

Activity 4.1: Resourcing Your Office — Case Study New Director Scenario

Scenario

You are the new Small Business Director at the U.S. Navy Services Command (USNSC). Your predecessor retired after 10 years in the position. She'd been having health problems for the previous two years, and as a result, had not addressed some of the issues in the office. She left you a memo with information about the office, including staff, budget, and the status of current task. It is the beginning of the third quarter of the fiscal year and it is evident from the information she left that the command may not make its small business goals for the year. There is a recent Federal Acquisition Regulation (FAR) change to the Women-Owned Small Business (WOSB) programs, and she let you know that training to update Small Business Professionals (SBPs), contracting officials, and program managers on the contracting activities has not been accomplished.

The USNSC oversees six contracting activities throughout the United States, with installations in the Northeast, Southwest, Southeast, and Central United States. Each one has an SBP.

You have an office staff of five people including:

- One small business professional
- Two procurement analysts (one intends to retire at the end of the fiscal year)
- One procurement analyst - policy chief
- One deputy

The small business office has a program support contract. There are three full-time support contractors on-site and a part-time program manager who resides at the contractor's facility. The current annual cost for the support contract is \$1,034,061 a year. The contract is a Time and Materials (T&M) contract that averages \$67,172.92 a month in expenditures.

The fully burdened civilian personnel cost for the current fiscal year is \$699,000 or \$58,250 a month. In addition, the office has a \$200,000 travel budget and \$25,000 budget for office supplies.

The USNSC small business office is not responsible for the personnel costs for the SBPs at the installation offices; however, it supports the installation offices SBPs travel costs.

You and your subordinate offices are required to attend the annual Small Business Administration Small Business Conference in Atlanta, GA, and the Department of Defense (DoD) Small Business Training Conference in Phoenix, AZ. In addition, you need to conduct a program management review at each of the installations contracting offices, including visiting the commanders at each installation to give them an update on the small business program. You also need to support several industry days at some of the installations to help increase small business participation in their procurements.

You have also been notified by the USNSC Staff Comptroller that as a result of Contingency Operations in the Middle East, everyone is to submit a "What If" budget cut of 20 percent for the remainder of the fiscal year. You are required to submit and must be prepared to defend a budget detailing how your office will absorb these cuts, and what the effect will be on your office.

Your predecessor informed you she wasn't able to prepare a budget for the next fiscal years, but that a 15 percent cut is anticipated due to increased Operation and Maintenance (O&M) costs for some of the major weapons systems and Congressional interest in cutting USNSC's Headquarters budget. **This 15 percent cut is for the next 2 fiscal years and it's on top of the 20 percent "What If" cut.** You have missed the Program Objectives Memorandum (POM) window for this year and cannot participate, but must still resource your office and need to focus on producing a budget that covers the next two years.

A strategic plan for your command is due. Your predecessor was not able to prepare the Office of Small Business Programs (OSBP) strategic plan input prior to her retirement. Additionally, you are being pressured by your leadership to address the current shortfall in the agency achieving its small business program goals and the lack of training to update SBPs, contracting officials, and program managers on the recent FAR changes.

You have been able to speak with the deputy and your administrative support person since starting your new position and have scheduled time with both procurement analysts and the policy chief.