



ATTACHMENT J3

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION SMALL BUSINESS SUBCONTRACTING PLAN

*The following outline meets the minimum requirements of section 8(d) of the Small Business Act, as amended, and implemented by the Federal Acquisition Regulations (FAR) Subpart 19.7. The U.S. Department of Health and Human Services (HHS), Office of Small and Disadvantaged Business Utilization (OSDBU) recommend offerors use the following format to submit proposed Individual Subcontracting Plans, including modifications. It is not intended to replace any existing Corporate/Commercial Plan that is more extensive. A subcontracting Plan is required if the estimated cost of the contract **may exceed \$650,000 (\$1,500,000 for construction)** Small businesses are excluded. Questions should be forwarded to the Contracting Officer or Operating Division (OPDIV) Small Business Specialist.*

HHS Operating Division (OPDIV): _____

SOLICITATION OR CONTRACT NUMBER: _____

DATE OF PLAN: _____

CONTRACTOR: _____

ADDRESS: _____

STATE/ZIP CODE _____

DUNN & BRADSTREET NUMBER: _____

ITEM/SERVICE (Description): _____

NEW/INITIAL CONTRACT

PERIOD OF CONTRACT PERFORMANCE (MM/DD/YYYY – MM/DD/YYYY): _____

Base (if options apply) \$ _____ Performance Period/Quantity _____

Option 1: \$ _____ Performance Period/Quantity _____

Option 2: \$ _____ Performance Period/Quantity _____

Option 3: \$ _____ Performance Period/Quantity _____

Option 4: \$ _____ Performance Period/Quantity _____

\$ _____ Total Contract Cost

CONTRACT MODIFICATION (if applicable)

NEW PERIOD OF CONTRACT PERFORMANCE (MM/DD/YYYY – MM/DD/YYYY): _____

Original/Base \$ _____ Performance Period/Quantity _____

Modification \$ _____ Performance Period/Quantity _____

Task Order \$ _____ Performance Period/Quantity _____

\$ _____ Modified Total Contract Cost

Failure to include the essential information of FAR Subpart 19.7 may be cause for either a delay in acceptance or the rejection of a bid or offer when a subcontracting plan is required.

"SUBCONTRACT," as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor requesting supplies or services required for performance of the contract or subcontract.

If assistance is needed to locate small business sources, contact the Small Business Specialist (SBS) supporting the OPDIV. SBS contact information is located on the OSDBU website (<http://www.hhs.gov/about/smallbusiness/osdbustaff.html>) or you may contact the OSDBU headquarters at (202) 690-7300.

HHS current subcontracting goal is **33.0%** for Small Business (hereafter referred to as SB), **5.00%** for Small Disadvantaged Business, including 8(a) Program Participants, Alaska Native Corporations (ANC) and Indian Tribes (hereafter referred to as SDB), **5.00%** for Women-Owned Small Business and Economically Disadvantaged Women-Owned Small Business (hereafter referred to as WOSB), **3.00%** HubZone business (hereafter referred to as HUBZone), 3.00% Veteran Owned Small Business (hereafter referred to as VOSB) and **3.00%** Service Disabled Veteran-Owned Small Business (hereafter referred to as SDVOSB) concerns for **Fiscal Year (FY) 2011**. For this procurement, HHS expects all proposed subcontracting plans to contain at a minimum the aforementioned percentages.

These percentages shall be expressed as percentages of the total estimated subcontracting dollars.

1. Type of Plan (check one)

_____ **Individual plan** (all elements developed specifically for this contract and applicable for the full term of this contract).

_____ **Master plan** (goals developed for this contract) all other elements standardized and approved by a lead agency Federal Official; must be renewed every three years and contractor must provide copy of lead agency approval.

