

August 7, 2019

Kathryn Eden  
Chief Clerk  
United States Senate  
Committee on Small Business & Entrepreneurship  
Washington, DC 20510-6350

Dear Kathryn Eden:

I want to thank Senator Cardin and The Senate Committee on Small Business & Entrepreneurship for inviting me to testify at this hearing on “Federal and Local Government Serving Frederick Diverse Small Business.” My name is Masai M. Troutman, and I am an African-American business owner and operator of MASAI Technologies Corporation (MTC), a certified Federal Small Disadvantaged Business (SDB) and HUBZone company with over 20-years of private and public sector (i.e. Federal, State & local) Information Technology (IT) systems integration contract experience. The Historically Underutilized Business Zones (HUBZone) program helps small businesses in urban and rural communities gain preferential access to federal procurement opportunities.

Also, MTC is a State of Maryland certified Minority Business Enterprise (MBE), Disadvantaged Business Enterprise (DBE), and Small Business Enterprise (SBE) by the Maryland Department of Transportation (MDOT). MTC is a Prime Contract holder for government-wide Indefinite Delivery and Indefinite Quantity (IDIQ) contract vehicles for the General Services Agency (GSA) Schedule 70(IT) & Health IT Services, National Institute of Health (NIH) CIO-SP3 HUBZone category, and The State of Maryland Consulting & Technical Services Plus (CATS+) contracts. Specifically, MTC provides IT process and project management and technical services for mission-critical classified and unclassified systems both in the continental U.S. (CONUS) and outside continental U.S. (OCONUS). To enhance our services capabilities, we are in partner programs with large companies (i.e. Tableau, Inc. for Data Visualization, Amazon Web Services (AWS) for cloud services and Machine Learning, and ServiceNow Inc. for IT operations management services).

I will describe my experience operating my business, MTC, interacting with The City of Frederick, Frederick County, State of MD, and Federal Government. Being a small business owner and member of a historically disenfranchised group (i.e. African-Americans, Latino) has me both hopeful and frustrated at times as a Frederick business owner over the past 13-years.

MTC began doing business in Frederick, MD as a prime contractor 8a and HUBZone certified business from 2004-2006 providing enterprise logistics and financial application software support and data analytics services on Fort Detrick for the U.S. Army Medical Materiel Agency (USAMMA). Although MTC received “excellent” performance ratings (Exhibit A), our subsequent bids and pursuit of other opportunities on Fort Detrick yielded no further contract work to date. MTC is grateful for the courage and intelligence of the Government Program Manager (PrgMgr) who was a diversity and HUBZone business advocate that recognized MTC’s qualifications, industry certifications, and expertise to evaluate

our offer fairly and recommend MTC for our initial Fort Detrick prime contract award in 2004 and again in the 2<sup>nd</sup> year option in 2005 for a \$2.6 million contract.

From 2006-2019, MTC has been awarded prime and subcontract work from many other Federal Agencies (i.e., Army PEO-EIS, Intelligence Agencies, U.S. Air Force, State of Maryland, etc...) across the DMV region. We have delivered subcontract services for large business prime contractors in the continental U.S. and Overseas for classified and highly classified programs for over 10-years. MTC's technical staff has performed as key personnel on mission critical DoD and Intelligence Agency programs for over 15-years.

In my experience, effective business operation within the public sector requires continuous marketing by the small business and bi-directional good will action from Government Agency contract and program management throughout a five (5) phase procurement process, including these 5 phases:

- 1) Vendor Outreach – Vendor markets to Government Agency and Agency cultivates the vendor pool with information on procurement process, products and services being and to be procured, and how to work together;
- 2) Capture - Vendor attempts to capture salient Government opportunity requirements and specification information through formal and informal contacts with Government Program stakeholders in order to better scope the opportunity,
- 3) Proposing on Solicitation –Government issues bid request/solicitation and vendor forms team and responds to solicitation with a proposal,
- 4) Award - Government issues award, and
- 5) Program Execution and closeout - Vendor performs contract in compliance with the scope of work and Government regulations for the period of performance (PoP).

