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SECRETARY OF THE AIR FORCE**

AIR FORCE POLICY DIRECTIVE 90-18

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Special Management

SMALL BUSINESS PROGRAMS



COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This Directive implements DoD Directive 4205.01, *Small Business Programs*, DoD Instruction 5134.04, *Director of Small and Disadvantaged Business Utilization* and DoD Instruction 1432.3, *Small Business Awards Program*. This publication applies to all military and civilian Air Force personnel, and members of the Air Force Reserve. It does not apply to the Air National Guard. Refer recommended changes and questions about this publication to the Office of Primary Responsibility using the AF Form 847, *Recommendation for Change of Publication*; route AF Form 847s from the field through appropriate functional chain of command. Ensure that all records created as a result of processes prescribed in this publication are maintained in accordance with Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of in accordance with Air Force Records Information Management System (AFRIMS) Records Disposition Schedule (RDS) located at <https://www.my.af.mil/afirms/afirms/afirms/rims.cfm>.

SUMMARY OF CHANGES

This document has been substantially rewritten and must be completely reviewed. The rewrite updates and restructures the small business policy and clarifies terms. The Policy Directive's number has been changed from the contracting series to the special management series. It deletes the Historically Black College or University/Minority Institution (HBCU/MI) Program because the Court of Federal Claims declared the authorization for this program, Title 10, Section 2323, United States Code, (10 U.S.C. 2323), unconstitutional. This revision adds additional statutory small business programs; i.e., Historically Underutilized Business Zone (HUBZone) (*See* 15 U.S.C. 631), Service Disabled Veteran Owned Small Business (SDVOSB), (*See* U.S.C. 657(f)), Veteran Owned Small Business (VOSB), (*See* 15 U.S.C. 631), Small

Business Innovation Research (SBIR) (*See* 15 U.S.C 638(e)(4)) and Small Business Technology Transfer (STTR) (*See* 15 U.S.C. 638 (e)(6)-(8)) programs.

1. Background. The primary mission of the Office of Small Business Programs of the Department of the Air Force (SAF/SB) is to lead the Air Force by directing, managing, measuring and overseeing the execution of the Air Force Small Business Program directly in support of Air Force mission and priorities. Small Business programs (including Small Business (SB), Small Disadvantaged Business (SDB), Historically Underutilized Business Zones (HUBZone), Service Disabled Veteran Owned Small Business (SDVOSB), Veteran Owned Small Business (VOSB), Women-owned Small Business (WOSB), and the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs provide commanders/directors agility, innovation and efficiencies in meeting warfighter capabilities and maintaining a strong industrial base. Air Force commanders/directors must continually encourage, plan, execute, and measure contract awards to maximize opportunities for small businesses.

2. Objective. The President and Congress have recognized the contributions of small businesses to the United States' industrial base. Both branches of government have directed federal agencies to allocate a fair share of their contracts, grants, and cooperative agreements for small business. The Air Force Office of Small Business Programs, in compliance with the OSD policy and guidance, establishes policy and guidance to plan, execute, and measure the effectiveness of Air Force awards to cited businesses.

2.1. The execution of the Air Force's Small Business Programs is directed at all facets of the acquisition process.

2.2. The Air Force plans and carries out a coordinated system for promoting an outreach effort to interest, encourage, and assist small businesses in all aspects of the Air Force's mission.

3. Policy. The Air Force promotes policies, procedures, and practices that provide maximum opportunities for Small Business Programs to participate in the acquisition process.

3.1. The Air Force will promote effective outreach efforts to interest, encourage, and assist Small Business Programs to provide innovative, efficient and agile capabilities to support the Air Force mission.

3.2. The Air Force will place the maximum practical portion of its purchases, contracts and subcontracts with SB, SDB, HUBZone, SDVOSB, VOSB and WOSB.

3.3. The Air Force will aid, counsel, and assist small businesses in doing business with the Air Force.

3.4. The Air Force will ensure small business programs are aligned with the Air Force strategic focus.

3.5. The Air Force will recognize its military and civilian members for outstanding contributions to small business programs.

4. Responsibilities:

4.1. The Director of the SAF/SB is responsible for:

4.1.1. Developing and managing the Air Force's Small Business Programs, including developing policies for the Secretary of the Air Force (SecAF) approval, and issuing guidance and procedures necessary to implement and execute Small Business Programs in Air Force acquisitions.

4.1.2. Ensuring that small business programs are aligned with the Air Force strategic focus and assessing the impact small business programs on small business development.

4.2. The Assistant Secretary of the Air Force for Acquisition (SAF/AQ) is responsible for:

4.2.1. Aligning small business programs with Air Force requirements and within an overall Air Force acquisition strategy.