_____ **Commercial products/service plan** (goals are negotiated with the initial agency on a company-wide basis rather than for individual contracts) this plan applies to the entire production of commercial service or items or a portion thereof. The contractor sells commercial products and services customarily used for non-government purposes. The plan is effective during the offeror's fiscal year (attach a copy). **The Summary Subcontracting Report (SSR) must include a breakout of subcontracting prorated for HHS and other Federal agencies.**

2. Goals

Below indicate the dollar and percentage goals for Small Business (SB), Small Disadvantaged (SDB) including Alaska Native Corporations and Indian Tribes, Women-owned and Economically Disadvantaged Women-Owned (WOSB), Historically Underutilized Business Zone (HUBZone), Veteran Owned Small Business (VOSB), Service-Disabled Veteran-Owned (SDVOSB) Small Businesses and "Other than Small Business" (Other) as subcontractors. Indicate the base year and each option year, as specified in FAR 19.704 or project annual subcontracting base and goals under commercial plans. If any contract has more four options, please attach additional sheets which illustrate dollar amounts and percentages. **PLEASE NOTE: Zero dollars is not an acceptable goal for the SB, SDB, WOSB, HUBZone, VOSB or SDVOSB categories since this does not demonstrate a good faith effort throughout the period of performance of the contract.** Formula for below: 2.b. + 2.h. = 2.a.

- a. **Total estimated dollar value of ALL planned subcontracting**, i.e., with ALL types of concerns under this contract is _____ (Base Period - if options apply).

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- b. **Total estimated dollar value and percent of planned subcontracting with SMALL BUSINESSES** (including SDB, WOSB, HUBZone, VOSB and SDVOSB): (% of "a")

\$ _____ and _____% (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- c. Total estimated dollar value and percent of planned subcontracting with **SMALL DISADVANTAGED BUSINESSES:** (% of "a") \$ _____ and _____ % (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- d. Total estimated dollar value and percent of planned subcontracting with **WOMEN-OWNED SMALL BUSINESSES:** (% of "a") \$ _____ and _____ % (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- e. Total estimated dollar and percent of planned subcontracting with **HUBZone SMALL BUSINESSES:**
(% of "a") \$ _____ and _____ % (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- f. Total estimated dollar and percent of planned subcontracting with **VETERAN-OWNED SMALL BUSINESSES:** (% of "a") \$ _____ and _____ % (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- g. Total estimated dollar and percent of planned subcontracting with **SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES:** (% of "a") \$ _____ and _____ % (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- h. Total estimated dollar and percent of planned subcontracting with **"OTHER THAN SMALL BUSINESSES"** (*As defined by the Small Business Administration as "any entity that is not classified as a small business. This includes large businesses, state and local governments, non-profit organizations, public utilities, educational institutions and foreign-owned firms."*) (% of "a") \$ _____ and _____ % (Base Period - if options apply)

FY ____1st Option FY ____2nd Option FY ____3rd Option FY ____4th Option
\$ _____ \$ _____ \$ _____ \$ _____

- i. Provide a description of ALL the products and/or services to be subcontracted under this contract, and indicate the size and type of business supplying them (check all that apply):

Products and/or Services	Other	Small Business	SDB	WOSB	Hubz	VOSB	SDVOSB
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

- j. Provide a description of the method used to develop the subcontracting goals for SB, SDB, WOSB, HUBZone and SDVOSB concerns. Address efforts made to ensure that maximum practicable subcontracting opportunities have been made available for those concerns and explain the method used to identify potential sources for solicitation purposes. Explain the method and state the quantitative basis (in dollars) used to establish the percentage goals. Also, explain how the areas to be subcontracted to SB, WOSB, HUBZone, VOSB and SDVOSB concerns were determined, how the capabilities of these concerns were considered contract opportunities and how such data comports with the cost proposal. Identify any source lists or other resources used in the determination process. (Attach additional sheets, if necessary.)

- k. Indirect costs have ____ have not ____ been included in the dollar and percentage subcontracting goals above (check one).

- I. If indirect costs have been included, explain the method used to determine the proportionate share of such costs to be allocated as subcontracts to SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns:

3. Program Administrator:

NAME: _____

TITLE: _____

ADDRESS: _____

TELEPHONE: _____

E-MAIL: _____

Duties: Does the individual named above have general overall responsibility for the company's subcontracting program, i.e., developing, preparing, and executing subcontracting plans and monitoring performance relative to the requirements of those subcontracting plans and perform the following duties? (If NO is checked, please who in the company performs those duties, or indicate why the duties are not performed in your company on a separate sheet of paper and submit with the proposed subcontracting plan.)

