Union Calendar No. 871

94th Congress, 2d Session - - - - - - - - House Report No. 94–1749

GOVERNMENT PROCUREMENT WITHIN MILITARY AND CIVILIAN AGENCIES

A REPORT

OF THE

SUBCOMMITTEE ON GOVERNMENT PROCUREMENT AND INTERNATIONAL TRADE

OF THE

COMMITTEE ON SMALL BUSINESS
HOUSE OF REPRESENTATIVES

OCTOBER 1, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTERS OF TRANSMITTAL

House of Representatives,
Committee on Small Business,
Washington, D.C., October 1, 1976.

Hon. Carl Albert,
The Speaker,
U.S. House of Representatives, Washington, D.C.

Dear Mr. Speaker: Transmitted herewith is a report of the Committee on Small Business entitled "Government Procurement Within Military and Civilian Agencies."

This report is submitted with the approval of a majority of the full committee.

With kind regards and best wishes, I am

Very sincerely yours,

Tom Steed,
Chairman.

House of Representatives,
Committee on Small Business,
Subcommittee on Government Procurement
and International Trade,
Washington, D.C., September 23, 1976.

Hon. Tom Steed,
Chairman, Committee on Small Business,
U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: Transmitted herewith is a report of the Subcommittee on Government Procurement and International Trade entitled "Government Procurement Within Military and Civilian Agencies."

This report is submitted with the approval of a majority of the subcommittee.

With kindest regards and best wishes, I remain

Sincerely yours,

James C. Corman,
Chairman.

CONTENTS

Chapter:	Page
I. Background and purpose of hearings	1
Summary of testimony	2
The use of goals as a small business program incentive	4
The use of setasides	4
The 8(a) program	5
Use of award fee incentives	5
Expeditious processing of setaside appeals	6
II. Conclusions	6
III. Recommendations	7
Appendix	11

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94TH CONGRESS, 2d Session } HOUSE OF REPRESENTATIVES { REPORT No. 94–1749

GOVERNMENT PROCUREMENT WITHIN MILITARY AND CIVILIAN AGENCIES

OCTOBER 1, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. STEED of Oklahoma, from the Committee on Small Business, submitted the following

REPORT

Government Procurement Within Military and Civilian Agencies

CHAPTER I.—BACKGROUND AND PURPOSE OF HEARINGS

The Subcommittee on Government Procurement and International Trade, under the Chairmanship of Representative James C. Corman (Democrat of California) conducted hearings on June 29 and 30, 1976 to review Government procurement activities of both the military and civilian sectors of the various agencies and departments.

In addition to Chairman Corman, the subcommittee is comprised of the following Members: Representative Joseph P. Addabbo (Democrat of New York); Representative Charles J. Carney (Democrat of Ohio); Representative Richard Nolan (Democrat of Minnesota); Representative John Krebs (Democrat of California); Representative Jack Hightower (Democrat of Texas); Representative Thomas J. Downey (Democrat of New York); Representative Joseph M. McDade (Republican of Pennsylvania); Representative Thomas N. Kindness (Republican of Ohio); and Representative William S. Broomfield (Republican of Michigan).

Representative Tom Steed, Democrat of Oklahoma, Chairman of the Full Committee and Representative Silvio O. Conte, Republican of Massachusetts, Ranking Minority Member, are ex officio Members of the subcommittee.

Over an extended period, the subcommittee had received many complaints from small businesses that Federal contracting officials were not pushing those programs which were designed to help small firms. While some grievances were registered against policies, the preponderance of complaints received inveighed against contracting officials for failing to take the normal steps, ostensibly required or encouraged to help small business. It was in this context that the subcommittee decided to schedule hearings. The intent of the subcommittee was to gain an insight into the operational practices of the procuring agencies vis a vis small business interests, rather than talking to the policy makers as such.

In the interest of minimizing time and expense, testimony on the military procurement aspect of the hearings was limited to witnesses from two major purchasing centers for each of the military departments and the Defense Supply Agency. Testimony for eight civilian agencies was given by officials headquartered in the Washington, D.C. area. Mr. Herman B. Director, Chief Economist of the National Small Business Association, Washington, D.C., testified on behalf of the small business community. This Association, with a small business membership of approximately 40,000 is long familiar with the problems many of its members have experienced in their role as Government suppliers.

The subcommittee, as requested by Congresswoman Millicent Fenwick (Republican of New Jersey), invited and heard testimony

89-006—76——1

from Mr. George J. Pederson, Co-Founder and Executive Vice President of ManTech of New Jersey Corporation and Mr. Louis Foundos, Vice President of Operations, Ballantine Laboratories, Inc., relating to contracting experiences with Government agencies.