4.2.2. Managing the SBIR/STTR program, including oversight, developing policy for SecAF approval, and issuing implementing guidance and procedures.

4.2.3. Ensuring maximum practical opportunities for small businesses.

5. Prescribed Forms. There are no prescribed forms with this Directive.

6. Adopted Forms.

AF Form 847, *Recommendation for Change of Publication*.

Michael B. Donley
Secretary of the Air Force

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

Air Force Manual (AFMAN) 33-363, *Management of Records*, March 1, 2008

DoD Directive 4205.01, *Department of Defense Small Business Programs*, March 10, 2009

DoD Instruction 1432.3, *Small Business Awards Program*, January 12, 1987

DoD Instruction 5134.04, *Director of Small and Disadvantaged Business Utilization*, September 27, 2005

Abbreviations and Acronyms

AFPD—Air Force Policy Directive

AFMAN—Air Force Manual

AFRIMS—Air Force Records Information Management System

DOD—Department of Defense

eSRS—Electronic Subcontracting Reporting System

FPDS-NG—Federal Procurement Data System, Next Generation

HUBZone—Historically Underutilized Business Zone

RDS—Records Disposition Schedule

SAF/AQ—Assistant Secretary of the Air Force for Acquisition

SAF/SB—Office of Small Business Programs of the Department of the Air Force

SB—Small Business

SBIR—Small Business Innovation Research Program

SDB—Small Disadvantaged Business

SDVOSB—Service-Disabled Veteran Owned Small Business

SECAF—Secretary of the Air Force

STTR—Small Business Technology Transfer Program

VOSB—Veteran Owned Small Business

WOSB—Women Owned Small Business

Terms

Acquisition—The acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. *See* Title 48, Section 201, Code of Federal Regulations, 48 CFR § 201, or Federal Acquisition Regulation (FAR) 201.

Contract—A mutually binding legal relationship obligating the seller to furnish supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the Government to an expenditure of appropriated funds, and that, except as otherwise authorized, are in writing which are addressed by Title 31, Section 6301 of the United States Code, 31 USC § 6301. *See* Far 201.

Electronic Subcontracting Reporting System—Federal system for electronically filing subcontracting reports

Federal Procurement Data System-Next Generation—Federal system for electronically reporting contract action reports.

HUBZone—A historically underutilized business zone that is an area located within one or more qualified census tracts qualified nonmetropolitan counties, or lands within the external boundaries of an Indian reservation. *See* FAR 201.

HUBZone small business—A small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration. *See* FAR 201.

Service Disabled Veteran Owned Small Business—A small business concern not less than 51% of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service disabled veterans and the management and daily business operations are controlled by one or more service-disabled veterans. *See* FAR 201.

Small Business—A concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts and is qualified as a small business under the criteria and size standards as specified in Title 13, Part 121, of the Code of Federal Regulations, 13 CFR §§ 121.101 – 121-1205. *See* Far 201.

Small Business Innovation Research Program—A program under which a portion of the Air Force's research and development (R&D) effort is reserved for award to small business concerns through a uniform process having 1) a first phase to determine the scientific and technical merit and feasibility of ideas with commercial potential meeting program needs, 2) a second phase to further develop proposals which meet particular program needs, and 3) if appropriate, a third phase in which commercial applications of SBIR funded R&D are funded by non-Federal sources or non-SBIR funding is used for the continuation of R&D. *See* 15 USC §638(e)(4).

Small Business Programs—Includes small businesses, Small Disadvantaged Businesses, Historically Underutilized Businesses, Service Disabled Veteran Owned Small Businesses, Veteran Owned Small Businesses and Women Owned Small Businesses, the Small Business Innovation Research Program and Small Business Technology Transfer Program.

Small Business Technology Transfer Program—A program under which a portion of the Air Force's research and development (R&D) effort is reserved for award to small business concerns and a non-profit research institution partner for cooperative R&D through a uniform process having three phases similar to the SBIR program. *See* 15 U.S.C. §§ 638(e)(6)-(8).

Small Disadvantaged Business—A small business that is at the time of offer is at least 51 percent owned by one or more individuals who are socially or economically disadvantaged individual(s), such as Native American tribes/organizations or Native Hawaiian Organization,

whose management and daily business operations are controlled by one or more disadvantaged individuals. *See* 13 CFR §124.1002; FAR 201.

Veteran Owned Small Business Concern—Means a small business concern not less than 51% of which is owned by one or more veterans and the management and daily business of operations are controlled by one or more veterans. *See* FAR 201.

Women—Owned Business—A small business concern that is at least 51 percent owned by a woman, or women, or in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women and whose management and daily business operations are controlled by women. *See* FAR 201.