



June 21, 2004

Ms. Marilyn Marton
OSDBU Director
Agency for International Development
1300 Pennsylvania Avenue, RM 708E
Washington DC 20523-7800

Dear Ms. Marton:

The Association for Small Businesses in Technology, Inc. (ASBT), a national trade association, was established to protect, promote and increase the market share for small businesses in technology. Our national membership and trade association partners: MBELDEF; LAMA; the Asian American Roundtable; and 10 other associations whose collective membership represents over 30,000 small businesses are seeking your cooperation as we prepare to meet with two of the three Presidential Candidates and provide testimony to Congress regarding the 8(a) and the Small Business Set-Aside Programs.

The purpose of these meetings is to address the concerns of small and minority businesses throughout our nation regarding inequities in Federal contract awards. Therefore, in order to accomplish this goal, it is necessary to work collaboratively and cooperatively in partnership with the Agency for International Development and you to obtain information concerning the inaccurate reporting of Federal government awards as small business. This issue was addressed at the May 7, 2003 House Committee on Small Business Hearing *Reporting of Small Business Contract Awards Does Not Reflect Current Business Size*" (GAO-03-704T). In this hearing, it was found that Federal agencies inaccurately accepted credit for small business awards that had actually gone to large businesses.

In order to compile information for our national work group, we are requesting information concerning the following:

- I. Whether the Agency for International Development has inappropriately accepted credit for small business awards that have actually been awarded to large businesses (all of the work was completed by large businesses with no small business participation); and



- II. Whether the Agency for International Development has inappropriately accepted credit for small business awards for contracts in which large businesses are currently performing and receiving revenue several years after the large business acquired the small business that initially was awarded the contract.

In addition, in addressing the issue of inaccurate reporting of Federal contract awards raised at the May 7, 2003 Congressional Hearing, we are requesting documentation in which your agency has provided to procurement managers to assure that this inaccurate reporting award does not occur at the Agency for International Development.

Since ASBT will be convening its National Executive Board Meeting on July 22, 2004, we will need to be in receipt of this information on or before July 20, 2004 as we prepare to accurately communicate the results of your findings to the elected leaders, small business community nationally and the trade associations discussed in the first paragraph of this letter. Please forward me the name and contact information of the individual who will be tasked with proving ASBT with this documentation at your earliest convenience.

If you have any questions concerning this letter, please do not hesitate to contact me at 703.684.3150. Thank you for your immediate attention to this matter.

Respectfully yours,

Marvin H. Masterson, Esq.
Executive Director

cc: The Hon. Andrew Natsios
Mr. John Gardiner, Esq.
Mr. J. Edward Fox
The Hon. Olympia Snowe
The Hon. Donald Manzullo
The Hon. John F. Kerry
The Hon. Nydia Velázquez