During the hearings, the subcommittee's questioning of Government witnesses dealt heavily on how they and their fellow contracting officials were managing and administering their agency's small business programs; whether their small business specialists were given sufficient administrative support; whether assigned goals for small business awards, 8(a) awards, and small business setasides were adequate and being met; whether SBA setaside appeals were given proper consideration and handled expeditiously; whether "urgency" is sometimes used to avoid small business considerations—all responses on these points and others were followed closely and with deep interest by the Members.

It is this Government's official policy to aid and assist small business so as to insure that it will receive a fair share of Federal contracts. The subcommittee is convinced that only if the contracting officials of all Federal agencies use the traditional and policy approved methods of aiding and assisting can the promised fair share be realized. This report, therefore, is not meant to serve only as a record of a Congressional hearing and a summation of its findings. Rather, it is hoped that by focusing attention on the use of these valuable management tools it will also serve to reflect the concern of the subcommittee that they be used to the fullest.

Summary of testimony

Chairman Corman, after noting on his opening statement the need for those in Government procurement to dedicate themselves to aid, counsel, assist and protect the small businesses throughout the Nation, called the first witness.

During the two days of hearings, testimony was received from a sufficiently broad spectrum of witnesses from the Federal procuring agencies and the small business community as to assure a well rounded view of Government procurement practices. These witnesses were:

Herman B. Director, Chief Economist, Washington, D.C., accompanied by: Herbert Liebenson, Staff Vice President, Government Affairs, National Small Business Association

Major General H. R. Higgins, Commander, Defense Construction Supply Center, Columbus, Ohio, accompanied by: Stephen F. Lendt, Chief, Plans, Programs, and Procedures Branch, Directorate of Procurement, DCSC, and Carl Peterson, Small Business Specialist

Brigadier General Rufus L. Billups, Commander of Defense General Supply Center, Richmond, Virginia, accompanied by: Colonel Dominic Valella, Director of Procurement and Production, and Francis C. Paxton, Small Business Specialist

Rear Admiral W. R. Dowd, Jr., Commander, Naval Supply Systems Command, accompanied by: Mr. Raymond F. Quinn, Small Business Specialist

Rear Admiral Earl B. Fowler, Vice Commander, Naval Electronic Systems Command, accompanied by: Captain A. S. Kulczycki, Deputy Commander, Contracts Director, and Mr. C. Fiedelman, Small Business Administration

Major General Carl G. Schneider, Commander, Oklahoma City Air Logistics Center, accompanied by: Donald Rellins, Air Force Assistant for Small Business; George J. Pederson, Co-Founder and Executive Vice President, ManTech of New Jersey Corporation

Louis Foundos, Vice President of Operations, Ballantine Laboratories, Inc.

Colonel Paul H. Roth, Director, Procurement and Production, and David W. Barghols, Small Business Specialist.

Lt. General James T. Stewart, Commander, Aeronautical Systems Division, Wright-Patterson Air Force Base, Ohio, accompanied by: Donald Rellins, Air Force Small Business Advisor; Colonel Russel C. Hastler, Deputy for Procurement and Production, and Thomas H. Dickman, Chief, Small Business and Contractor Relations Office

Hon. Harold L. Brownman, Assistant Secretary of the Army (I&L) accompanied by: Major General George Turnmeyer, Commanding General, U.S. Army Missile Command; Colonel Edwin P. Geesey, Corps of Engineers, Office of the Chief of Engineers, and Harold J. Margulis, Special Assistant for Small Business and Economic Utilization Policy, Office, Assistant Secretary of Army (I&L)

Thomas R. Whittleton, Director, Office of Procurement and Contracts, HUD, accompanied by: Kenneth L. Dosier, Acting Director, Policy Evaluation and Administrative Division, HUD, and Thomas E. LaMoure, Small Business Contract Specialist, HUD

Stuart J. Evans, Assistant Administrator for Procurement, NASA, accompanied by: Kenneth J. Kier, Small Business Advisor; and Clare Farley, Assistant Administrator for Procurement, NASA

Alvin L. Alm, Assistant Administrator for Planning and Management, EPA, accompanied by: Willaim E. Mathis, Director, Contracts Management Division

Jack S. Westall, Assistant Chief Medical Director for Administration, Veterans Administration, accompanied by: William Salmond, Deputy Assistant Administrator for Construction; John T. Manning, Assistant General Counsel; Clyde Cook, Director, Supply Service; Robert W. Poe, Deputy Director, Supply Service; Joseph Cumiskey, Chief, Procurement Division, Supply Service; and Ronald Tyler, Small Business Specialist

