**MODEL INDIVIDUAL SUBCONTRACTING PLAN**

**INSTRUCTIONAL REMINDERS**

***Remove these instructional pages before submitting your completed subcontracting plan to the Contracting Officer***

**An individual subcontracting plan:**

* Applies to a specific federal agency (GSA) single contract
* Covers the entire contract period, including all options whether exercised or not
* Contains goals that are based on the offeror’s planned subcontracting (and purchasing) in support of the specific contract
* Indirect costs incurred for common or joint purposes may be included in the plan, allocated on a prorated basis to the contract. If included in the plan, indirect costs must be included in the reports after award.
* For contracts with option periods, the individual plan will include:
  + separate goals for the base period
  + separate goals for each option period
  + a sum total of all periods for the entire contract term

**NOTE:   The Model Individual Subcontracting Plan template is a tool contractors may choose to use when preparing their Individual subcontracting plans.  The Model Individual Subcontracting plan:**

* **Is NOT a fill-in-the-blank form**
* **Does not replace the FAR requirements listed in clause 52.219-9**
* **Reflects objectives GSA encourages contractors to adopt**

**REMINDER:  WHEN SELECTING INDIVIDUAL SUBCONTRACTING PLAN TYPE, UNDER A MULTIPLE AWARD ID/IQ CONTRACT USED BY MORE THAN ONE AGENCY, CONTRACTORS ARE REQUIRED TO REPORT SMALL BUSINESS SUBCONTRACTING FOR EACH FUNDING- AGENCY- ISSUED ORDER IN THE GOVERNMENT-WIDE ELECTRONIC SUBCONTRACTING REPORTING SYSTEM (ESRS) AFTER AWARD[[1]](#footnote-1).**

**Use the Individual Subcontracting Plan Template:**

* For a new contract award whose total value, including options, exceeds the subcontracting plan threshold listed in FAR 19.702
* For existing contracts when either a contract modification causes the value of the contract to exceed the threshold required for a subcontracting plan, or as a result of size changes due to re-representation (FAR 52.219-28).  When a subcontracting plan is required, the plan shall cover the remaining periods of the contract.[[2]](#footnote-2)

**Before preparing the subcontracting plan:**

* **Review the FAR requirements set forth in the FAR subpart 19.7[[3]](#footnote-3), *The Small Business Subcontracting Program,* particularly:**
  + FAR 19.704, *Subcontracting Plan Requirements*
  + FAR clause 52.219-8, *Utilization of Small Business Concerns[[4]](#footnote-4)*
  + FAR clause 52.219-9, *Small Business Subcontracting Plan*
  + FAR clause 52.219-16, *Liquidated damages*
* **Understand the statutory requirements in FAR 19.702:**
  + Any contractor receiving a contract for more than the simplified acquisition threshold **must agree** in the contract that SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns will have the maximum practicable opportunity **to participate in contract performance** consistent with its efficient performance.
  + Timely pay amounts due pursuant to the terms of their subcontracts with SBs, VOSBs, SDVOSBs, HUBZone, SDBs (including ANCs and Indian tribes), and WOSB concerns.
  + Each contract modification that causes the value of a contract without a subcontracting plan to exceed the subcontracting plan threshold listed in FAR 19.702, shall require the Contractor to submit a subcontracting plan for the contract, if the Contracting Officer determines that subcontracting opportunities exist[[5]](#footnote-5).
  + **Failure to submit and negotiate the subcontracting plan shall make the Offeror ineligible for award of the contract.**
* **Recognize that the negotiated subcontracting plan will become a material part of the contract upon award[[6]](#footnote-6) subject to monitoring by the federal government after award.** “Material” means it is just as important as the specifications, delivery schedule and price of the prime contract and is subject to the assessment of liquidated damages for failing to make a “good faith effort.”[[7]](#footnote-7) Monitoring will be done by examining subcontracting plan reports.  Small business subcontracting performance will be considered by the government as part of the annual performance evaluations.
* **Understand the reporting requirements after award (FAR 52.219-9(l)).  Submit required reports in the government-wide Electronic Subcontract Reporting System (eSRS):**
  + Individual plans require three reports each year:
    - Individual Subcontract Reports (ISRs), including task order level reporting for IDIQ contracts whose intended purpose is to be used by all federal agencies[[8]](#footnote-8)
    - Summary Subcontract Report (SSR) due no later than October 30 each year
  + Final ISR due 30 days after contract completion

**Note: for more information, check out the SBA website where you can find the subcontracting regulations, compliance reviews and points of contact:** [**SBA Prime-Subcontracting**](https://www.sba.gov/federal-contracting/contracting-guide/prime-subcontracting)

**How to increase small business participation?**

* **Market research – Market research – Market research!**
* **Resources to find small businesses:**
  + **SBA Commercial Marketing Representative**:  [**SBA CMRs**](https://www.sba.gov/document/support--commercial-market-representatives)
  + **APEX Accelerators:** [**APEX Accelerators**](https://www.apexaccelerators.us/#/) **(formerly known as Procurement Technical Assistance Centers:** [**PTAC website**](https://www.aptac-us.org/)**)**
  + **Trade and professional organizations and conferences**
  + **Department of Commerce Minority Business Development Agencies:** [**MBDA website**](https://www.mbda.gov/)
  + **State, county, city minority business offices**
  + **Small, minority, women-owned, veteran business organizations**
  + **Local chambers of commerce:** [**Chambers of Commerce website**](https://www.uschamber.com/co/chambers)
  + **Department of Veterans Affairs (VOSBs and SDVOSBs)**
  + **Dynamic Small Business Search:** [**DSBS website**](https://web.sba.gov/pro-net/search/dsp_dsbs.cfm)
* **See if current suppliers meet the size status for the NAICS code that best describes the subcontract and the socio-economic definitions in FAR part 2**
* **Break out elements of large contracts into smaller contracts suitable for small business participation**
* **Required under FAR 52.219-9(e):**
  + Arrange solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZones
  + Where the Contractor’s lists of potential SBs, SDBs, WOSBs, VOSBs, SDVOSBs, and HUBZone small business subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time
  + Adequate and timely consideration of the potentialities of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in all “make-or-buy” decisions.
  + Counsel and discuss subcontracting opportunities with representatives of SBs, SDBs, VOSBs, SDVOSBs, WOSBs and HUBZone small businesses
  + Confirm that a subcontractor representing itself as a HUBZone small business concern is certified by SBA as a HUBZone small business concern in accordance with 52.219-8(d)(2)
  + Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, veteran-owned small business, HUBZone small, small disadvantaged, or women-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor’s subcontracting plan.
  + For all competitive subcontracts over the simplified acquisition threshold, as defined in FAR 2.101 on the date of subcontract award, in which a small business concern received a small business preference, upon determination of the successful subcontract offeror, prior to award of the subcontract the Contractor must inform each unsuccessful small business subcontract offeror in writing of the name and location of the apparent successful offeror and if the successful subcontract offeror is a small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business concern.
  + Assign each subcontract the NAICS code and corresponding size standard that best describes the principal purpose of the subcontract.