- a. Developing and promoting company-wide policy initiatives that demonstrate the company's support for awarding contracts and subcontracts to SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns; and for assuring that these concerns are included on the source lists for solicitations for products and services they are capable of providing; ___yes ___ no
- b. Developing and maintaining bidder source lists of SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns from all possible sources; ___yes ___ no
- c. Ensuring periodic rotation of potential subcontractors on bidder's lists; ___ yes ___ no
- d. Assuring that SB, SDB, WOSB, HUBZone, VOSB and SDVOSB businesses are included on the bidders' list for every subcontract solicitation for products and services that they are capable of providing. ___ yes ___ no

- e. Ensuring that Requests for Proposals (RFPs) are designed to permit the maximum practicable participation of SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns. ☐ yes ☐ no
- f. Reviewing subcontract solicitations to remove statements, clauses, etc., which might tend to restrict or prohibit small, 8(a), SDB, WOSB, HUBZone, VOSB and SDVOSB small business participation. ☐ yes ☐ no
- g. Accessing various sources for the identification of SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns to include the Central Contractor Registration (<http://www.ccr.gov/>), local small business and minority associations, local chambers of commerce and Federal agencies' Small Business Offices; ☐ yes ☐ no
- h. Establishing and maintaining contract and subcontract award records; ☐ yes ☐ no
- i. Participating in Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, Procurement Conferences, etc; ☐ yes ☐ no
- j. Ensuring that SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns are made aware of subcontracting opportunities and assisting concerns in preparing responsive bids to the company; ☐ yes ☐ no
- k. Conducting or arranging for the conduct of training for purchasing personnel regarding the intent and impact of Section 8(d) of the Small Business Act, as amended; ☐ yes ☐ no
- l. Monitoring the company's subcontracting program performance and making any adjustments necessary to achieve the subcontract plan goals; ☐ yes ☐ no
- m. Preparing and submitting timely, required subcontract reports; ☐ yes ☐ no
- n. Conducting or arranging training for purchasing personnel regarding the intent and impact of 8(d) of the Small Business Act on purchasing procedures; ☐ yes ☐ no
- o. Coordinating the company's activities during the conduct of compliance reviews by Federal agencies; and ☐ yes ☐ no
- p. Other duties: _____

4. Equitable Opportunity

Describe efforts the offeror will undertake to ensure that SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns will have an equitable opportunity to compete for subcontracts. These efforts include, but are not limited to, the following activities:

a. Outreach efforts to obtain sources:

1. Contact minority and small business trade associations; 2) contact business development organizations and local chambers of commerce; 3) attend SB, SDB, WOSB, HUBZone, VOSB and SDVOSB procurement conferences and trade fairs; 4) review sources from the Central Contractor Registration (<http://www.ccr.gov/>); 5) review sources from the Small Business Administration (SBA), Central Contractor Registration (CCR); 6) Consider using other sources such as the National Institutes of Health (NIH) e-Portals in Commerce, (e-PIC), (<http://epic.od.nih.gov/>). The NIH e-PIC is not a mandatory source; however, it may be used at the offeror's discretion; and 7) Utilize newspaper and magazine ads to encourage new sources.

b. Internal efforts to guide and encourage purchasing personnel:

1. Conduct workshops, seminars and training programs;
2. Establish, maintain, and utilize SB, SDB, WOSB, HUBZone, VOSB and SDVOSB source lists, guides, and other data for soliciting subcontractors; and
3. Monitor activities to evaluate compliance with the subcontracting plan.

Additional efforts:

5. Flow Down Clause

The contractor agrees to include the provisions under FAR 52.219-8, "Utilization of Small Business Concerns," in all acquisitions exceeding the simplified acquisition threshold that offers further subcontracting opportunities. All subcontractors, except small business concerns, that receive subcontracts in excess of \$650,000 (\$1,500,000 for construction) must adopt and comply with a plan similar to the plan required by FAR 52.219-9, "Small Business Subcontracting Plan." Note: In accordance with FAR 52.212-5(e) and 52.244-6(c) the contractor is not required to include flow-down clause FAR 52.219.-9 if it is subcontracting commercial items.