Guy W. Chamberlin, Deputy Assistant Secretary for Administration, Department of Commerce, accompanied by: Donald B. Moore, Director, Office of Administration and Procurement; Philibert A. LaBonte, Deputy Director for Procurement; and James P. Maruca, Small Business Coordinator

William S. Heffelfinger, Assistant Secretary for Administration, Department of Transportation, accompanied by: Barnett M. Anceleitz, Director, Installations and Logistics, and James A. Hyslop, Deputy Director, Installations and Logistics, Office of the Secretary

Wallace H. Robinson, Jr., Commissioner, Federal Supply Service, General Services Administration, accompanied by: Frederick B. Bunke, Assistant Commissioner for Procurement, and Michael D. Snodgrass, Director, Socio-Economic Policy Division

R. G. Romatowski, Assistant Administrator for Administration, accompanied by: Michael J. Tashjian, ERDA Director, Process Division, and Norman Vinson, ERDA Small Business Advisor

The subcommittee believes that the testimony gained during the hearings warrants the consideration of the Full Committee and a summary of it is hereby presented.

The use of goals as a small business program incentive

The value of goals as an incentive to spur greater achievements has long been recognized as a valuable tool by those in procurement management.

Because the subcommittee agrees that they are indeed important and can contribute significantly to the success of small business programs, it devoted much time during the hearings to a discussion of goals.

It was found that all the major procuring activities of the defense agencies, i.e., those whose volume is high enough to warrant a full time small business specialist, have established goals.

However, even in those agencies which established goals, a lingering question remained as to their adequacy. During the testimony of the EPA witness, it was found that the agency had established a total small business award goal well below its expected achievement and current rate of performance. The Chairman reflected the sentiment of the subcommittee when he commented that to set goals below current and expected performance is to make them so easy of attainment can have a negative effect and cause personnel to think they have already done enough and, therefore, can ease up. He suggested that they be established at a higher rate so as to create a consciousness of the need to strive a little harder to attain them. This sentiment was reaffirmed when it was learned that the defense agencies establish interim small business goals, which may be subsequently adjusted if it appears that some difficulty is being experienced in meeting them.

The use of setasides

Time and again, the subcommittee found that the award statistics of the procuring agencies reflected such a low ratio of setasides to total small business awards as to suggest that this aspect of the small business program, specifically authorized by Section 15 of the Small Business Act, is being sadly neglected. The negligence of contracting agencies to use this vehicle to the fullest so as to assure awards to small firms, was affirmed by the testimony of Mr. Louis Foundos of Ballantine Laboratories, a small manufacturer of electronic test and measuring equipment. This witness, whose firm is a long time Government supplier, informed the subcommittee that, despite the fact that small firms represent about 80% of the total number in his industry, and annual Government spending for such equipment exceeds $100 million, small business setasides in his industry are virtually non-existent.

Several of the agencies testifying suggested that the low setaside performance was partially accounted for by the fact that procurement regulations require that only those items which are products of small business can be setaside. This has resulted in products which had originally been manufactured by large business, but which currently

are being supplied by small business are now excluded from being set aside. Nonetheless, the extremely low ratio of setasides to total small business awards at practically every contracting activity deeply concerned the subcommittee which is convinced that much more attention must be given to the use of this statutorily mandated procedure.

While it would be unfair to state that such an unenviable record is suggestive of all other agencies, nevertheless the record revealed by the statistics of Housing and Urban Development (HUD) reflects in stark relief the extent to which setasides are ignored. HUD's ratio of setaside awards to small business awards as revealed by the statistics furnished the Committee during testimony was only 1/1,000 of 1%.

Another statistic of this same agency, however, pleased the Members of the subcommittee and should effectively put to rest the absurd notion that R&D procurements should not be given setaside consideration. In open competiton with large business, small firms captured 40% of the Agency's total R&D procurement awards for FY 1975.

Another element of the setaside program which was noted by the subcommittee was the lack of uniformity among contracting agencies in fixing dollar limits in class setasides for construction procurements. While uniformity exists within the defense agencies, which provides that they setaside on a class basis all construction procurements estimated to be up to $1 million in value, some of the civilian agencies have established a $500,000 to $1 million level.

The 8(a) program

The subcommittee was pleased to note the advances made by Government agencies in awarding setaside requirements for 8(a) suppliers. The assurances given by those testifying that 8(a) awards were not being made at the expense of the regular setaside program were also well received.

A note of concern, however, developed when the subcommittee learned from the witness for the Defense General Supply Center that the Small Business Administration felt it necessary to reject some requirements offered for 8(a) consideration by the Center. While appreciative of the fact that negotiations can occasionally break down for very legitimate reasons, the subcommittee feels that the 8(a) program is too important to the nation's well-being to have it experience the disappointment of aborted procurement opportunities.