**How do I develop subcontracting goals?**

***Note:  The GSA subcontracting goals listed below are the agency’s goals[[9]](#footnote-9) and are provided for your information only, subject to change. The following tips are offered to assist you with calculating the subcontracting plan goals to be listed in the individual subcontracting plan:***

* Decide what your company can provide internally, then determine what is left to outsource
* Estimate total subcontracting dollars (“outsourcing”, “purchases” or “spend”) planned to both small and “other than small” business[[10]](#footnote-10) (OTSB) concerns for each period of the contract (base period and each option period):
* Separately identify the dollars that will be subcontracted to both large/OTSB and to small businesses, which when added together make up the total dollars subcontracted to all concerns and 100%.
* For the small businesses, identify if your supplier also meets one of the small business socio-economic categories (small disadvantaged business (SDB); women-owned small business (WOSB); veteran-owned small business (VOSB); service-disabled veteran-owned small business (SDVOSB) and Historically Underutilized Business Zone small business (HUBZone).  Note:  small businesses can meet more than one socio-economic category[[11]](#footnote-11).
* Apply the subcontracted dollars towards all small business socio-economic categories applicable to your suppliers.  For example, a $30,000 subcontract awarded to a woman-owned, HUBZone, service-disabled veteran owned small business:
  + apply $30,000 against WOSB
  + apply $30,000 against HUBZone
  + apply $30,000 against SDVOSB
  + apply $30,000 against VOSB (since a SDVOSB is a VOSB)
  + apply $30,000 against small business since WOSB, HUBZone and SDVOSB are socioeconomic small business subcategories.

**Note:  This is not double/triple counting, but ensures credit is given to all socioeconomic categories represented by the small business**

* The small business dollar amount must include all small business socioeconomic subcategories; i.e., VOSB, SDVOSB, HUBZone, SDB, WOSB, (plus any "other small" businesses that do not fall within one of these specified subgroups). Note:  include Alaskan Native Corporations (ANCs) and Indian tribes are included in both the SDB and total small business amounts.
* Once the dollars have been assigned to each socioeconomic category, calculate the percentage for each category separately against the “Total dollars to be subcontracted.”  Percent goals for each of these small business socio-economic categories must be expressed as a percentage of the TOTAL subcontracting dollars to all concerns (both OTSB and small)[[12]](#footnote-12)

**\* Caution:   Only the OTSB total plus the small business total should equal the total dollars to be subcontracted in both dollars and percent.  See calculation “notes” within Section III of this template for further assistance.**

**Do NOT add together the small business socioeconomic subcategories to reach the total small business figure, as the same dollars should already be included in the total for small business.**

|  |  |  |
| --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Sample Dollars** | **GSA Goals (FY23)** |
| **Total Subcontracted Dollars** | **$1,000,000** | **100%** |
| **Other than Small Business (OTSB/Large)** | **$800,000** | **80%** |
| **All Small (includes Veteran-Owned Small, Service-Disabled Veteran-Owned Small, HUBZone small, Small Disadvantaged Business, Women-Owned Small, and other small business concerns, i.e., ANCs, etc.** | **$200,000** | **20%** |

**The Total dollars to be subcontracted will be used as the denominator in calculating the percentages for each socio-economic category.**

Identify subcontracts awarded to the small business socio-economic subcategories and calculate the percentages using the total subcontract dollars as the denominator:

|  |  |  |
| --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Sample Dollars** | **GSA Goal (FY 2023)** |
| **Veteran-Owned Small Business** | **$30,000** | **3%** |
| **Service-Disabled Veteran-Owned Small Business[[13]](#footnote-13)** | **$30,000** | **3%** |
| **HUBZone Small Business** | **$30,000** | **3%** |
| **Small Disadvantaged Business** | **$50,000** | **5%** |
| **Women-Owned Small Business** | **$50,000** | **5%** |

**REMINDER:  in calculating the goals for each period of performance remember that each period of the contract can be more than one year in duration.  GSA examples include:**

* Leases whose firm term is often 10 years in duration
* Multiple Award Schedule contracts whose base period and each option period is five years in duration
* Government-wide Acquisition Contracts, such as OASIS or Alliant2, often have 5 year base periods and 5 year option

**Who reviews subcontracting plans?** FAR subpart 19.7 indicates the responsibility for subcontracting plans before contract award, upon award and after award falls on the contracting officer.  Before award, the CO must:

* Negotiate an acceptable plan with the contractor
* Consider recommendations by the agency small business advisor as well as the Small Business Administration Procurement Center Representative.  These are the technical experts when it comes to small business.
* Consider the contractor’s past performance in meeting small business subcontracting goals on past or similar contracts as a part of determining if the offeror is responsible.

**How does a contracting officer review a subcontracting plan?**

* Do the goals proposed demonstrate “**maximum** practicable opportunity for SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZone to participate in the performance of the contract” as required by statute[[14]](#footnote-14)?
* Does the narrative support the goals proposed?  Think of the small business goals as the thesis statement and ensure the rest of the plan supports how the goals will be achieved throughout the life of the contract.
* Is the plan complete?  Are all requirements for a plan as listed in FAR clause 52.219-9 addressed?  The Model Plan lists all of the requirements.
* Like any goal, do the goals proposed build on past achievement?
* Does the plan demonstrate how your company will keep its market research fresh to find qualified SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZone?
* How do the estimated goal percentages compare with the Agency’s subcontracting goals?
  + If any of the proposed goals are less than the Agency’s subcontracting goal, provide an explanation.  “Tell the small business story”.
* Are there any “0” proposed?  Provide an explanation as zero for a goal does not make sense.  Can you find some dollars to give to the small business entity, maybe allocated from the indirect cost pool?

