(d)(v).
- Evaluates and provides for the SB training needs of command personnel.
- Serves as command representative to the AFSBQC, at the request of the Director, SAF/SB.
- Manages the small business awards program in accordance with AFI 36-2834.

2.3. Command HBCU/MI Representative. The command HBCU/MI representative, appointed under paragraph 2.1., manages the command's HBCU/MI program on behalf of the commander. At a minimum the representative will perform the following functions:

- Develops and manages the requirements identified in the HBCU/MI section of the Air Force SB and HBCU/MI Program Plan, prepares goals and objectives for incorporation in the HBCU/MI section of the command's SB and HBCU/MI Program Plan, and provides that information to the DSB or reporting official (see paragraph 5.).
- Prepares and presents to the Director, SAF/SB, an annual performance assessment of the command HBCU/MI program measured against the published goals included in the Air Force SB and HBCU/MI Program Plan (see paragraph 5.).
- Establishes and maintains a system for monitoring program performance.
- Participates annually in two or more Air Force conferences and/or workshops which address current issues on HBCU/MI.
- Recommends appropriate individual or unit recognition for conspicuous performance in support of the HBCU/MI initiatives (see AFI 36-2834).

3. Units With Delegated Contracting Authority.

3.1. Commanders of Units with Annual Contract Obligations to US Business Firms in Excess of \$100 Million:

- Implement the SBP within their unit, including the establishment of program goals. Ensure that contracting and technical personnel maintain knowledge of SBP requirements and take all reasonable actions to promote SB and HBCU/MI participation.
- Appoint a full-time unit SBS who manages the SB program for the commander and, at a minimum, a part-time HBCU/MI representative to manage the HBCU/MI program (see paragraphs 3.3 and 2.3., respectively). In consultation with the Director, SAF/SB, the unit SBS and HBCU/MI representatives are appointed in writing. The SBS and HBCU/MI representatives report directly to the commander on SB and HBCU/MI matters, respectively, and are at a grade level sufficient to effectively manage the unit SB and HBCU/MI programs. When adequate justification is presented, this requirement may be waived. Where a waiver is granted, SB program functions take precedence over all other duties. **For example:** If the SBS is less than full-time, make clear how the SBP is to be effectively managed. If the SBS reports to someone other than the commander, justify why this channel of command is more effective.
- Provide the SBS optimum staff and resources to perform assigned duties or functions.
- Provide staff assistance, as required, to the HBCU/MI representative.

3.2. Commanders of Units with Contracting Authority and not included in paragraphs 2.1 or 3.1. Commanders of these units have the responsibilities identified in paragraph 3.1. **EXCEPTION:** These commanders may appoint part-time unit SBS and HBCU/MI representatives to manage their SB and HBCU/MI programs, respectively. The SBS and HBCU/MI representatives shall be appointed in writing and, when performing their respective program duties, they report directly to the commander. For that reason, each of the incumbents shall be at a grade level that permits effective management of the unit's SB or HBCU/MI programs and in a position no lower than the Director of Contract Operations.

3.3. Unit Small Business Specialist. The unit SBS appointed in paragraphs 3.1. and 3.2., performs the following functions:

- Develops and manages the unit SB plan and program. The plan shall be approved and signed by the appointing authority, or reporting official, who provides a copy of the plan to the command DSB, or designated SBS, at the next higher level of command.
- Establishes and maintains a system for monitoring unit SB program performance. Prepares an annual assessment of accomplishments (see paragraph 5.).
- Reviews acquisitions as required by DFARS 219.201, as supplemented by AFFARS.
- Establishes, maintains, and budgets for an outreach program to locate and assist SB sources. The outreach program includes participation in procurement, regional SB councils, and related events as directed by the unit commander. Maintains a system for evaluating the effectiveness of the outreach program in producing new sources.
- Assists the contracting officer, in cases involving SB, where non-responsibility determinations and termination actions are being considered.
- Works closely with and assists the unit competition advocate to ensure that potential SB and 8(a) opportunities are thoroughly explored.
- Performs, to the extent deemed appropriate by the appointing authority, or the Director, SAF/SB, the duties set forth by DFARS 219.201 and DOD Directive 4205.1 and supports the enhancement of HBCU/MI contracting opportunities.

3.4. Source Development Specialist (SDS). At the Air Logistics Centers (ALC) the SDS is assigned within selected unit SB offices and is under the direct supervision of the unit SBS. The SDS manages the source development function of the SB program. In accomplishing the source development responsibilities, the SDS acts as the primary liaison with industry on all requests for source approval. The SDS monitors source approval requests; participates in source development surveys; performs market surveys, to include the initiation of source sought synopses, for publication in the Commerce Business Daily; and other electronic data networks.

3.5. Small Business Liaisons (SBL). SBL is assigned and serves as the focal point at the requirement activity within each command. The requirement activity appoints the SBL in writing. The SBL supports the command DSB and/or unit SBS, as appropriate, in managing the program.

4. Air Force Small Business Quality Council (AFSBQC). The AFSBQC assists the Director, SAF/SB, in the development and deployment of the strategic planning process. The AFSBQC oversees the implementation and management of total quality management concepts within the Air Force SB programs. The AFSBQC is composed of selected command DSB and unit SBS who are appointed to the council by the Director, SAF/SB.

