

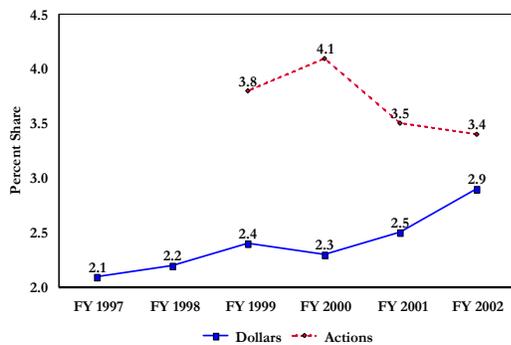
## Federal Contracting with Women-Owned Businesses FY1997 to FY2002

In 1994, the Federal Acquisition Streamlining Act (FASA) was established, setting a goal for Federal agencies to award at least 5% of all prime and subcontract dollars to women-owned small businesses (WOSBs).<sup>1</sup> Despite continued growth in the number and economic impact of women-owned firms, the 5% goal has never been achieved on a government-wide basis. Nonetheless, 2.9% of Federal contract dollars were spent with women-owned businesses in FY2002 – the highest share achieved since this information has been recorded. This issue brief examines the current state of Federal contracting with women-owned small businesses on a government-wide and agency-specific basis, drawing upon newly-available information on FY2002 agency goaling achievements as well as data for the previous five years. We thus provide information on recent achievements as well as summarize the progress made over the past five years.

### The State of Federal Contracting with Women-Owned Small Businesses

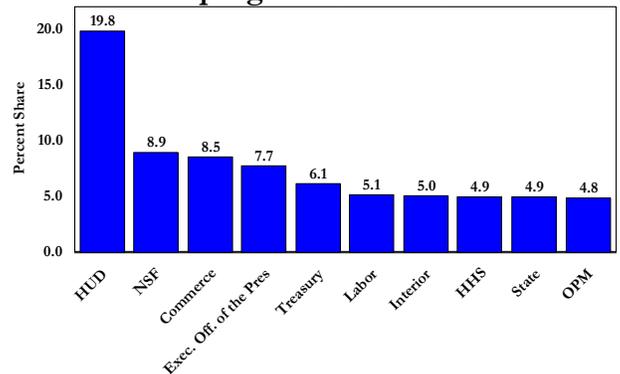
- In FY 2002, \$6.8 billion in Federal procurement dollars was spent with women-owned small businesses out of a total spend of \$235.4 billion.
- The overall share of dollars spent with women-owned small businesses was thus 2.9% in FY 2002, up from 2.1% in FY 1997.

#### Share of Federal Contract Dollars and Actions to WOSBs: FY1997 to FY 2002



- Seven of the major Federal agencies met the 5% contracting goal to women-owned small businesses: Department of Housing and Urban Development (HUD) (19.8%); National Science Foundation (NSF) (8.9%); Department of Commerce (8.5%); Executive Office of the President (7.7%); Department of the Treasury

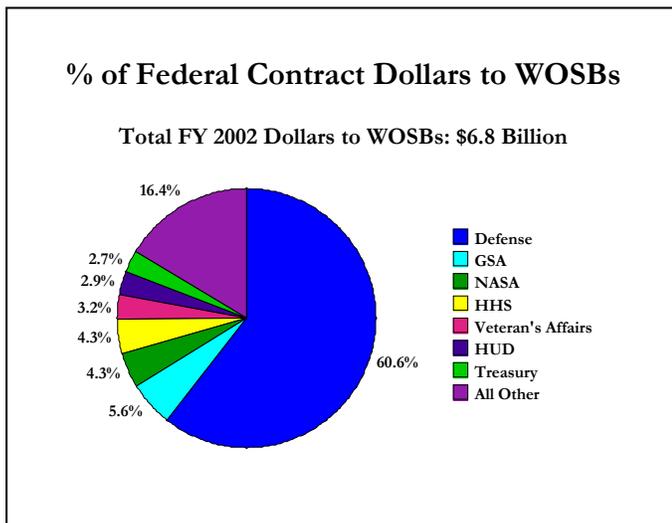
#### Share of Federal Contract Dollars to WOSBs Top Agencies: FY2002



- (6.1%); Department of Labor (5.1%); and Department of the Interior (5.0%).
- The Federal agencies that have most improved their share of spending with women-owned small businesses over the past five years include: HUD (dollar share increase of 18.1 – from 1.7% in 1997 to 19.8% in 2002); NSF (8.0); Executive Office of the President (5.3); Department of Labor (3.7); Office of Personnel Management (3.3); Department of Commerce (2.8); and Department of Agriculture (2.0).
- More than 270,000 Federal contract actions were awarded to women-owned small businesses in 2002, out of nearly 8.1 million contract actions in total.