Use of award fee incentives

In the course of testimony offered by the principal witness for the Air Force's Aeronautical Systems Division, the suggestion was made that subcontracting to small business by major primes could be increased by the use of the award fee concept. The suggestion was clouded by a subsequent witness who informed the subcommittee that the Department of Defense had some question as to whether the award fee concept could be legally used as an incentive for subcontracting to small firms. Several witnesses who subsequently appeared, however, including the Assistant Secretary of the Army (Installations and Logistics) and the Assistant Administrator for Procurement at NASA indicated that they felt no legal restraints existed against its use as an incentive to small business subcontracting.

The subcommittee feels that the use of this suggested incentive measure offers hope for making subcontracting to small firms a far more important element of the Government's programs of assistance to small firms.

Expeditious processing of setaside appeals

While testimony was being offered by the principal witness for the Army Missile Command (MICOM), the subject of SBA appeals to the Assistant Secretary of the Army (I and L) for setaside actions which had originally been rejected by MICOM was discussed. Committee staff has learned that the SBA appeal letters have been subjected to such a lengthy period of review as to have remained unanswered for several months. The subcommittee is deeply concerned that issues of appealed setasides remain unresolved for such a long period. Such delays can effectively destroy a last court of appeals system, as time may overtake events to such an extent that the requirements at issue must then be procured on an "urgency" basis. The subcommittee considers it manifestly unfair that a stringent time restraint is placed on SBA in appealing the rejection of a suggested setaside while none are imposed on the contracting agency. The subcommittee feels that the time restraint imposed on SBA should be relaxed to permit more time to file its appeal, and that points at issue in such appeals be resolved by the procuring agency within a thirty day time frame.

CHAPTER II.—CONCLUSIONS

The subcommittee concludes that the purpose of the Small Business Act, Public Law 83–536, as amended, is to preserve and expand the small business segment of our business community for the economic well-being and the security of this Nation. This cannot be realized, however, unless the actual and potential capacity of small business is encouraged and developed.

The Act clearly states that our objectives are to be accomplished, in part, by the Government placing a fair proportion of its total purchases and contracts with small business enterprises.

We conclude, however, that not all of the departments and agencies are making a vigorous effort to accomplish the statutorily required results.

We cannot meet our objectives unless an adequate number of properly trained personnel are supplied to procuring activities to review all potential contracts and determine which contracts can be set aside exclusively for small business firms. Yet, we have found a lack of sufficient personnel resources which can be used to perform such functions.

Where a contract must be given to a large company, due to the lack of qualified small companies, there is often a lack of effort to encourage the large prime contractor to provide the maximum subcontract opportunities for smaller firms.

We further conclude that not all procurement activities interpret the procurement rules and regulations in a uniform manner. The Office of Federal Procurement Policy has been given the responsibility of correcting this problem and is now studying possible changes to clarify and simplify the many rules and regulations relating to procurement.

There exists a lack of communication and understanding among Federal procuring agencies and departments concerning the various small business programs. Further, while the activities can all benefit through the exchange of information and increased cooperation, we have found a distinct hesitancy to do so.

The Subcommittee is greatly concerned with the increased complexity of the bidding process, the excessive amount of paperwork small bidders are required to deal with, and the short period of time given bidders to obtain the plans and specifications and prepare a bid. These factors militate against the opportunities which a small business has to obtain Federal contracts.

Our statutes are replete with references to an economic system which is predicated upon the vitality of small business concerns. There is no doubt that our expressions of national ideals are meaningless unless we undertake affirmative measures to preserve small business and free our economy from the dominance of large business concerns.

The United States is the largest purchaser of goods and services in the world. Competition, therefore, not only furthers the realization of ideals which we hold as a Nation but also assures our Government of receiving its needed goods and services at the lowest possible cost.

Despite these compelling considerations we have some elements of our Federal procurement system which operate so as to preclude small business from an equitable opportunity for participation. Considerations of expedience and a propensity for "taking the easy way out" often make small businesses victims of a system they are powerless to challenge on an individual basis.

What is needed is effort—a commitment pursued with all the vigor deserving of our lofty national ideals.

