CAMP BUYING: PROVIDING EXCELLENCE

Ropes Course to Help You, Help Small Businesses

Presented by Anthony Singleton

PC West: Earl Warren College Room | 1:30 – 2:15
AGENDA

- When do I engage SBDO
- History of Subcontracting
- What is a Subcontracting Plan
- When are Subcontracting Plans required
- What are target goals
- Government Federal Acquisition Regulations
- Types of subcontracting plans
- Subcontracting Plan Categories
- Travel Requirements
- Mandatory Subcontracting Plan elements
- What we need from you
- Things to Avoid
- Path to Success
- Sources
Proposal 00002296 may require a small business development plan.

If the budget exceeds $200,000 and the solicitation includes clause FAR 52.219-9, contact the UCSD Small Business Development Office (sbdo@ucsd.edu) for help with Small Business Subcontracting Plan requirements. Their website is https://blink.ucsd.edu/buy-pay/supplier/small-business/sb-subcontracting-process.html

(DEBUG: "custom uscd notification #9001 - action code 951")

Proposal#: 00002296
Investigator: YELON, DEBORAH L.
Lead unit: 000601: Cell & Developmental Biology
Sponsor: NATIONAL INSTITUTE OF HEART, LUNG & BLOOD
Deadline date: MARCH 5, 2016
Title: Genetic Regulation of Outflow Tract Formation

You can view this proposal through CoeusLite at the following address: https://epd.ucsd.edu/coeus/getGeneralInfo.do?proposalNumber=00002296
HISTORY OF SUBCONTRACTING

• 1953 – Small Business Act – July 30
  - aid, counsel, **assist and protect**

• 1958 – Small Business Investments Act P.L. 85-536
  - **voluntary** subcontracting plan
  - **requirement** for prime contractors

• 1978 - 20 Years later, P.L. 95-507
  - **mandatory subcontracting** plans

"Accomplishment will prove to be a journey, not a destination."

– Dwight D. Eisenhower
• A **prime contract** with the agency, requiring that a Small Business Subcontracting Plan be submitted to the agency OR

• A **subcontract from another institution or company** that has been awarded a prime contract - that prime contractor is also federally mandated to obtain a Small Business Subcontracting Plan from UC San Diego
WHAT IS A SUBCONTRACTING PLAN?

• **Formal plan** negotiated by a successful “Contractor”

• **Distinct goals** for all small business categories
  • Specific dollars and percentages
WHEN ARE SUBCONTRACTING PLANS REQUIRED?

- **Contracts > $700K** ($1.5M construction) AND subcontract opportunities exist
- **Modifications > $700K** ($1.5M construction) with new work AND subcontract opportunities exist
- Multi-year contracts/contracts with options
- Required **at proposal submission**
- Based on **total dollars available for subcontracting**
CERTIFIED SMALL BUSINESSES FOR FEDERAL CONTRACTING

- Small Business Concerns (SB)
- Women-Owned Small Businesses (WOSB)
- Small Disadvantaged Businesses (SDB)
- Veteran-Owned Small Businesses (VOSB)
- Service Disabled Veteran-Owned Small Businesses (SDVOSB)
- HUBZone businesses (HUBZone SB)
- Historically Black Colleges and Universities/Minority Institutions (HBCU/MI – required only for DoD, NASA, and Cost Guard contracts)
- Alaska Native Corporations (ANCs) and Indian Tribes that have not been certified by the Small Business Administration as small disadvantaged businesses
- Alaska Native Corporations (ANCs) and Indian Tribes that are not small businesses
Ensures small businesses get their fair share of work with the federal government

- 23% of prime contracts for **small businesses**;
- 5% of prime and subcontracts for **women-owned small businesses**;
- 5% of prime contracts and subcontracts for **Small Disadvantaged Businesses**;
- 3% of prime contracts and subcontracts for **HUBZone small businesses**;
- 3% of prime and subcontracts for **service-disabled veteran-owned small businesses**.
• FAR 19.7 - Small Business Subcontracting Program
• FAR 52.219-8 - Utilization of Small Business Concerns
• FAR 52.219-9 - Small Business Subcontracting Plan
• FAR 52.219-16 - Liquidated Damages

“Failure to make a good faith effort to comply with the subcontracting plan,” as used in this clause, means a willful or intentional failure to perform in accordance with the requirements of the subcontracting plan approved under the clause in this contract entitled “Small Business Subcontracting Plan,” or willful or intentional action to frustrate the plan.