- The overall share of contract actions awarded to women-owned small businesses was thus 3.4% in 2002, down from 3.8% in 1999<sup>2</sup>.
- Fully 61% of all Federal contract dollars and 56% of all contract actions to women-owned small businesses in FY2002 came from the Department of Defense.
- Eighty-four percent (84%) of Federal contract dollars to women-owned small businesses in FY2002 came from seven Federal agencies: Department of Defense; GSA; NASA; Health and Human Services (HHS); Veterans Affairs; HUD; and Department of the Treasury. (See chart below.)

- Ninety-one percent (91%) of all Federal contract actions to women-owned small businesses in FY2002 came from six Federal agencies: Department of Defense; Veterans Affairs; GSA; Department of Justice; Department of Agriculture; and HHS.
- In FY2002, the average value of Federal contract actions awarded to women-owned small businesses was \$25,069, compared to an average value of \$29,222 for all awarded contract actions.
- The average value of Federal contract actions awarded to women exceeded the average value for all awarded contract actions among a number of Federal agencies in FY2002. USAID had the highest average contract value to women-owned small businesses, with an average value of nearly \$500,000. Other agencies whose average contract value with women-owned small businesses exceeded the average contract value among all firms include: HUD; Department of Labor; NSF; National Archives; Executive Office of the President; Department of Commerce; Department of the Treasury; Department of the Interior; HHS; Department of State; Department of Justice; and Social Security Administration.



| Contract Dollars and Share of Dollars, Actions Among Women-Owned Small Businesses: FY1997 to FY2002 |                            |           |                           |      |                               |       |
|---|----------------------------|-----------|---------------------------|------|-------------------------------|-------|
|   | Dollars Awarded (millions) |           | Share Of Contract Dollars |      | Share of All Contract Actions |       |
|   | 2002                       | 1997      | 2002                      | 1997 | 2002                          | 1999* |
| Total – All Agencies  | \$6,826.5                  | \$3,634.7 | 2.9%                      | 2.1% | 3.4%                          | 3.8%  |
| Dept. of Housing and Urban Development (HUD)  | \$197.1                    | \$6.2     | 19.8                      | 1.7  | 10.0                          | 4.6   |
| National Science Foundation (NSF)   | \$9.2                      | \$1.9     | 8.9                       | 0.9  | 7.7                           | 8.9   |
| Dept. of Commerce   | \$134.9                    | \$46.3    | 8.5                       | 5.7  | 6.0                           | 4.0   |
| Executive Office of the President   | \$4.5                      | \$0.6     | 7.7                       | 2.4  | 5.5                           | 4.0   |
| Dept. of the Treasury   | \$184.9                    | \$83.0    | 6.1                       | 6.6  | 6.1                           | 5.1   |
| Dept. of Labor  | \$84.4                     | \$14.9    | 5.1                       | 1.5  | 3.4                           | 2.7   |
| Dept. of the Interior   | \$120.0                    | \$53.8    | 5.0                       | 4.8  | 4.3                           | 3.1   |
| Dept. of Health and Human Services (HHS)  | \$292.3                    | \$151.1   | 4.9                       | 4.6  | 4.0                           | 5.1   |
| Dept. of State  | \$78.4                     | \$43.8    | 4.9                       | 7.8  | 2.0                           | 2.1   |
| Office of Personnel Management (OPM)  | \$16.7                     | \$2.2     | 4.8                       | 1.5  | 10.3                          | 8.4   |
| Dept. of Agriculture  | \$166.3                    | \$80.9    | 4.5                       | 2.5  | 4.8                           | 1.6   |
| Federal Emergency Management Agency (FEMA)  | \$14.2                     | \$8.9     | 4.3                       | 3.6  | 5.3                           | 7.2   |
| General Services Administration (GSA)   | \$382.4                    | \$175.9   | 4.1                       | 2.5  | 7.6                           | 7.0   |
| Dept. of Veteran's Affairs  | \$220.8                    | \$253.5   | 3.9                       | 6.1  | 4.5                           | 8.0   |
| Environmental Protection Agency (EPA)   | \$46.8                     | \$20.0    | 3.5                       | 2.2  | 4.9                           | 5.1   |