CHAPTER III.—RECOMMENDATIONS

On the basis of all evidence received, further investigation by Members of the Subcommittee and staff, and the review of all available data, the Subcommittee recommends:

A. That appropriate Committees of the Congress consider legislation which would:

(1) Provide more personnel to the SBA to be assigned as procurement center representatives;

(2) Amend Section 8(d)(1) of the Small Business Act to provide that no Federal prime contract in excess of $500,000 may be awarded until the potential prime contractor submits a viable small business subcontracting plan which provides for the maximum feasible utilization of small business;

(3) Amend Section 8(d)(2) of the Small Business Act to provide that the small business subcontracting program requirements apply to each Federal prime contract in excess of $500,000 and all subcontracts awarded under such prime contracts in excess of $250,000;

(4) Amend Section 15 of the Small Business Act to provide that whenever the SBA and the procuring activity fail to agree on a set-aside determination, that the matter is to be submitted to the General Accounting Office for final decision.

B. That the Office of Federal Procurement Policy:

(1) Immediately inform this Committee prior to the adoption or promulgation of any of its rules or policies which may affect the small business community so the Committee may have an opportunity to comment on the changes;

(2) Instruct all Federal procurement activities that affirmative steps are to be taken to insure small contractors equitable participation in the Federal procurement system;

(3) Instruct all Federal procuring activities that every Federal procurement requirement is to be presumed suitable for award to a small business unless the activity can document compelling reasons why the award should be made to other than small business;

(4) Take all appropriate steps to insure the maximum coordination and cooperation between the Small Business Administration and Federal procurement activities;

(5) Continue to give due recognition to the fact that the Small Business Administration is the congressionally designated advocate for small business and that procurement decisions affecting small business should not be made without the consultation and advice of that agency;

(6) Continue to engage in all appropriate efforts to simplify, clarify and make uniform all Federal procurement regulations. A priority of concern should be devoted to this activity in order to expeditiously ameliorate the paperwork burden incident to contracting with the Government;

(7) Forward to this Subcommittee a response to all recommendations made above on or before February 1, 1977.

C. That all Federal Procuring Agencies and Departments:

(1) Make maximum utilization of the Small Business Administration's Small Business Source list when considering the disposition of all procurement requirements. Further, the procuring activity should engage in all appropriate efforts to assist SBA in its effort to expand its small business source list;

(2) Take all appropriate action to insure that procurement specifications are not unduly restrictive so as to preclude small business an equitable opportunity for participation. In addition, when feasible, small business should be given an opportunity to consult with the activity during the "drafting stage" of procurement specifications;

(3) That all determinations of "urgency" and "sole source" procurements be sparingly made, thoroughly documented, and approved by the Commander of the activity;

(4) Consult with SBA and inform this Committee prior to the adoption of any rule or policy affecting small business;

(5) Do not deem unresponsive any bidder merely because of the geographic location of the concern except in those exceptional circumstances where location can be considered critical to the legitimate needs of the Government;

(6) Not require "previous experience" with Government procurement as a condition of receiving any new award;

(7) Contact all businesses on the approved "bidders list" whenever a matching procurement requirement arises;

(8) Engage in all appropriate efforts to make available, on a timely basis, sets of bids and bid specifications for requesting businesses;

(9) Make all appropriate efforts to "break-out" procurement requirements so that small business will have an equitable opportunity to compete for a proportion of the work;

(10) Procurement solicitations should be expeditiously forwarded to the Department of Commerce allowing sufficient time for publication in the Commerce Business Daily. The notice given should allow ample time for contractors to receive the specifications and prepare timely bid packages.

(11) Give full support to and make every effort to expand the pilot "mandatory" subcontracting program initiated by the Office of Federal Procurement Policy;

(12) Forward to this Subcommittee a response to all recommendations made above on or before February 1, 1977.

D. That the Small Business Administration:

(1) Engage in all appropriate efforts to expand its source list of small business concerns. Further, the list should be made available on the widest possible basis to Federal, state and local procuring agencies and departments as well as private business concerns;

(2) Insure that its procurement center representatives are adequately trained and possess business and technical expertise sufficient to perform their assigned tasks.

Moreover, procurement center representatives are to be instructed to function as advocates for small business and not mere adjuncts to the staff of the procurement activity;

(3) Engage in all cooperative efforts with Federal procuring activities to devise a data gathering system which would allow the isolation and identification of upcoming procurement needs well in advance of their eventual solicitation;

(4) Engage in cooperative efforts with the Department of Commerce to insure that procurement requirements advertised in the Commerce Business Daily are presented in a concise and simplified form readily understandable by small business concerns;

(5) Forward to this Subcommittee its response to the above recommendations on or before February 1, 1977.