Next, I provide my experiences and improvement recommendations across key phases of the procurement process for the Federal, County, State, and City Governments.

### **1-Vendor Outreach**

Frederick County – I periodically attend the monthly outreach to Persons of Color through the Frederick County Office of Economic Development and the Frederick County Minority Business Vision Program networking events to provide fundamental business development knowledge and skills (i.e. networking, marketing techniques, financing, etc).

City of Frederick - I have not seen or attended to date any consistent Persons of Color vendor procurement cultivation activity from the City of Frederick.

State of MD - I periodically attend monthly procurement vendor meet contract administration and program management hosted events by the State of Maryland at their Crownsville, MD Department of IT. Also, there are perpetual events during the year called “Ready. Set. Grow” sponsored by The Governor's Office of Small, Minority & Women Business Affairs to acclimate and ready historically disenfranchised business owners to the procurement process and current and future business opportunities.

MTC partnered and bid on a CATS+ TORFP as a subcontractor MBE as in July 2018 and was awarded the contract in February 2019 for base 2-years with 3-year options.

Federal Government - Fort Detrick, U.S. Army Research Acquisition Activity (USAMRAA) is the major procurement entity in Frederick County. Outreach to Local persons of color occurs about once per year at an annual outreach conference for vendors that occurs every October here is Frederick called SMART PROC Event. USAMRAA has a below Federal DoD HUBZone utilization goal of 1% and did not achieve that in 2018.

The Department of Defense has a 3% HUBZone Target spend%; Fort Detrick has lowered its HUBZone target to (1%) and didn't even meet that (.9%) in 2018. The USAMRAA did over \$800 million with small businesses in 2018 according to Federal Procurement Data System Next Generation (FPDS-NG) 1 October, 2018.

#### **Vendor Outreach Improvement Recommendation:**

- Establish partnerships with established effective non-profit African-American and Hispanic focused professional development organizations (i.e. Black Data Processing Association (BDPA), HBCUs, Latino Economic Development Center (LEDC) to provide outreach and procurement participation information and proposal training for its members and alumni.

We want to avoid the situation where the Government Procurement Agencies doesn't know the Persons of Color and HUBZone companies exist or their capabilities and the vendor pool of Persons of Color and HUBZone companies are not informed or prepared to participate in procurements.

- Fort Detrick /USAMRAA needs to put their HUBZone dollar Utilization % target back to 3% immediately work with MTC and other certified HUBZone businesses to fulfill the requirements.

## **2-Capture**

### Federal

Fort Detrick is locally viewed by Frederick small businesses as a closed eco-system that seeks to exclusively recycle small and large businesses that are already a part of the community, which creates a barrier and constraint to businesses run by owners Persons of Color, and other socio-economic designations, and HUBZone businesses growth and opportunities.

Fort Detrick posts a yearly Forecast of Opportunities on their Small business website with summary information of bid opportunities with an email of requirement point of contact (POC). The POC does not respond to inquiries in our experience, so the clarification and scoping of requirement opportunity for the vendor is neutralized; it is not effective in benefiting companies who are not currently working with that Agency or requirement owner.

### Frederick County and City of Frederick Agencies:

MTC has registered our business capabilities, socio-economic status, and experiences into online vendor databases for City of Frederick and county agencies. We have no evidence of the database being used for business development benefits for us getting a bid opportunity or impacting Government procurement.

### State of Maryland

We attend and receive monthly notifications of industry day informational sessions being held by The State of Maryland Dept of IT (DOIT) office. We find their support of the capture process effective in allowing vendor pool to scope the requirement and understand to invest in bidding or not.

### Capture Improvement Recommendations:

- Publish all Pre-solicitations notices for Sources Sought and Request for Information (RFIs) prior to the determination of socio-economic determination of solicitations.
- Create Key Performance Indicators (KPIs) with incentives and disincentives for contract officers and contract specialists to increase their Frederick County Persons of Color (i.e. African-American and Hispanic), HUBZone, socio-economic designation procurement outreach, capabilities tracking, bid response, and awards.
- The use of Vendor databases by Government agencies should lead to some type of meaningful Government engagement with vendor process or workflow towards doing business. We consider vendor databases in Frederick to be database “graveyards” where our vendor info goes to die.