6. Reporting and Cooperation

The contractor gives assurance of 1) cooperation in any studies or surveys that may be required; 2) submission of periodic reports which illustrate compliance with the subcontracting plan; 3) submission of its Individual Subcontracting Report (ISR) and Summary Subcontract Report (SSR); and 4) subcontractors submission of ISRs and SSRs. **ISRs and SSRs shall be submitted via the Electronic Subcontracting Reporting System (eSRS) website <https://esrs.symlicity.com/index?tab=signin&cck=1>**

Reporting Period	Report Due	Due Date
Oct 1 - Mar 31	ISR	4/30
Apr 1 - Sept 30	ISR	10/30
Oct 1 - Sept 30	SSR	10/30
Contract Completion	Year End SDB Report	30 days after completion

Please refer to FAR Part 19.7 for instruction concerning the submission of a Commercial Plan: SSR is due on 10/30 each year for the previous fiscal year ending 9/30.

- a. Submit ISR (bi-annually) for the awarding Contracting Officer's review and acceptance via the eSRS website.
- b. Currently, SSR (annually) must be submitted for the HHS eSRS Agency Coordinator review and acceptance via the eSRS website. (**Note:** Log onto the OSDBU website to view the HHS Agency Coordinator contact information (<http://www.hhs.gov/about/smallbusiness/osdbustaff.html>)).

Note: *The Request for Proposal (RFP) will indicate whether a subcontracting plan is required. Due to the nature and complexity of many HHS contracts, particularly the Centers for Medicare and Medicaid (CMS), the contractor may not be required to submit its subcontracting reports through the eSRS. The Contracting Officer will confirm reporting requirements prior to the issuance of an award. For more information, contact Courtney Carter, Agency Coordinator-eSRS (Courtney.Carter@hhs.gov).*

7. Record keeping

FAR 19.704(a) (11) requires a list of the types of records your company will maintain to demonstrate the procedures adopted to comply with the requirements and goals in the subcontracting plan. The following is a recitation of the types of records the contractor will maintain to demonstrate the procedures adopted to comply with the requirements and goals in the subcontracting plan. These records will include, but not be limited to, the following:

- a. SB, SDB, WOSB, HUBZone, VOSB and SDVOSB source lists, guides and other data identifying such vendors;
- b. Organizations contacted in an attempt to locate SB, SDB, WOSB, HUBZone, VOSB and SDVOSB sources;
- c. On a contract-by-contract basis, records on all subcontract solicitations over \$100,000, which indicate for each solicitation (1) whether SB, SDB, WOSB, HUBZone, VOSB and/or SDVOSB concerns were solicited, if not, why not and the reasons solicited concerns did not receive subcontract awards;

- d. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small and minority business procurement conferences and trade fairs;
- e. Records to support internal guidance and encouragement provided to buyers through (1) workshops, seminars, training programs, incentive awards; and (2) monitoring performance to evaluate compliance with the program and requirements; and
- f. On a contract-by-contract basis, records to support subcontract award data including the name, address, and business type and size of each subcontractor. (This is not required on a contract-by-contract basis for commercial plans.)
- g. Other records to support your compliance with the subcontracting plan: (Please describe)

8. Timely Payments to Subcontractors

FAR 19.702 requires your company to establish and use procedures to ensure the timely payment of amounts due pursuant to the terms of your subcontracts with SB concerns, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns.

Your company has established and used such procedures: _____ yes _____ no

9. Description of Good Faith Effort

Maximum practicable utilization of SB, SDB, WOSB, HUBZone, VOSB and SDVOSB concerns as subcontractors in Government contracts is a matter of national interest with both social and economic benefits. **When a contractor fails to make a good faith effort to comply with a subcontracting plan, these objectives are not achieved, and 15 U.S.C. 637(d) (4) (F) directs that liquidated damages shall be paid by the contractor.** In order to demonstrate your compliance with a good faith effort to achieve the SB, SDB, WOSB, HUBZone, VOSB and SDVOSB small business subcontracting goals, outline the steps your company plans to take. These steps will be negotiated with the contracting official prior to approval of the plan.

SIGNATURE PAGE

Signatures Required:

This subcontracting plan was submitted by:

Signature: _____

Typed/Print Name: _____

Title: _____

Date: _____

This plan was reviewed by:

Signature: _____

Typed/Print Name: _____

Title: Contracting Officer Date: _____

This plan was reviewed by:

Signature: _____

Typed/Print Name: _____

Title: HHS Small Business Specialist Date: _____

This plan was reviewed by:

Signature: _____

Typed/Print Name: _____

Title: Small Business Administration Procurement Center Representative

Date: _____

This plan was approved by:

Signature: _____

Typed/Print Name: _____

Title: Contracting Officer Date: _____