APPENDIX

DEFENSE SUPPLY AGENCY, DEFENSE CONSTRUCTION SUPPLY CENTER—WITNESS: MAJ. GEN. H.R. HIGGINS, COMMANDER

Fiscal year	Total awards		Awards to small business firms				Small business set-aside awards				Goal percent of dollar awards
	Dollar value (thousands)	Number of awards	Dollar value (thousands)	Percent of dollars	Number of awards	Percent of awards	Dollar value (thousands)	Percent of dollars	Number of awards	Percent of awards	
1972	356, 602	183, 876	163, 885	46. 0	121, 992	66. 3	35, 776	10. 0	2, 232	1. 2	45. 2
1973	388, 719	238, 267	204, 347	52. 6	161, 695	67. 9	40, 217	10. 3	1, 377	. 6	47. 0
1974	397, 116	225, 778	178, 220	44. 9	153, 982	68. 2	47, 603	12. 0	2, 001	. 9	50. 7
1975	370, 405	220, 475	178, 298	48. 1	157, 529	71. 4	38, 195	10. 3	2, 050	. 9	52. 3
1976 (9 mo)	248, 148	149, 694	116, 112	46. 8	94, 480	63. 1	25, 257	10. 2	1, 550	1. 0	50. 2
DEFENSE SUPPLY AGENCY, DEFENSE GENERAL SUPPLY CENTER—WITNESS: BRIG. GEN. R. L. BILLUPS											
1972	235, 885	79, 611	126, 081	53. 5	40, 883	51. 4	31, 861	13. 5	2, 058	2. 6	42. 7
1973	235, 168	87, 583	127, 878	54. 4	46, 460	53. 4	41, 248	17. 5	2, 140	2. 4	49. 8
1974	270, 124	120, 887	140, 245	51. 9	62, 535	51. 7	39, 974	14. 8	2, 148	1. 8	51. 1
1975	264, 215	110, 476	124, 814	47. 2	59, 402	53. 8	29, 728	11. 3	1, 739	1. 6	46. 1
1976 (9 mo)	182, 653	80, 368	85, 500	46. 8	42, 806	53. 3	20, 871	11. 4	1, 198	1. 5	46. 1
DEPARTMENT OF THE NAVY, NAVAL SUPPLY SYSTEMS COMMAND—WITNESS: REAR ADM. W. R. DOWD, JR., COMMANDER											
1972	2, 291, 682	2, 528, 843	718, 873	31. 3	1, 808, 993	71. 5	130, 304	5. 68	97, 389	3. 85	32. 2
1973	2, 460, 080	2, 325, 441	742, 627	30. 1	1, 657, 723	71. 2	130, 979	5. 32	84, 888	3. 65	31. 4
1974	2, 399, 538	2, 167, 548	738, 665	30. 7	1, 534, 033	70. 7	118, 457	4. 93	78, 629	3. 62	30. 1
1975	2, 850, 377	2, 175, 673	891, 768	31. 2	1, 548, 255	17. 1	155, 718	5. 46	108, 065	4. 96	29. 9
1976 (9 mo)	1, 891, 368	1, 468, 703	590, 728	31. 2	1, 020, 259	69. 4	99, 245	5. 24	75, 085	5. 11	30. 3
DEPARTMENT OF THE NAVY, NAVAL ELECTRONIC SYSTEMS COMMAND—WITNESS: REAR ADM. EARL D. FOWLER, VICE COMMANDER											
1972	222, 819	620	12, 385	5. 5	137	22. 0	3, 277	1. 4	28	4. 5	6. 7
1973	264, 134	810	29, 660	11. 2	184	22. 7	3, 385	1. 2	20	2. 4	6. 0
1974	365, 236	1, 148	32, 118	8. 7	300	26. 1	2, 388	. 6	20	1. 7	10. 0
1975	414, 282	1, 256	35, 827	8. 6	311	24. 7	4, 502	1. 0	26	2. 0	9. 2
1976 (9 mo)	299, 601	735	24, 500	8. 1	185	25. 1	4, 185	1. 3	17	2. 3	9. 0