**Prepare the individual subcontracting plan:**

* Determine what will be subcontracted (supplies and services) throughout the life of the contract and the estimated costs of the subcontracts.
* Identify the size and socio-economic categories of your suppliers, especially SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZone small businesses.  Best practice:  if the size status of a supplier is unknown, check with the supplier to see if they can be considered small for the NAICS applying to the subcontract.  If small, do they also meet the definition of one or more of the socio-economic categories:  SDB, WOSB, VOSB, SDVOSB or HUBZone?
* **Market research – Market research – Market Research!** Find new SB, SDB, WOSB, VOSB, SDVOSB and HUBZone suppliers who can meet the needs of the contract.  If this is a follow-on or similar contract, does market research reveal greater opportunities for all types of small business than found in the past?  Check the Dynamic Small Business Search:  [**DSBS Website**](https://web.sba.gov/pro-net/search/dsp_dsbs.cfm&sa=D&ust=1602005366268000&usg=AFQjCNFSLULhrQkDuemMr90e5KMhhT1wrg)
* Calculate small business subcontracting goals, ensuring estimated dollars are applied against all socio-economic categories represented by the small business (e.g., apply the same amount of dollars across multiple designations).  Goals must reflect good faith efforts and realistic stretch goals.  Once the determination is made on what will be subcontracted, adapt the Model Plan to fit your subcontracting situation.  Ensure the subcontracting plan reflects best faith efforts and realistic **stretch** goals.  Put thought into maximum practicable opportunities that might be possible and achievable for all socio-economic categories as well as small business throughout the life of the contract.
* Complete the tables for each period of the contract, taking into consideration the time covered by the base period and each option (1 year?  5 years?  10 years?).
* Include a summary table, adding all periods of performance (base + options) together.
* Ensure the narrative of the subcontracting plan supports the proposed goals:
  + For example, does the description of what will be subcontracted match the goals proposed?
  + Does supporting information from similar contracts, or past contracts support the proposed goals?

**REPORTING INSTRUCTIONS FREQUENTLY ASKED QUESTIONS**

**FOR CONTRACTORS**

**Why are subcontracting reports important?**

Negotiated subcontracting plans become a **material part of the contract**. The reports monitor the progress against the plan.  Failure to submit the reports as required under FAR 52.219-9 may negatively affect contractor performance evaluations or may indicate a lack of good faith effort to maximize practicable subcontracting opportunities for SBs, SDBs, WOSBs, VOSB, SDVOSBs and HUBZone small businesses as required by law.

**What should I know before submitting a report?**

* Understand the small business subcontracting program requirements in FAR subpart 19.7.  Pay attention to the reporting requirements listed in FAR 52.219-9(l) and any supplemental instructions the CO may have included in the contract
* Review the subcontracting plan
* Understand the differences in the reports required for the type of subcontracting plan in the contract
* Follow the directions on the eSRS home page such as “Quick Reference Guides” and the Sample-Step-by-Step, such as
  + Do not include in the reports purchases from a corporation, company, or subdivision that is an affiliate of the Contractor or subcontractor.  Subcontract awards by the affiliates shall be treated as subcontract awards by the Contractor
  + Subcontract award data reported by the Contractor and subcontractors shall be limited to awards made to their immediate next-tier subcontractors. Credit cannot be taken for awards made to lower tier subcontractors, unless the Contractor or subcontractor has been designated to receive a small business or small disadvantaged business credit from an ANC or Indian tribe.
  + Only include subcontracts involving performance in the United States or its outlying areas in these reports
* Select either the Federal Acquisition Service (FAS) or the Public Building Service (PBS) as the “agency” when completing the reports:
  + If awarded a contract by GSA’s PBS, select PBS as the “agency to which the report is being submitted” (code 4740) in eSRS.
  + For contracts awarded by GSA’s Federal Acquisition Service, select “FAS” as the “agency to which the report is being submitted (code 4732) in eSRS.

**What reports are required for an *individual* subcontracting plan?**

There are two types of reports required for individual subcontracting plans:

1. ***Individual Subcontracting Report (ISR)*** is contract specific.
   1. Data presented in the ISRs are cumulative over the life of the contract
   2. When a subcontracting plan contains separate goals for the basic contract and each option, the dollar goal inserted on the ISR shall be the sum of the base period through the current option. For example, for a report submitted after the second option is exercised, the dollar goal would be the sum of the goals for the basic contract, the first option, and the second option.
   3. If a subcontracting plan has been added to the contract pursuant to 19.702(a)(3) or 19.301-2(e), the Contractors achievements must be reported in the ISR on a cumulative basis from the date of incorporation of the subcontracting plan into the contract.
   4. Includes indirect costs in the report if the goals of the individual subcontracting plan included indirect costs.
   5. Three ISRs are due within 30 days of the end of each reporting period:
      1. ISR for the period ending March 31
      2. ISR for the period ending September 30
      3. Final ISR for the contract within 30 days of contract completion

For Task order level reporting for IDIQ contracts used by more than one federal agency, follow the instructions on the eSRS home page, such as the FAQs and the Sample ISR Step-by-Step.

1. ***Individual Plan Summary Subcontracting Report (SSR)*** is agency-specific:
   1. Encompasses all subcontracting under prime contracts and subcontracts the contractor has with an executive agency (GSA), regardless of the dollar value of the subcontracts.
   2. If the Contractor or a subcontractor is performing work for more than one executive agency, a separate report shall be submitted to each executive agency covering only that agency’s contracts, provided at least one of that agency’s contracts is over the subcontracting plan threshold listed in FAR 19.702 and contains a subcontracting plan.
   3. Includes indirect costs appropriately allocated.

**I am unable to submit my first ISR in eSRS.  What do I do?**

Notify the contracting officer.  It is probably due to a coding issue in the Federal Procurement Data System (FPDS) when the contract was awarded or when the modification was issued as a result of re-representation (FAR 52.219-28).  FPDS must indicate that a subcontracting plan is required.  This is an important step as FPDS feeds the eSRS system.  Once the FPDS data is corrected, you will be able to submit the ISRs in eSRS.

**I am having difficulty in meeting the goals established in the contract’s subcontracting plan.  What should I do?**

A number of actions can be taken:

1. Read the plan.  Did you do what you said you were going to do in the plan to find qualified SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZones?
2. Did a key small business supplier grow into “other than small”?  Explain any “0” or shortfalls in the “Remarks” section of the report.  Be sure to identify what corrective action you will take to get back on track.  “Tell the story” in the report.
3. Did you post your company’s subcontracting opportunities on the **SBA** [**SubNet**](https://eweb1.sba.gov/subnet/client/dsp_Landing.cfm) database?
4. Does your website make it easy for small businesses to find you and your company’s opportunities?
5. How do you keep market research fresh?  Check out the following resources recommended in GSA’s Model Subcontracting Plan Instructions:

**SBA Commercial Marketing Representative**:  [**SBA CMRs**](https://www.sba.gov/document/support--commercial-market-representatives)

**APEX Accelerators:** **[APEX Accelerators](https://www.apexaccelerators.us/" \l "/) (formerly known as Procurement Technical Assistance Centers:** [**PTAC website**](https://www.aptac-us.org/)**)**

**Trade and professional organizations and conferences**

**Department of Commerce Minority Business Development Agencies:** [**MBDA website**](https://www.mbda.gov/)

**State, county, city minority business offices**

**Small, minority, women-owned, veteran business organizations**

**Local chambers of commerce:** [**Chambers of Commerce website**](https://www.uschamber.com/co/chambers)

**Department of Veterans Affairs (VOSBs and SDVOSBs)**

**Dynamic Small Business Search:** [**DSBS website**](https://web.sba.gov/pro-net/search/dsp_dsbs.cfm)

1. Do current suppliers meet the size status for the NAICS code that best describes the subcontract and the socio-economic definitions in FAR part 2
2. Are you able to break out elements of large acquisitions into smaller contracts suitable for small business participation?
3. Did you follow the required actions listed in FAR 52.219-9(e)?

