



Office Of The Assistant Secretary

UNITED STATES AIR FORCE
WASHINGTON DC 20330

OCT 25 2000

MEMORANDUM FOR ALL PEOS/DACS

FROM: SAF/AQ
1060 Air Force Pentagon
Washington DC 20330-1060

SUBJECT: Air Force Small Business Program

The Air Force did not meet our Congressional mandate to place a fair proportion of procurement dollars with small businesses in FY 99. The Air Force Secretary and Chief of Staff have expressed a strong desire for immediate improvement in this area.

I want to reaffirm my personal commitment to pursuing opportunities for small business. Every PEO and DAC shares accountability and responsibility for the Air Force reaching its small business goals. You must actively look for methods and strategies to place awards with capable small businesses and aggressively work to increase awards to small business.

In FY 99, AFMC obligated \$8.5 billion in services with almost \$7 billion going to large business. More than half the services purchased from large business were full and open competition while \$351 million were actions under \$1 million each. The Air Force missed its small business goal by \$300 million, less than 5% of the amount that went to large business in services alone. I expect appropriate market research and justification of all actions not set-aside for small business in accordance with the FAR.

I place great importance on the attainment of Air Force goals in support of the small business community and am confident we can meet the Secretary's desire to restore this program to satisfactory levels. We have partnered with SAF/SB to make this happen and created special small business training to be presented at selected AFMC sites over the next few months. Training dates and locations will be announced at the selected sites and I expect program office personnel to attend these sessions when scheduled. This training will also provide continuing education units for acquisition personnel.

DARLEEN A. DRUYUN
Principal Deputy Assistant Secretary
(Acquisition & Management)