Fiscal year	Total awards		Awards to small business firms				Small business set-aside awards				Goal, Percent of dollar awards
	Dollar value (thousands)	Number of awards	Dollar value (thousands)	Percent of dollars	Number of awards	Percent of awards	Dollar value (thousands)	Percent of dollars	Number of awards	Percent of awards	
DEPARTMENT OF THE AIR FORCE, AERONAUTICAL SYSTEMS DIVISION—WITNESS: LT. GEN. JAMES T. STEWART, COMMANDER											
1972	3,692,414	3,667	53,716	1.5	375	10.2	818	0.02	23	0.6	0.9
1973	2,778,980	3,496	29,569	1.1	338	9.7	822	.02	7	.2	.8
1974	3,163,722	2,831	31,509	1.0	271	9.6	3,395	.1	10	.4	.9
1975	2,911,485	2,494	33,622	1.2	210	8.4	1,361	.05	2	.1	1.1
1976 (9 mo)	3,024,404	1,702	31,963	1.1	151	8.9	1,444	.05	3	.1	1.2
DEPARTMENT OF THE AIR FORCE, OKLAHOMA CITY AIR LOGISTICS CENTER—WITNESS: MAJ. GEN. CARL G. SCHNEIDER, COMMANDER											
1972	659,407	72,079	58,763	8.9	46,913	65.1	9,639	1.5	22,519	31.2	10.1
1973	606,101	61,455	68,243	11.3	35,927	58.5	14,324	2.4	11,524	18.8	9.8
1974	660,971	78,422	74,667	11.3	51,121	65.2	19,105	2.9	19,260	24.6	11.7
1975	666,426	74,539	73,678	11.1	49,269	66.1	17,105	2.6	15,594	20.9	11.6
1976 (9 mo)	471,763	47,771	53,992	11.0	30,205	63.2	12,527	2.5	8,123	17.0	18.5
DEPARTMENT OF THE ARMY, U.S. ARMY MISSILE COMMAND—WITNESS: MAJ. GEN. GEORGE TURNMEYER, COMMANDING GENERAL											
1972	594,718	46,961	46,183	7.8	32,940	70.1	11,768	2.0	2,751	5.9	6.5
1973	683,345	49,370	67,447	9.9	32,331	65.5	19,205	2.8	2,055	4.2	6.5
1974	795,985	45,555	61,452	7.7	30,496	66.9	17,595	2.2	797	1.7	6.5
1975	895,136	48,284	92,619	10.3	31,875	66.0	20,689	2.3	644	1.3	8.0
1976 (9 mo)	698,319	30,854	50,016	7.2	19,961	64.7	10,959	1.6	1,221	4.0	8.0
DEPARTMENT OF THE ARMY, OFFICE OF THE CHIEF OF ENGINEERS—WITNESS: MAJ. GEN. J. W. MORRIS, DEPUTY CHIEF OF ENGINEERS											
1972	845,342	26,300	380,939	45.1	20,508	78.0	139,347	16.5	802	3.0	30.8
1973	894,809	21,164	422,185	47.2	16,966	80.2	211,012	23.6	805	3.8	45.0
1974	749,722	23,116	401,071	53.5	18,700	80.9	174,308	23.2	721	3.1	51.8
1975	1,276,739	23,033	554,852	43.5	18,429	80.0	282,223	22.1	837	3.6	53.1
1976 (9 mo)	542,613	14,663	257,767	47.5	11,913	81.2	104,905	19.3	493	3.4	57.0
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—WITNESS: THOMAS G. CODY, ASSISTANT SECRETARY FOR ADMINISTRATION											
1972	230,359	106,680	171,588	74	106,544	99	0	0	0	0	(1)
1973	348,909	109,215	207,201	59	108,971	99	0	0	0	0	(1)
1974	261,132	129,437	209,010	80	128,981	99	397	.0015	5	.00003	(1)