**Note:  Please remove these instructional pages and any instructional language (in blue) before submitting to the contracting officer for review and approval.**

***Individual Subcontracting Plan Template***

[***INSERT*** **COMPANY NAME**]

**SMALL BUSINESS SUBCONTRACTING PLAN**

1. **IDENTIFICATION DATA:**

**Address:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date Prepared:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Description of Types of Supplies/Services:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Solicitation Number:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Contract Number:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (*Mark N/A unless a plan is now required as a result of a contract modification or re-representation (FAR 52.218-28)*

**List the periods of performance for the base period and each option period[[15]](#footnote-15).**

**For Multiple Award Schedules (MAS), list only base period and option periods 1 through 3.**

**Individual Plan Period(s)**:

Base: *Date of Award through (Date)*

Option 1:

Option 2:

Option 3:

Option 4: *(if applicable)*

**Estimated Contract Value:** *(Provide separate estimate for basic contract and each option)*

Base Period: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Option Period 1: $\_\_\_\_\_\_\_\_\_\_\_\_   
Option Period 2: $\_\_\_\_\_\_\_\_\_\_\_\_

Option Period 3: $\_\_\_\_\_\_\_\_\_\_\_\_   
Option Period 4: $\_\_\_\_\_\_\_\_\_\_\_\_ *(if applicable)*

Include sum Total value of the contract of all periods for the entire contract term. For MAS list the total sales expected: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Place of Performance**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ***(Identify or list “Multiple”)***

**Unique Entity Identifier (UEI):** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(If this is an existing contract, insert the UEI used at time of contract award.*)

**II. GOALS:**

*FAR clause 52.219-9(d) requires the subcontracting plan include the following:*

*“ (1) Separate goals, expressed in terms of total dollars subcontracted, and as a percentage of total planned subcontracting dollars, for the use of small business (including ANCs and Indian tribes), veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business (including ANCs and Indian tribes) and women-owned small business WOSB concerns as subcontractors.*

*For* ***individual*** *subcontracting plans,* ***and if required*** *by the Contracting Officer[[16]](#footnote-16), goals shall also be expressed in terms of percentage of total contract dollars, in addition to the goals expressed as a percentage of total subcontract dollars. The Offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.*

*(2) A statement of total dollars planned to be subcontracted for an individual subcontracting plan;”*

***Remember:***

* ***Individual plans reflect contract-specific goals, including separate statements and goals for the base contract (period) and for each option.[[17]](#footnote-17)***
* ***Dollars and percentages to “other than small business” (OTSB) and total small businesses (including all socioeconomic subsets) must equal the total subcontracted to both categories in dollars and percentages.***

***COMPLETE THE GOAL FORMAT:***

* ***Complete the table for the base period of the contract and for each option period, if any. Best practice: show growth in goal achievement from base period through each option period.***
* ***Complete the Total Goals (Sum of all periods) table which follows the individual period sections. (see Table 6)***

**[Company Name] provides the following separate dollar and percentage goals, which are a percentage of the total subcontracting dollars for each business category plus a percentage of total contract value[[18]](#footnote-18):**

**Table 1. Base Period Goals[[19]](#footnote-19)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Whole Dollars** | **Percent of Subcontracted Dollars** | **Percent of Contract Dollars[[20]](#footnote-20)** |
| **Total Dollars to be Subcontracted[[21]](#footnote-21)** | $ | 100% |  |
| **Other than Small Business (OTSB/Large)** | $ |  |  |
| **All Small Businesses (including ANC and Indian tribes)** | $ |  |  |
| **Veteran-Owned Small Business (VOSB)** | $ |  |  |
| **Service-Disabled Veteran-Owned Small Business (SDVOSB)** |  |  |  |
| **HUBZone Small Business** | $ |  |  |
| **Small Disadvantaged Business (SDB) (to include ANCs and Indian tribes)** | $ |  |  |
| **Women-Owned Small Business (WOSB)** | $ |  |  |

**Table 2. Option Period I[[22]](#footnote-22)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Whole Dollars** | **Percent of Subcontracted Dollars** | **Percent of Contract Dollars[[23]](#footnote-23)** |
| **Total Dollars to be Subcontracted[[24]](#footnote-24)** | **$** | **100%** |  |
| **Other than Small Business (OTSB/Large)** | **$** |  |  |
| **All Small Businesses (including ANC and Indian tribes)** | **$** |  |  |
| **Veteran-Owned Small Business (VOSB)** | **$** |  |  |
| **Service-Disabled Veteran-Owned Small Business (SDVOSB)** |  |  |  |
| **HUBZone Small Business** | **$** |  |  |
| **Small Disadvantaged Business (SDB) (to include ANCs and Indian tribes)** | **$** |  |  |
| **Women-Owned Small Business (WOSB)** | **$** |  |  |

**Table 3. Option Period II[[25]](#footnote-25)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Whole Dollars** | **Percent of Subcontracted Dollars** | **Percent of Contract Dollars[[26]](#footnote-26)** |
| **Total Dollars to be Subcontracted[[27]](#footnote-27)** | **$** | **100%** |  |
| **Other than Small Business (OTSB/Large)** | **$** |  |  |
| **All Small Businesses (including ANC and Indian tribes)** | **$** |  |  |
| **Veteran-Owned Small Business (VOSB)** | **$** |  |  |
| **Service-Disabled Veteran-Owned Small Business (SDVOSB)** |  |  |  |
| **HUBZone Small Business** | **$** |  |  |
| **Small Disadvantaged Business (SDB) (to include ANCs and Indian tribes)** | **$** |  |  |
| **Women-Owned Small Business (WOSB)** | **$** |  |  |