### 3-Proposing on Solicitation

#### Federal

MTC does not track or see many of the solicitations for Fort Detrick/USAMRAA contracts due to their being released on contract vehicles that if you're on a prime contractor or a team contract task orders are not accessible.

#### State of MD

We find the State of MD to be effective in solicitation set-asides. The State of MD CATS+ IT contract vehicles through the Maryland Department of Transportation certify vendors into Small Business Enterprise (SBE), Minority Business Enterprise (MBE), and Veteran Small Business Enterprise (VBE) to establish set-asides and subcontracting requirements. The MBE vendor category has specific goals for African-Americans and Hispanics due to the historic economic and social discrimination against these groups require them addition support to compete. **Both large and small businesses must comply with MBE set-aside goals.**

#### Frederick County and City of Frederick Agencies:

MTC has not yet bid upon the solicitations released for the City of Frederick or Frederick County. There has not been the capture opportunities or vendor pool cultivation by Government to warrant MTC investing forming a team to respond to a bid opportunity we know nothing about.

#### Proposing on Solicitation Improvement recommendations:

- MTC believes the contracting officer or small business officer must be a true advocate of diversity (Persons of Color) and HUBZone Small Business. The advocate must have oversight of every procurement transaction and posses the autonomy and willingness to halt the procurement process to ensure proper outreach to Persons of Color and HUBZone including fair set-aside practices occur.
- Frederick County and City of Frederick should establish Prime contractor Set-asides goals to ensure MBEs (broken down further for African-Americans and Hispanics), SBEs, and VBEs fair access to contracting opportunities
- Require subcontracting MBE and HUBZone utilization goals for large and small prime contractors where applicable.
- Ensure pre-solicitation and sources sought notification get out to the vendor pool prior to solicitation release
- Federal Agency should measure and have goals of success Key Performance Indicators (KPIs) for their HubZone and small disadvantage business (SDB) utilization in (**dollars**) and (**# of small businesses**) awarded.
- Increase contract vehicle open-seasons to allow new vendors to participate in bid process and inactive vendors to leave vehicle.

**4-Awards**

**Improvement for Award phase:**

- Monitor the large business spend with MBE, SBE, HUBZone subcontractors
- Enforce Agency MBE and HUBZone prime contractor award utilization goals
- Enforce prime contractor subcontract plans and incentivize and disincentive companies to meet goals.

The procurement process works best when there is cooperation and good will amongst vendor and government agency. I have shared my experience and recommendations as a certified HUBZone and Person of Color operating a small business in Frederick County while doing business with Federal, State & local Governments.

Thank You Again for this opportunity,

Respectfully,

Masai Troutman

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**Exhibit-A**

**PAST/PRESENT PERFORMANCE QUESTIONNAIRE**

**SECTION 1: CONTRACT IDENTIFICATION**

- A. Contractor: **MASAI TECHNOLOGIES CORPORATION**
- B. Contract number: **GS-35F-0547N**
- C. Contract type: **FFP**
- D. Was this a competitive contract? Yes ☒ No ☐
- E. Period of performance: **1/12/04 -1/11/05 (FIRST) / 1/12/05 – 1/11/06 (CURRENT)**
- F. Initial contract cost: **\$ 1,500,000.00**
- G. Current/final contract cost: **\$ 1,110,000.00**
- H. Reasons for differences between initial contract cost and final contract costs:

**The initial contract cost was established based on the support services (sustainment) needed after post go-live of the USAMMA Revolution In Logistics (URL) ERP system implementation. The reduction in contract cost per option year of the initial contract is factored by the resource requirements in which sustainment services were required. As the contractor provided knowledge transfer, too government resources the levels of contractor resources reduced per option years.**

- I. Description of service provided:

**Provide knowledge transfer, functional and technical business process sustainment plus enhancement support services to the USAMMA URL (ERP) system within the areas of System Application Products (SAP), Plant Maintenance (PM), Financial/Controlling (FI/CO), Funds Management (FM), Materials Management (MM), and Business Intelligence (BI)/ Business Warehouse (BW) development and configuration of business processes. Assess functional business requirements and recommend implementation solutions and approaches in support of business process requirements.**