1975	274,436	125,820	206,799	75	125,401	99	1,839	.0067	24	.0001	(1)
1976 (9 mo)	95,206	57,756	68,239	72	57,340	99	524	.0055	7	.0001	(2)
DEPARTMENT OF TRANSPORTATION—WITNESS: WILLIAM S. HEFFELFINGER, ASSISTANT SECRETARY FOR ADMINISTRATION											
1972	530,386	4,353	165,042	31.1	2,707	62.1	41,370	7.8	977	22.3	(1)
1973	489,671	6,702	164,808	33.6	4,490	66.9	43,580	8.9	1,735	25.8	(1)
1974	449,634	7,600	168,041	37.3	5,286	69.5	55,754	12.4	2,234	29.3	(1)
1975	445,231	6,962	181,033	40.6	5,037	72.3	63,222	14.2	2,434	34.9	(1)
1976 (9 mo)	284,260	4,108	122,745	43.1	2,910	70.8	43,491	15.3	1,494	36.3	(1)
ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION—WITNESS: R. G. ROMATOWSKI, ASSISTANT ADMINISTRATOR FOR ADMINISTRATION											
1972	2,880,000	9,292	41,700	1.5	2,431	26.2	22,000	0.8	[3] NA	NA	NA
1973	3,024,000	9,204	45,100	1.5	2,295	24.9	15,959	.5	NA	NA	NA
1974	3,391,000	9,234	48,500	1.4	2,423	26.2	17,900	.5	NA	NA	NA
1975	3,970,000	10,618	67,400	1.7	3,148	29.7	19,032	.5	NA	NA	NA
1976 (6 mo) [4]	1,525,000	344,406	196,100	12.9	228,029	66.2	21,189	1.4	NA	NA	NA
GENERAL SERVICES ADMINISTRATION—WITNESS: LT. GEN. W. H. ROBINSON, JR., USMC RETIRED, COMMISSIONER, FEDERAL SUPPLY SERVICE											
1972	1,306,925	NA	503,139	38.5	NA	NA	176,750	13.5	NA	NA	NA
1973	1,456,485	NA	517,472	35.5	NA	NA	182,478	12.5	NA	NA	NA
1974	1,561,775	NA	603,509	38.6	NA	NA	181,797	11.6	NA	NA	38.0
1975	1,596,387	NA	619,042	38.8	NA	NA	128,967	8.1	NA	NA	39.0
1976 (9 mo)	1,155,041	NA	489,954	42.4	NA	NA	94,527	12.2	NA	NA	39.5
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—WITNESS: REAR ADM. S. J. EVANS, USN RETIRED, ASSISTANT ADMINISTRATOR FOR PROCUREMENT											
1972	2,146,537	168,400	164,107	7.6	103,300	61.3	45,088	2.1	5,100	3.0	(5)
1973	2,070,958	164,400	162,495	7.8	101,200	61.5	47,316	2.3	7,900	4.8	(5)
1974	2,118,627	143,200	181,247	8.6	88,000	61.4	61,475	2.9	16,900	11.8	(5)
1975	2,254,993	136,500	215,945	9.6	84,400	61.8	62,595	2.8	22,500	16.5	(5)
1976 (9 mo)	1,959,226	104,100	153,430	7.8	64,800	62.2	47,130	2.4	16,300	15.7	(5)
ENVIRONMENTAL PROTECTION AGENCY—WITNESS: ALVIN L. ALM, ASSISTANT ADMINISTRATOR FOR PLANNING AND MANAGEMENT											
1972	69,130	1,382	26,615	38.5	785	56.8	649	0.009	65	0.047	NA
1973	90,923	1,771	35,514	39.3	1,024	57.8	751	.008	56	.031	NA
1974	93,488	1,886	35,565	38.0	1,062	56.3	2,123	2.27	113	.059	NA
1975	117,355	1,860	44,751	38.1	1,055	56.7	320	.002	25	.013	NA
1976 (9 mo)	92,084	1,212	40,467	43.9	708	58.4	3,270	3.55	89	.073	27.6

VETERANS' ADMINISTRATION—WITNESS: JACK S. WESTALL, ASSISTANT CHIEF, MEDICAL DIRECTOR FOR ADMINISTRATION

Fiscal year	Total awards		Awards to small business firms				Small business set-aside awards				Goal, Percent of dollar awards
	Dollar value (thousands)	Number of awards	Dollar value (thousands)	Percent of dollars	Number of awards	Percent of awards	Dollar value (thousands)	Percent of dollars	Number of awards	Percent of awards	
1972	737, 323	(6)	438, 676	59. 4	(7)	(7)	72, 624	9. 8	(7)	(7)	50
1973	823, 534	(6)	419, 857	50. 5	(7)	(7)	90, 725	11. 0	(7)	(7)	50
1974	912, 337	(6)	472, 034	51. 7	(7)	(7)	114, 553	12. 5	(7)	(7)	50
1975	1, 077, 010	(6)	597, 393	55. 4	(7)	(7)	142, 113	13. 9	(7)	(7)	50
1976 (6 mo)	500, 394	(6)	242, 994	48. 5	(7)	(7)	50, 523	10. 0	(7)	(7)	50
DEPARTMENT OF COMMERCE—WITNESS: JOSEPH E. KASPUTYS, ASSISTANT SECRETARY FOR ADMINISTRATION											
1972	166, 499	3, 039	59, 448	35. 7	931	30. 6	25, 696	15. 4	356	11. 7	50
1973	181, 003	3, 305	66, 327	36. 6	1, 207	36. 5	13, 365	7. 3	293	8. 8	50
1974	239, 810	4, 424	75, 967	31. 6	1, 311	29. 6	29, 905	12. 4	472	10. 6	50
1975	263, 030	3, 272	106, 071	40. 3	1, 422	43. 4	35, 018	13. 3	495	15. 1	40
1976 (9 mo)	133, 742	1, 472	51, 016	38. 1	289	19. 6	17, 511	13. 0	203	13. 7	40

[1] No program.
[2] Program started; no information.
[3] Not available.
[4] Includes contract actions by cost-type prime contractors operating Government-owned facilities. (Not shown by fiscal year.)
[5] Goal has been to exceed the previous year.
[6] No record.
[7] Not maintained.