**Table 4. Option Period III[[28]](#footnote-28)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Whole Dollars** | **Percent of Subcontracted Dollars** | **Percent of Contract Dollars[[29]](#footnote-29)** |
| **Total Dollars to be Subcontracted[[30]](#footnote-30)** | **$** | **100%** |  |
| **Other than Small Business (OTSB/Large)** | **$** |  |  |
| **All Small Businesses (including ANC and Indian tribes)** | **$** |  |  |
| **Veteran-Owned Small Business (VOSB)** | **$** |  |  |
| **Service-Disabled Veteran-Owned Small Business (SDVOSB)** |  |  |  |
| **HUBZone Small Business** | **$** |  |  |
| **Small Disadvantaged Business (SDB) (to include ANCs and Indian tribes)** | **$** |  |  |
| **Women-Owned Small Business (WOSB)** | **$** |  |  |

**Table 5. Option Period IV[[31]](#footnote-31)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Whole Dollars** | **Percent of Subcontracted Dollars** | **Percent of Contract Dollars[[32]](#footnote-32)** |
| **Total Dollars to be Subcontracted[[33]](#footnote-33)** | **$** | **100%** |  |
| **Other than Small Business (OTSB/Large)** | **$** |  |  |
| **All Small Businesses (including ANC and Indian tribes)** | **$** |  |  |
| **Veteran-Owned Small Business (VOSB)** | **$** |  |  |
| **Service-Disabled Veteran-Owned Small Business (SDVOSB)** |  |  |  |
| **HUBZone Small Business** | **$** |  |  |
| **Small Disadvantaged Business (SDB) (to include ANCs and Indian tribes)** | **$** |  |  |
| **Women-Owned Small Business (WOSB)** | **$** |  |  |

***The Total Goals (sum of all periods, base + option(s)) table below provides a comprehensive look at subcontracting opportunities for the entire contract***

* ***Add the total dollars estimated for each period of the contract and socioeconomic category and place the amounts in the spaces below.***
* ***Compute the percentages for each category for the entire contract***

**Table 6. Total Goals/Sum**

|  |  |  |  |
| --- | --- | --- | --- |
| **Planned Subcontracting by Business Size** | **Whole Dollars** | **Percent of Subcontracted Dollars** | **Percent of Contract Dollars[[34]](#footnote-34)** |
| **Total Dollars to be Subcontracted[[35]](#footnote-35)** | **$** | **100%** |  |
| **Other than Small Business (OTSB/Large)** | **$** |  |  |
| **All Small Businesses (including ANC and Indian tribes)** | **$** |  |  |
| **Veteran-Owned Small Business (VOSB)** | **$** |  |  |
| **Service-Disabled Veteran-Owned Small Business (SDVOSB)** |  |  |  |
| **HUBZone Small Business** | **$** |  |  |
| **Small Disadvantaged Business (SDB) (to include ANCs and Indian tribes)** | **$** |  |  |
| **Women-Owned Small Business (WOSB)** | **$** |  |  |

**III. PRINCIPAL TYPES OF SUPPLIES AND SERVICES TO BE SUBCONTRACTED:**

*Describe the principal types of supplies and services to be subcontracted* and *an identification of types of supplies or services planned for subcontracting to SB (including ANCs and Indian tribes),VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns[[36]](#footnote-36).*

The principal types of supplies and/or services that [**Company Name**] anticipates to be subcontracted (outsourced) and the identification of the type of supply or service offered to each business concern are as follows. GSA requests inserting the applicable NAICS[[37]](#footnote-37) code under the description:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Supplies/Services** | **OTSB/Large** | **Small** | **VOSB** | **SDVOSB** | **HUBZone** | **SDB** | **WOSB** |
| Example-Painting  NAICS 238230 |  | X | X | X |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

***ATTACH ADDITIONAL SHEETS IF NECESSARY***

Explain in the narrative of this section any low goals[[38]](#footnote-38) and the actions planned in order to support your plan. Otherwise, the CO, GSA Office of Small and Disadvantaged Business Utilization or the SBA may deem your plan unacceptable preventing contract award.

***NOTE: “zero” is not considered a “positive” goal which the FAR requires. Having a goal will provide the incentive for your company to make a “good faith effort” in fostering opportunities for Small Business, SDB, WOSB, VOSB, SDVOSB and HUBZone SB. After award, the contracting officer assesses whether you have made a “good faith effort” to implement the subcontracting plan.[[39]](#footnote-39)***

**IV. DESCRIPTION OF METHOD USED TO DEVELOP SUBCONTRACTING GOALS:** *Describe the method used to develop the subcontracting goals. Explain or state the basis for establishing your proposed goals (i.e., based on historical data and experience, market research, etc.)*

[**Company Name**] used the following method to develop the subcontracting goals:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**V. DESCRIPTION OF METHOD USED TO IDENTIFY POTENTIAL SOURCES:** *Describe the method used to identify potential sources for solicitation purposes (*e.g.*, existing company source lists, the System for Award Management (SAM), veterans service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small, HUBZone, small disadvantaged, and women-owned small business trade associations). A firm may rely on the information contained in SAM as an accurate representation of a concern’s size and ownership characteristics for the purposes of maintaining SB, VOSB, SDVOSB, HUBZone, SDB, and WOSB source lists.[[40]](#footnote-40)*

[**Company Name**] identifies potential subcontractors using the following source lists and organizations (please list your sources used):

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**VI. INCLUSION OF INDIRECT COSTS IN ESTABLISHING GOALS[[41]](#footnote-41):** *State whether or not indirect costs were used in establishing subcontracting goals for SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns****.[[42]](#footnote-42)***

Indirect costs \_\_\_\_\_HAVE BEEN (or) \_\_\_\_\_HAVE NOT BEEN included in the dollar and percentage subcontracting goals stated above.

*If indirect costs HAVE been included in the individual subcontracting plan, describe the method used to determine the proportionate share of indirect costs to be incurred with small business concerns under the contract.[[43]](#footnote-43)*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
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**VII.** **PROGRAM ADMINISTRATOR:** *FAR clause 52.219-9(d)(7) requires the name of the individual employed by the Offeror who will administer the Offeror’s subcontracting program,* and *a description of the duties of the individual. Please add the contact information for this person (telephone number and email address), in case of questions, and provide an alternate point of contact, if applicable.*

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title/Position: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Email Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Alternate POC with contact information: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Duties**: FAR clause 52.219-9(e) requires that in order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor **shall** perform the following functions. Include these in the subcontracting plan, indicating your compliance with FAR 52.219-9(e):

1. Assist SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns by arranging solicitations, sufficient time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor’s lists of potential SB, VOSB, SDVOSB, HUBZone, SDB and WOSB subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.

2. Provide adequate and timely consideration of the potentialities of SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns in all “make-or-buy” decisions.

3. Counsel and discuss subcontracting opportunities with representatives of SB, VOSB, SDVOSB, HUBZone, SDB and WOSB firms.

4. Confirm that a subcontractor representing itself as a HUBZone small business concern is certified by SBA as a HUBZone small business concern in accordance with 52-219-8(d)(2).

5. Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as SB, VOSB, SDVOSB, HUBZone, SDB and WOSB for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor’s subcontracting plan.

6. For all competitive subcontracts over the simplified acquisition threshold in which a small business concern received a small business preference, upon determination of the successful subcontract offeror, prior to award of the subcontract the contractor must inform each unsuccessful small business subcontract offeror in writing of the name and location of the apparent successful offeror and if the successful subcontract offeror is a SB, VOSB, SDVOSB, HUBZone SB, SDB, or WOSB concern.

7. Assign each subcontract the NAICS code and corresponding size standard that best describes the principle purpose of the subcontract.

Other ways the Plan Administrator will ensure the company meets the goals of the plan **demonstrating “good faith effort”** [***Check those that will be done under this plan]***:

\_\_\_\_Ensure periodic rotation of potential subcontractors on bidders’ lists.

\_\_\_\_Ensure that SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns are included on the bidders’ list for every subcontract solicitation for products and services they are capable of providing.

\_\_\_\_Ensure that subcontract procurement “packages” are designed to permit the maximum possible participation of SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns.

\_\_\_\_Review subcontract solicitations to remove statements, clauses, etc., which might tend to restrict or prohibit SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns.

\_\_\_\_Ensure that the subcontract bid proposal review board documents its reasons for not selecting any low bids submitted by SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns.

\_\_\_\_Oversee the establishment and maintenance of contract and subcontract award records.

\_\_\_\_Attend or arrange for the attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.

\_\_\_\_Directly or indirectly counsel SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns on subcontracting opportunities and how to prepare bids to the company.

\_\_\_\_Conduct or arrange training for purchasing personnel regarding the intent and impact of Section 8(d) of the Small Business Act on purchasing procedures

\_\_\_\_Develop and maintain an incentive program for buyers that support the subcontracting program.

\_\_\_\_Monitor the company’s performance and make any adjustments necessary to achieve the subcontract plan goals.

\_\_\_\_Coordinate the company’s activities during compliance reviews by Federal agencies

\_\_\_\_Promote opportunities for small businesses on the company’s website

\_\_\_\_Additional Duties: (*If your company or program administrator will perform additional subcontracting duties not shown above, please identify them here):*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**VIII. EQUITABLE OPPORTUNITY:** *FAR clause 52.219-9(d)(8) requires a description of the efforts the Offeror will make to assure that SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns have an equitable opportunity to compete for subcontracts.*

[**Company Name**] will make every effort to ensure that all small business concerns have an equitable opportunity to compete for subcontracts. These efforts may include one or more of the following activities: (*please* *indicate which of the following apply or adapt the list to fit your company’s efforts*)

Outreach efforts to obtain sources:

\_\_\_ Contacting minority and small business trade associations

\_\_\_ Contact business development organizations

\_\_\_ Requesting sources from the SBA’s Dynamic Small Business Search ([Link to Dynamic Small Business Search](http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm)) and/or the SAM.gov database

\_\_\_ Attend small and minority business trade fairs and procurement conferences

Internal efforts to guide and encourage purchasing personnel:

\_\_\_ Present workshops, seminars, and training programs

\_\_\_ Establishing, maintaining, and using small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business source lists, guides, and other data for soliciting subcontracts

\_\_\_ Monitoring activities to evaluate compliance with the subcontracting plan

Other efforts: (*Please describe below*.)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**IX. ASSURANCES OF CLAUSE INCLUSION AND FLOW DOWN:** *FAR clause 52.219-9(d)(9) requires assurances that the Offeror will include the clause at* [*52.219-8*](http://acquisition.gov/comp/far/current/html/52_217_221.html)*, Utilization of Small Business Concerns (see* [*19.708*](http://acquisition.gov/comp/far/current/html/Subpart%2019_7.html)*(a)), in all subcontracts that offer further subcontracting opportunities,* and *that the Offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of the subcontracting plan threshold listed in FAR 19.702 with further subcontracting possibilities to adopt a subcontracting plan that complies with the requirements of this clause.*

[**Company Name**] agrees to include the FAR Clause 52.219-8, “Utilization of Small Business Concerns” in all subcontracts that offer further subcontracting opportunities, and will require all subcontractors (*except small business concerns*) that receive subcontracts in excess of the subcontracting plan threshold listed in FAR 19.702 to adopt a subcontracting plan that complies with the requirements of the clause at [52.219-9](http://acquisition.gov/comp/far/current/html/52_217_221.html), Small Business Subcontracting Plan.

**X. ASSIGNMENT OF SIZE STANDARDS TO SUBCONTRACTS**

[**Company Name**] agrees to assign North American Industry Classification System (NAICS) codes to subcontracts and further agrees to provide the socio-economic status of the successful subcontractor in the notification to the unsuccessful offerors for the subcontracts in accordance with FAR 52.219-9.

**XI. REPORTING AND COOPERATION:** *FAR clause 52.219-9(d)(10) requires assurances that the offeror will do the following:*

[**Company Name**] agrees to:

* Cooperate in any studies or surveys as may be required
* Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan[[44]](#footnote-44)
* Report subcontracting data for each order[[45]](#footnote-45) when reporting subcontracting achievements under orders placed by federal agencies using multiple agency task/delivery order contracts, such as MAS, GWACs, OASIS
* Submit the Individual Subcontract Report (ISR) and/or the Summary Subcontract Report (SSR),[[46]](#footnote-46) on time in accordance with paragraph (l) of FAR clause 52.219-9, using the Electronic Subcontracting Reporting System (eSRS) at [*Link to eSRS*](http://www.esrs.gov/) *following the instructions in eSRS.*

For individual plans there are 2 kinds of subcontracting reports:

* Individual Subcontract Reports (ISRs) – cumulative, contract-specific reports
* Summary Subcontract Reports (SSRs) – annual agency-specific report

**Three reports are required each year:**

Calendar Period Report Due Due by[[47]](#footnote-47) *with email address for*:

10/01--03/31 ISR 04/30 Contracting Officer

04/01--09/30 ISR 10/30 Contracting Officer

10/01--09/30 SSR 10/30 Contracting Officer

* Submit a revised report within 30 days of receiving notice of rejection by the contracting officer[[48]](#footnote-48)
* Ensure that subcontractors with subcontracting plans agree to submit the ISR and/or the SSR using the eSRS:

1. Provide prime contract number, the prime’s UEI, and the e-mail address of the Offeror’s official responsible for acknowledging receipt of or rejecting the ISRs, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their ISRs.
2. Require that each subcontractor with a subcontracting plan provide the prime contract number, its own UEI, and the e-mail address of the subcontractor’s official responsible for acknowledging receipt of, or rejecting the ISRs, to its subcontractors with subcontracting plans.
3. Reports are to be submitted within 30 days after the close of each calendar period.