5. Unit SB and HBCU/MI Program Plan and Program Assessment Report.

5.1. The strategic goals and objectives, as defined in the Air Force SB and HBCU/MI Program Plan, influence the actions taken by activity personnel in support of the Air Force's mission. Therefore, the unit SB and HBCU/MI Program Plan and supporting plans shall formally promulgate the Air Force SB and HBCU/MI Program Plan by statements of actions to be taken (see **Attachment 1** for format and **Attachment 3** for milestones).

5.2. The *Small Business and HBCU/MI Program Report*, RCS: SAF-SB(A)9484, describes an activity's qualitative and quantitative achievements in pursuit of the goals and objectives published in the Air Force SB and HBCU/MI Plan (see **Attachment 2** for format and **Attachment 3** for milestones). **NOTE:** This report is designated emergency status Code C-2, therefore, continue reporting during emergency conditions with normal precedence, i.e., after submission of priority reports, submit data requirements for this code.

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Business Utilization

Attachment 1

SAMPLE FORMAT AND INSTRUCTIONS--UNIT SB AND HBCU/MI PROGRAM PLAN

I. EXECUTIVE SUMMARY: Summarize key features of your strategic planning. This section should condense key information from the rest of the plan to one page or less, including key points the commander wants to emphasize to the Secretary of the Air Force.

II. PLAN TO ACHIEVE GOALS AND OBJECTIVES: Describe your implementation approaches to execute the strategic goals and objectives, including the means for accomplishment and associated metrics. Additional initiatives beyond those identified in the plan should be tracked at the unit and/or command level.

III. METRICS (MARKET SHARE): For contract dollar obligations to small business, small business set-asides, small disadvantaged business, women-owned business, and historically black colleges and universities/minority institutions (HBCU/MI) provide the following information (**NOTE:** In the case of HBCU/MI, total obligations are for contracts and grants awarded to institutions of higher education (IHE)):

(a) Show the previous two years total obligations to US business concerns and compare these data with projected, current fiscal year data in both dollars and percent. For the same periods show comparable data relationships in both dollars and percent for IHE and HBCU/MI.

(b) For the baseline participation level (BPL), provide dollar and percentage projections, assuming low to moderate risk for the next three fiscal years (**NOTE:** BPL projections, less than the prior two fiscal years, must be supported by adequate justification).

(c) For the target participation level (TPL), provide dollar and percentage projections, assuming moderate to high risk for the next three fiscal years.

IV. PROGRAM ANNEXES: Attach supporting plans in the above format. (**NOTE:** Annual revisions will be tailored in accordance with White House, Congressional, and/or related tasking and items of emphasis).

Attachment 2

SAMPLE FORMAT AND INSTRUCTIONS--SMALL BUSINESS AND HBCU/MI PROGRAM ASSESSMENT REPORT (RCS: SAF-SB(A)9484)

I. EXECUTIVE SUMMARY: Summarize fiscal year performance on no more than one page. Include key points the commander wants to emphasize to the Secretary of the Air Force.

II. QUALITATIVE ACHIEVEMENTS: Describe fiscal year accomplishments for each strategic goal. If goals were not met, provide rationale.

III. QUANTITATIVE PERFORMANCE: Describe quantitative achievements related to most recent fiscal year goals. If goals were not met, provide rationale.

IV. SUCCESS STORIES: Provide examples of significant accomplishments in support of the SBP. (NOTE: Annual revisions will be tailored in accordance with White House, Congressional, and/or related tasking and items of emphasis)

Attachment 3

STRATEGIC PLANNING MILESTONES

OPR	TASK	DATE DUE
MAJCOM/PEO	SUBMIT DIAGNOSTIC AND PROGRAM ASSESSMENT REPORT AND PAST FISCAL YEAR'S DIAGNOSIS	FEB
SAF/SB	IDENTIFY GOAL THRUSTS	FEB
WORKSHOP	DEVELOP DRAFT GOALS	FEB
SMALL BUSINESS QUALITY COUNCIL	REVIEW DRAFT GOALS	MAR
HBCU/MI BOARD OF ADVISORS	REVIEW STRATEGIC GOALS AND OBJECTIVES AND IDENTIFY OUTREACH OPPORTUNITIES	MAR
SAF/SB	RELEASE STRATEGIC GOALS AND OBJECTIVES TO EACH MAJCOM AND PEO	MAY
MAJCOM & PEO	DEPLOY STRATEGIC GOALS	MAY
MAJCOM & PEO	DEVELOP IMPLEMENTATION STRATEGY; FORWARD MAJCOM/PEO PLANS TO SAF/SB	AUG
SAF/SB	APPROVE MAJCOM/PEO PLANS; PREPARE AIR FORCE PLAN; FORWARD TO SAF/OS	SEP
SAF/OS	RELEASE AIR FORCE PLAN	SEP
HBCU/MI STEERING COMMITTEE	REVIEW STRATEGIC GOALS AND OBJECTIVES AND ADVISE AS TO MISSION REQUIREMENTS	NOV