| <b>Contract Dollars and Share of Dollars, Actions Among Women-Owned Small Businesses: FY1997 to FY2002</b> |                                   |             |                                  |             |                                      |              |
|--|-----------------------------------|-------------|----------------------------------|-------------|--------------------------------------|--------------|
|  | <b>Dollars Awarded (millions)</b> |             | <b>Share Of Contract Dollars</b> |             | <b>Share of All Contract Actions</b> |              |
|  | <b>2002</b>                       | <b>1997</b> | <b>2002</b>                      | <b>1997</b> | <b>2002</b>                          | <b>1999*</b> |
| Dept. of Justice   | \$168.3                           | \$47.8      | 3.3                              | 1.9         | 2.8                                  | 2.4          |
| Agency for International Development (USAID)   | \$11.4                            | \$22.2      | 3.3                              | 3.0         | 0.8                                  | 4.1          |
| Social Security Administration   | \$20.2                            | \$9.8       | 3.3                              | 5.2         | 2.6                                  | 0.9          |
| Dept. of Defense   | \$4,136.3                         | \$1,845.0   | 2.7                              | 1.7         | 2.9                                  | 2.5          |
| Dept. of Transportation  | \$99.2                            | \$60.4      | 2.6                              | 4.0         | 3.1                                  | 2.6          |
| National Aeronautics & Space Administration (NASA)   | \$292.5                           | \$157.7     | 2.5                              | 1.6         | 5.3                                  | 3.9          |
| Dept. of Education   | \$11.1                            | \$7.2       | 1.2                              | 1.2         | 2.3                                  | 1.8          |
| National Archives & Records Administration   | \$1.1                             | \$0.8       | 1.1                              | 1.7         | 0.6                                  | 0.6          |
| Dept. of Energy  | \$98.6                            | \$320.9     | 0.5                              | 2.1         | 6.0                                  | 4.8          |
| All Other Agencies   | \$35.1                            | \$220.0     | 7.3                              | 2.2         | 7.6                                  | 5.9          |

\* Contract action information by agency is not available for FY1997 or FY1998

Source: Federal Procurement Data System (FPDS), Preference Goaling Achievements.

| <b>Federal Agencies Whose Average Contract Value to Women-Owned Small Businesses Exceeded Average Value of All Contracts, FY2002</b> |                                     |                                   |                               |                                   |
|--|-------------------------------------|-----------------------------------|-------------------------------|-----------------------------------|
|  | <b>Women-Owned Small Businesses</b> |                                   | <b>All Businesses</b>         |                                   |
|  | <b>Average Contract Value</b>       | <b>Number of Contract Actions</b> | <b>Average Contract Value</b> | <b>Number of Contract Actions</b> |
| Total – All Agencies   | \$25,069                            | 272,305                           | \$29,222                      | 8,056,082                         |
| Agency for International Development (USAID)   | \$496,174                           | 23                                | \$121,453                     | 2,839                             |
| Housing and Urban Development (HUD)  | \$326,939                           | 603                               | \$165,546                     | 6,003                             |
| Dept. of Labor   | \$174,064                           | 485                               | \$114,274                     | 14,360                            |
| National Science Foundation (NSF)  | \$124,176                           | 74                                | \$106,910                     | 963                               |
| National Archives & Records Administration   | \$100,909                           | 11                                | \$52,946                      | 1,928                             |
| Executive Office of the President  | \$81,673                            | 55                                | \$58,707                      | 999                               |
| Dept. of Commerce  | \$81,250                            | 1,660                             | \$58,105                      | 27,470                            |
| Dept. of the Treasury  | \$76,451                            | 2,418                             | \$75,806                      | 39,859                            |
| Dept. of the Interior  | \$46,721                            | 2,569                             | \$40,154                      | 60,134                            |
| HHS  | \$39,124                            | 7,470                             | \$31,847                      | 187,914                           |
| Dept. of State   | \$28,057                            | 2,793                             | \$11,603                      | 139,032                           |
| Dept. of Justice   | \$16,315                            | 10,313                            | \$13,728                      | 366,807                           |
| Social Security Administration   | \$4,233                             | 4,782                             | \$3,306                       | 185,480                           |

Source: Federal Procurement Data System (FPDS), Preference Goaling Achievements.

Additional tables are available at [www.nwbc.gov](http://www.nwbc.gov).

The National Women’s Business Council is a bi-partisan Federal government body created to serve as an independent source of advice and policy recommendations to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. Members of the Council are prominent women business owners and leaders of women’s business organizations. For more information

about the Council, its mission and activities, contact: National Women’s Business Council, 409 3<sup>rd</sup> Street, SW, Suite 210, Washington, DC 20024; phone: 202-205-3850; fax: 202-205-6825; e-mail: [nwbc@sba.gov](mailto:nwbc@sba.gov), web site: <http://www.nwbc.gov>.

<sup>1</sup> FPDS data uses SBA size standards to define “women-owned small businesses”.

<sup>2</sup> Contract action information by agency is not available for FY1997 or FY1998.