**Provide knowledge transfer, BASIS system operations sustainment support services to include implementation of required system upgrades, patches, enhancements and configuration within the areas of SAP R/3 transactional and BW systems environments.**

**Provide knowledge transfer and technical sustainment support within the areas of ABAP program development, code configuration, design, testing, and upgrades within the areas of SAP R/3 and BW systems environments.**

**SECTION 2: CUSTOMER OR AGENCY IDENTIFICATION**

- A. Customer or agency name:
- United States Army Medical Materiel Agency (USAMMA)**
- B. Geographic description of services under this contract, i.e. local, nationwide, worldwide, other Commands:
- Local - Fort Detrick Maryland**

Exhibit-A continued

**SECTION 3: EVALUATOR IDENTIFICATION**

A. Evaluator's name and title:

**Mr. Cal-Abram C. Johnson, USAMMA CIO, Chief, IM/IT  
URL Sustainment - Contracting Officer Technical Representative (COTR).**

B. Evaluator's phone/fax number:

**301-619-4463/Fax 301-619-4372**

C. Number of year's evaluator worked on subject contract: **2**



Exhibit-A continued

**SECTION 4: EVALUATION**

Please indicate your satisfaction with the contractor's performance by placing an "X" in the appropriate block using the scale provided to the right of each question. This scale is defined as follows:

<u>CODE</u>	<u>PERFORMANCE LEVEL</u>
O	OUTSTANDING - The contractor has demonstrated an outstanding performance level that was significantly in excess of anticipated achievements and is commendable as an example to others, so that it justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances where contractor performance clearly exceeds the performance levels described as "Excellent".
E	EXCELLENT – The contractor has substantially exceeded the contract performance requirements.
G	GOOD – There are no, or very minimal issues and the contractor has met the contract requirements.
F	FAIR – Overall compliance requires minor agency resources to ensure achievement of contract requirements.
P	POOR – Overall compliance requires significant agency resources to ensure achievement of contract requirements.
U	UNSATISFACTORY – Non-conformances are jeopardizing the achievement of contract requirements, despite use of agency resources. Recovery is not likely. If performance cannot be substantially corrected, it constitutes a significant impediment in consideration for future awards containing similar requirements.
N	NOT APPLICABLE - Unable to provide a score.

<b><i>Quality of Product or Service</i></b>	O	E	G	F	P	U	N
Ability to understand/comply with customer objectives and technical requirements	X						
Effectiveness of assigned personnel in terms of the appropriate mix of education and experience to accomplish the requirement.		X					
Adequacy/effectiveness of quality control program	X						
Quality/effectiveness of sub-contracted efforts							N

## Exhibit-A continued

<b>Program Management, Timeliness of Performance &amp; Business Relations</b>	O	E	G	F	P	U	N
Effectiveness of overall contract management (including ability to effectively lead, manage and control the program)	X						
Timeliness/effectiveness of contract problem resolution without extensive customer guidance	X						
Ability to successfully respond to emergency and/or surge situations		X					
Effectiveness of material management (including Government Furnished Property or Material)	X						
Contractor proposed alternative methods/processes that reduced cost, improved maintainability or other factors that benefited the customer	X						
Contractor implemented responsive/flexible processes to improve quality and timeliness of support.	X						
Contractor was reasonable and cooperative in dealing with your staff (including the ability to successfully resolve disagreements/disputes)	X						

<b>Transition/Phase-in &amp; Employee Retention/Attraction</b>	O	E	G	F	P	U	N
Contractor ability to smoothly transition resources and personnel.		X					
Contractor effectiveness on maintaining continuity of mission support while transitioning/phasing in resources and personnel to support other efforts.		X					
Ability to hire/apply a qualified workforce to this effort.		X					
Ability to retain a qualified workforce on this effort.	X						

<b>Cost Control</b>	O	E	G	F	P	U	N
Accuracy in forecasting contract costs		X					
Ability to meet forecasted costs and perform within contract costs		X					
Ability to alert Government of unforeseen costs before they occur	X						
Sufficiency and timeliness of cost reporting		X					

Exhibit-A continued

Government Contracts Only: Has/was this contract been partially or completely terminated for default or convenience or are there any pending terminations?