The amount of probable damages attributable to the Contractor’s failure to comply shall be an amount equal to the actual dollar amount by which the Contractor failed to achieve each subcontract goal.
## TYPES OF SUBCONTRACTING PLANS

<table>
<thead>
<tr>
<th>Individual</th>
<th>Master</th>
<th>Commercial</th>
<th>Comprehensive</th>
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<tbody>
<tr>
<td>1 contract – 1 plan</td>
<td>Boilerplate info – contains same elements as individual plan minus goals</td>
<td>Preferred for contractors furnishing commercial items</td>
<td>DoD Test Program for Negotiation of Comprehensive SB Subcontracting Plans</td>
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<tr>
<td>Goals support planned subcontracting for 1 contract</td>
<td>Goals negotiated for each applicable contract</td>
<td>Applies to entire production of commercial items sold by either the company or a portion thereof (division, plant or product line)</td>
<td>Similar to a commercial plan</td>
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<td>Covers entire contract period (including options)</td>
<td>Effective for 3 years after approval of Contracting Officer</td>
<td>Based on contractor’s FY</td>
<td>May be on a Plant / Division / Corporate basis</td>
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<td>Contains mandatory elements</td>
<td>May be developed on a Plant / Division basis</td>
<td>Annual plan applies to all government contracts in effect during the period</td>
<td>Annual plan applies to DoD contracts in effect during period</td>
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<tr>
<td>Submit Subcontracting Reports Semiannually</td>
<td>Subcontracting Reports required when goals negotiated for each applicable contract (same as for Individual plan)</td>
<td>Contains mandatory elements</td>
<td>ONLY DCMA is delegated authority to negotiate plan &amp; perform surveillance review functions (with input from MILDEPS / Defense Agencies) Submit SSR (semiannually)</td>
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<tr>
<td>ISR* or SF294 (If applicable)</td>
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<td>Submit SR Annually</td>
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<tr>
<td>SSR** * Individual Subcontracting Report (electronic version) **</td>
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<tr>
<td>Summary Subcontracting Report (electronic version)</td>
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• Equipment (over $5,000)
• Supplies
• Travel (Airfare only)
• Other Services
• Consultants
TRAVEL REQUIREMENTS

• Connexxus
Federal Small Business Program

Kahala Travel (Women Owned Small Business)
Kahala Travel is a privately held professional travel corporation based in San Diego, with average annual sales of 10 million. Founded in 1987 by their owner, Joyce Dentt, Kahala Travel’s day to day operations is run by their President, Janine Joseph. They employ 10 travel consultants and a wonderful group of independent consultants all of whom are experienced travelers.

Office Hours: Mon-Fri 8.00am – 5.30 pm
Phone: 1-888-488-0073
E-mail: connexxus@kahalatravel.com
After Hours & Emergency Assistance: 1-888-488-0073
MANDATORY SUBCONTRACTING PLAN ELEMENTS

• **Goals** (% based on total planned subcontracting $ for each SB category)
• Description of principal **types of supplies/services** to be subcontracted
• Description of **method used** to identify potential SB sources
• Name of **individual administering subcontracting program**, description of duties, and location within organizational hierarchy
• **Description of efforts** to ensure SB has an equitable opportunity to compete for subcontracts

**Reporting**
- Individual Subcontracting Report (ISR)
- Summary Subcontracting Report (SSR)

• **Record-keeping**: description / procedures / process
• **“Flow down”** clauses & reporting requirements
WHAT WE NEED FROM THE PI/BUSINESS OFFICE

- Provide SBDO the **Agency Proposal** and **Statement of Work**
- **Final Budget** including the breakout of line items
- Completed **Subcontract Outsourcing Opportunities Plan (SOOP)** (Excel) form, which includes descriptions and dollar amounts for materials and supplies, equipment over $5,000, and travel to be purchased from small and or diverse businesses
- Send all required documents to **sbdo@ucsd.edu**.
- **Note:** A **minimum of 14 business days** from submission of the "Subcontract Outsourcing Opportunities Plan" is required, to develop a draft plan.
- Additional time may be required based on the needs of the project.
WHAT WE PROVIDE YOU…

• **PI Agreement** - Explains the responsibilities of the PI to monitor progress toward goals
• **Draft Subcontracting** Plan for review and approval
• **Supplement A**: Small Business Goals and Percentages
• **Source Guide**: Directory of potential small business suppliers
REQUESTOR ACTIONS...

- **Review Draft** Plan of potential opportunities and goals
- **Contact all suppliers** listed on Source Guide
- Ensure Principal Investigator **signs the original PI Agreement** and return to SBDO and mail code 0914
- SBDO manager executes the final subcontracting plan documents
THINGS TO AVOID...

- Avoid Express Card Use – For after hours emergency use only
- **Employee-vendor Relationships**: Number Bus-43 Materiel Mgmt. Part 7
- Conflict Of Interest In Purchasing
- Last minutes request: **Minimum of 14 business days** to develop a plan
- Intentional failure to comply with the subcontracting plan
PATH TO SUCCESS

• Notify Small Business Development when contract is awarded
• Engage Small Business Development Office when:
  • Modifications are issued
  • Contract extension awards
  • Small/Diverse Business Performance Issues
  • Contract ends
• PI will provide comments for incremental reporting agency
• Maintain documentation
• Contact SBDO if you are unsure of anything...
Contact Information
858-534-SBDO (7236)
sbdo@ucsd.edu
Don’t forget to stop by and visit us in the

Price Center East Ballroom