**The Final ISR is due within 30 days of contract completion.**

**ASSISTANCE IN REPORT PREPARATION CAN BE FOUND IN THE ATTACHMENT,** *REPORTING INSTRUCTIONS FOR CONTRACTORS***, or in guidance documents on the eSRS home page (**[**https://esrs.gov**](https://esrs.gov)**), and from your local SBA Commercial Marketing Representative.**

**XIII. RECORDKEEPING:** *FAR clause 52.219-9(d)(11) requires a description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the efforts to locate SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns and to award subcontracts to them.*

[**Company Name**] will maintain records concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of efforts to locate SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

* Source lists (*e.g.,*SAM), guides, and other data that identify *SB* (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns.
* Organizations contacted in an attempt to locate sources that are *SB* (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), or WOSB concerns.
* Records on each subcontract solicitation resulting in an award of more than the simplified acquisition threshold, as defined in FAR 2.101, as of the date of the subcontract award, indicating whether or not the following business concerns were solicited, and if not, why not:

(A) Small businesses

(B) Veteran-owned small businesses

(C) Service-disabled veteran-owned small businesses

(D) HUBZone small businesses

(E) Small disadvantaged businesses

(F) Women-owned small businesses

If applicable, the reason award was not made to a small business concern.

* Records of any outreach efforts to contact:

(A) Trade associations

(B) Business development organizations[[49]](#footnote-49)

(C) Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, service-disabled veteran-owned, and women-owned small business sources

(D) Veterans service organizations

* Records of internal guidance and encouragement provided to buyers through

(A) Workshops, seminars, training, etc.

(B) Monitoring performance to evaluate compliance with the program’s requirements

* On a contract-by-contract basis, records to support award data submitted by the Offeror to the Government, including the name, address, and business size of each subcontractor.
* Other records supporting compliance with the subcontracting plan: (*Please describe below*.)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**XIV. ADDITIONAL ASSURANCES:**

* [**Company Name**] will make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns that it used in preparing the bid or proposal, in the same or greater scope, amount, and quality used in preparing and submitting the bid or proposal.

* [**Company Name**] will provide the Contracting Officer with a written explanation if the Contractor fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in (d)(12) of FAR clause 52.219-9. This written explanation must be submitted to the Contracting Officer within 30 days of contract completion.
* [**Company Name**] will not prohibit a subcontractor from discussing with the Contracting Officer any material matter pertaining to the payment to or utilization of a subcontractor; and
* [**Company Name**] assures that the offeror will pay its small business subcontractors on time and in accordance with the terms and conditions of the subcontract, and notify the contracting officer if [**Company Name**] pays a reduced or an untimely payment to a small business subcontractor (see FAR clause [52.242-5](https://www.acquisition.gov/sites/default/files/current/far/html/52_241_244.html#wp1128833)).

**XV. COMMITMENT TO MAKE A “GOOD FAITH EFFORT”[[50]](#footnote-50)**

[**Company Name**] shall make a good faith effort to achieve the small business goals described in this subcontracting plan by taking the efforts listed below in addition to the efforts listed under Section IV, Section VIII and Section IX described in this plan: **[List additional efforts]**.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**XVI. STATUTORY REQUIREMENTS (FAR 19.702)**

**The above requirements will be negotiated with the Contracting Officer in the time specified. The plan must be approved prior to contract award, option exercise, or renewal. The Contracting Officer must ensure per FAR 19.705-5(a)(5) that an acceptable plan is incorporated into and made a material part of the contract.** Failure to submit and negotiate the subcontracting plan shall make the Offeror ineligible for award of a contract.

As stated in [15 U.S.C. 637(d)(8)](http://uscode.house.gov/uscode-cgi/fastweb.exe?getdoc+uscview+t13t16+492+90++%2815%29%20%20AND%20%28%2815%29%20ADJ%20USC%29%3ACITE%20%20%20%20%20%20%20%20%20) as implemented under FAR 52.219-16, *Liquidated damages,* any contractor or subcontractor failing to comply in good faith with the requirements an approved subcontracting plan required by the clause of the contract “Utilization of Small Business Concerns” shall be a **material breach** **of the contract and may be considered in any past performance evaluation of the Contractor**. Further, [15 U.S.C. 637(d)(4)(F)](http://uscode.house.gov/uscode-cgi/fastweb.exe?getdoc+uscview+t13t16+492+90++%2815%29%20%20AND%20%28%2815%29%20ADJ%20USC%29%3ACITE%20%20%20%20%20%20%20%20%20) directs that a contractor’s **failure to make a good faith effort** to comply with the requirements of the subcontracting plan shall result in the imposition of liquidated damages.

**XVII. SIGNATURE REQUIRED:** *Plan must be* ***signed*** *and* ***dated*** *by a company official.*

This subcontracting plan was SUBMITTED by:

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Typed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Government Contracting Officer APPROVAL[[51]](#footnote-51):**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Agency: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. FAR 52.219-9 (d)(10)(iii) [↑](#footnote-ref-1)
2. FAR 19.705-2(e) [↑](#footnote-ref-2)
3. The FAR is found at <https://www.acquisition.gov/far/subpart-19.7>. [↑](#footnote-ref-3)
4. Note the requirement in this clause indicating you agree to implement the U.S. policy to maximize opportunities for SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZone small businesses to participate as subcontractors to the **“fullest extent”**. [↑](#footnote-ref-4)
5. For example, a $100,000 change order to a $1,450,000 construction contract will now increase the total value of the contract to $1,550,000.  A subcontracting plan will be required for the remaining years of the contract. [↑](#footnote-ref-5)
6. FAR19.705-5 [↑](#footnote-ref-6)
7. “Good faith effort” is defined in the Small Business Administration regulations at 13 CFR 125(d)(3). [↑](#footnote-ref-7)
8. FAR 52.219-9(d)(10)(iii) [↑](#footnote-ref-8)
9. The goals are negotiated with the Small Business Administration (SBA) annually based on recent agency achievements.  SBA is responsible for the Federal Government Goaling Program.  Information on the goaling process which includes subcontracting can be found at:   [SBA Goaling Process](https://www.sba.gov/document/support-agency-contracting-goals). [↑](#footnote-ref-9)
10. The term “other than small business is used to indicate all other certifications that are not small.  Examples include non-profits, universities and educational institutions, utilities, state and local governments.  [↑](#footnote-ref-10)
11. For example, a small business can be a WOSB as well as a SDVOSB.  Find the definitions in FAR part 2 (https://www.acquisition.gov/far/part-2#FAR\_Subpart\_2\_1). [↑](#footnote-ref-11)
12. A Contracting Officer **may** also require the goals to be calculated as a percentage of total **contract** dollars, in addition to the goals required as a percentage of subcontracted dollars.  Usually this is requested when GSA is acquiring products/services for another agency such as the Department of Defense. [↑](#footnote-ref-12)
13. SDVOSB should always be less than or equal to VOSB.  By definition, a SDVOSB is also a VOSB.   [↑](#footnote-ref-13)
14. FAR 19.702, *Statutory requirement*, and clause 52.219-8, *Utilization of small business concerns.* [↑](#footnote-ref-14)
15. Note: each period of the contract, such as the base period may be for more than one year. An example is **MAS contracts where the base period and each option period are 5 years.** [↑](#footnote-ref-15)
16. Not required for GSA contracts. [↑](#footnote-ref-16)
17. If the plan is being submitted during contract performance as a result of a modification that causes the value of the contract to exceed the thresholds or re-representation, goals do not apply retroactively but only from the time the subcontracting plan will be incorporated into the contract. Therefore, only list goals for the remaining period(s) of the contract. [↑](#footnote-ref-17)
18. Delete “plus a percentage of total contract value” if this is not required by the contracting officer. [↑](#footnote-ref-18)
19. Note: the base period for MAS contracts is five years. [↑](#footnote-ref-19)
20. Complete this column only if required by the funding agency, otherwise delete the column as it is not required for GSA contracts. [↑](#footnote-ref-20)
21. Total dollars subcontracted is the sum of “other than small business” and all small business. [↑](#footnote-ref-21)
22. Note: Option Period I is five years for MAS contracts. [↑](#footnote-ref-22)
23. Complete this column only if required by the funding agency. This is not required for GSA contracts. [↑](#footnote-ref-23)
24. Total dollars subcontracted is the sum of “other than small business” and all small business. [↑](#footnote-ref-24)
25. Note: Option Period II for MAS contracts is five years. [↑](#footnote-ref-25)
26. Complete this column only if required by the funding agency. This is not required for GSA contracts. [↑](#footnote-ref-26)
27. Total dollars subcontracted is the sum of “other than small business” and all small business. [↑](#footnote-ref-27)
28. Note: Option Period III is five years for MAS contracts. [↑](#footnote-ref-28)
29. Complete this column only if required by the funding agency. This is not required for GSA contracts. [↑](#footnote-ref-29)
30. Total dollars subcontracted is the sum of “other than small business” and all small business. [↑](#footnote-ref-30)
31. Not Applicable for MAS contracts. [↑](#footnote-ref-31)
32. Complete this column only if required by the funding agency. This is not required for GSA contracts. [↑](#footnote-ref-32)
33. Total dollars subcontracted is the sum of “other than small business” and all small business. [↑](#footnote-ref-33)
34. Complete this column only if required by the funding agency. This field is not required for GSA contracts. [↑](#footnote-ref-34)
35. Total dollars subcontracted is the sum of “other than small business” and all small business. [↑](#footnote-ref-35)
36. FAR 52.219-9(d)(3) [↑](#footnote-ref-36)
37. NAICS codes are found at: [https://www.census.gov/eos/www/naics/&sa=D&ust=1602006164214000&usg=AFQjCNFC3JoeJ97-L26UvPx-IkpYwV-7ug](https://www.google.com/url?q=https://www.census.gov/eos/www/naics/&sa=D&ust=1602006164214000&usg=AFQjCNFC3JoeJ97-L26UvPx-IkpYwV-7ug) [↑](#footnote-ref-37)
38. Low goals are those less than the Agency’s subcontracting goals [↑](#footnote-ref-38)
39. See FAR 19.705-6(g). “Good faith effort” is defined in SBA regulations 13 CFR 125.3(d)(3) as well as FAR 19.705-7. [↑](#footnote-ref-39)
40. Use of SAM as a source list does not relieve a firm of its responsibilities to identify potential small business sources by other means (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities) in this clause. FAR 19.703 adds that the prime contractor may not require the use of SAM for the purposes of representing size or socioeconomic status in connection with a subcontract . . . and a prime contractor acting in good faith is not liable for misrepresentations made by its subcontractors regarding their size or socioeconomic status. [↑](#footnote-ref-40)
41. FAR 52.219-9(d)(6) [↑](#footnote-ref-41)
42. Indirect costs represent the expenses of doing business that are NOT easily identified with a specific project (i.e., contract or grant) but are generally recognized as ordinary and necessary for the general operation of the Contractor’s organization and the conduct of activities it performs. Types of indirect costs include routine supplies and general and administrative (G&A) expenses. However, fringe benefits (e.g. services or benefits provided to employees such as health insurance, payroll taxes, pension contribution, etc.), are NOT considered subcontracting and shall be excluded. [↑](#footnote-ref-42)
43. Including indirect costs may be beneficial to avoid “0” goals. If indirect costs are included in the goals, these costs must be included in the Individual Subcontract Report submitted into eSRS. [↑](#footnote-ref-43)
44. See the instructions on how to complete the reports on the Electronic Subcontract Reporting System (esrs.gov) homepage. Pay particular attention to the instructions in the “Quick Reference Guides” for submitting ISRs and SSRs as well as the “Sample Step-by-Step”. [↑](#footnote-ref-44)
45. See the instructions on the eSRS home page, such as the “Sample ISR Step-by-Step” on how to report subcontracting at the task order level. [↑](#footnote-ref-45)
46. The reports shall provide information on subcontract awards to small business concerns (including ANCs and Indian tribes that are not small businesses), VOSBs, SDVOSBs, SDBs (including ANCs and Indian tribes that have not been certified by the SBA as small disadvantaged businesses), WOSBs and HUBZones. [↑](#footnote-ref-46)
47. Failing to submit reports on time may be an indication of a lack of “good faith effort” (13 CFR 125.3(d) as well as FAR 19.705-7) [↑](#footnote-ref-47)
48. FAR 52.219-9(l)(1)(i) [↑](#footnote-ref-48)
49. Such as [APEX Accelerators](https://www.apexaccelerators.us/#/) (formerly known as Procurement Center Technical Assistance Centers: [aptac-us.org](http://aptac-us.org)) [↑](#footnote-ref-49)
50. Described in SBA regulations at 13 CFR125.3(d)(3) as well as FAR 19.705-7 [↑](#footnote-ref-50)
51. Contracting officer may indicate their approval by signing the plan, although not required. Approval is indicated when the negotiated subcontracting plan becomes a material part of the contract upon award as required by FAR 19.705-5(a)(5) and FAR clause 52.219-9(c)(1). [↑](#footnote-ref-51)