Yes\_\_\_ Default\_\_\_ Convenience\_\_\_ Pending Terminations\_\_\_  
No X\_\_\_

If yes, please explain (e.g., inability to meet cost, performance, or delivery schedules, etc).

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SECTION 5: NARRATIVE SUMMARY

What were the contractor's greatest strengths in the performance of the contract?

**In support of the USAMMA URL system and business process sustainment and overall mission support the contractor displayed, presented and demonstrated outstanding quality services and commitment to ensuring any system and process issues were addressed in a timely manner to include quality documentation in support of all findings and or recommended solutions. The contractor always provided on time status reports and if required to provide assessments of key system and or key business process changes the information was above what was required. The Program Management staff for the MTC contract was very professional in their workings with government Managers and the internal user community. The MTC Management staff was quick to resolve issues and resolution of system problems. Another strength the contractor demonstrated was their ability to perform Knowledge Transfer within the key areas of SAP BASIS operations and business processes to the internal government staff with the methodology they presented. The strengths of this approach used in performing the Knowledge Transfer to the USAMMA personnel was detailed in nature and allowed the COTR to validate its use with key performance matrix's.**

What were the contractor's greatest weaknesses in the performance of the contract?

**I have found in my assessment no weaknesses in the performance of the MTC contractor's in support of the URL sustainment support.**

Would you hire this contractor in the future to perform one of your critical and demanding programs?

**Yes, I would hire the Contractor in the future to perform services of critical and demanding programs based on the experience the contractor has presented in support of the USAMMA URL ERP system. They have demonstrated that they have the skills to support such an effort.**

Please provide any additional comments concerning this contractor's performance, as desired.

**The Contractor has demonstrated the ability to perform services within the government arena and has provided quality services and support as such. The skills and depth in knowledge the contractor has demonstrated can be assured to benefit and support the needs of the government especially in areas of Business Process Re-engineering, Quality Assurance, and Project Management..**

Cal-Abram C Johnson, Chief IM/IT for U.S. Army Medical Materiel Agency 27 Oct 2005  
Evaluator's Signature Date

Exhibit -B

# CATS+ MBE/SBE/VSBE Participation

**EFFECTIVE June 9, 2014, GOSBA revised all MBE procedures, forms and reports**  
<http://goma.maryland.gov/Pages/Reporting-Tool-MBE.aspx> . Note that CATS+ Specific forms are located in the **Agency Service Center**.

**New regulations for MBE and VSBE prime contractors:**

MBE: New regulations effective June 9, 2014, allow a certified MBE prime contractor to apply up to fifty-percent (50%) of the MBE participation goal (overall) and up to one hundred percent (100%) of not more than one of the MBE participation subgoals, if any, established for the contract.

VSBE: New regulations effective March 16, 2015, allow a certified VSBE prime contractor to apply up to one hundred percent (100%) of the VSBE participation goals established for the contract.

## Objective

The information on this page provides guidance to CATS+ contract users tasked with setting Minority Business Enterprise (MBE) and Veteran Small Business Enterprise (VSBE) goals for CATS+ Task Order Request for Proposals (TORFP). The objective is to establish reasonable and attainable MBE and VSBE goals for each task order.

## MBE Goals

The overall CATS+ Master Contract MBE subcontractor participation goal is 20 % with sub-goals for Women-owned of 8 %, African American-owned of 7 % and Hispanic American-owned of 2 % for the aggregate of all task orders awarded. This does not mean that every TORFP must set a 20% goal; some will be higher and some will be lower, depending upon the pertinent circumstances of each task order.

MBE goals must be evaluated on an individual task order basis, with the objective to establish a reasonable and attainable MBE goal, given the specifics of the TORFP scope of work and other factors as discussed below. Establishing an appropriate MBE goal will minimize the need for waivers, a benefit to both State agencies and Master Contractors.

<https://doit.maryland.gov/contracts/Pages/CATSPlusMBEParticipation.aspx>