



Evaluating Small Business Participation

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Evaluation of Small Business Participation

Starts with acquisition planning



Market Research

Acquisition Strategy

Solicitation Development

Source Selection

Contract Award

Monitor Performance



Evaluation of Small Business Participation

Market Research Strategy

- Ask what is your interest in this requirement?
 - To be the prime or a subcontractor, joint venture partner

Acquisition Strategy

- Understand the requirement
 - Types of work to be performed
 - Appropriate for subcontracting
 - Quantitative level of small business participation

Solicitation Development

- Small Business elements in Sections:
 - Special Contract Requirements (H)
 - Clauses (I)
 - Instructions and Notices (L)
 - Evaluation for Award (M)



Evaluation of Small Business Participation

Source Selection

- Evaluation of Small Business Participation (Requirements)
 - Small Business Participation Commitment Document
 - Evaluate IAW solicitation evaluation criteria
- Evaluation of Past Performance
 - Contribution to overall Past Performance rating

Contract Award

- Make small business requirements contractual
 - Incorporate small business subcontracting plan
 - Incorporate small business participation requirements

Monitor Performance

- eSRS
- Other required reporting



Mandate for Separation

Small Business Subcontracting Plans and Evaluation of Small Business Participation

Evaluate Small Business Participation Commitment Document(s) (SBPCD)

Assessment of a Small Business

Subcontracting Plan and **evaluation** of SBPCDs are two separate yet related areas. They are treated differently in solicitations, during source selection, and in contract awards

DFARS 215.304 (c)(i)(B) states that proposals addressing the extent of small business performance **shall be separate** from Small Business Subcontracting Plans submitted pursuant to the clause at FAR 52.219-9 and **shall be structured** to allow for consideration of offers from small businesses



Divorce the Cousins!



Evaluation of Small Business Participation

Evaluation of Small Business Participation Considerations in Solicitation Development

1. Evaluation criteria (small business participation requirements)
 - a. DFARS PGI 215.304 for example factors/subfactors
 - b. Others as appropriate for the acquisition
2. Ways to evaluate
 - a. Factor
 - b. Subfactor
 - c. Sub-subfactor
3. Options for rating
 - a. Table of adjectival ratings
 - b. Acceptable and unacceptable
4. Reporting



Evaluation of Small Business Participation

Small Business Participation - Solicitation and Source Selection

A good solicitation and source selection evaluation will:

- (a) Emphasize how the assessment of the subcontracting plan IAW FAR 19.7 is different from the evaluation of small business participation
- (b) Explain how offers from small business prime offeror's must be structured and how they will be evaluated
- (c) State that evaluation of small business participation applies to Comprehensive Subcontracting Plan participants
- (d) If appropriate for the acquisition, state a baseline small business minimum quantitative requirement (MQR) (not a "goal") for small business (and socioeconomic categories as well if appropriate) based on market research



Evaluation of Small Business Participation

- (e) State if small business participation is based on total contract value (TCV). TCV should be defined and if used, explain how percentages and dollars should be stated in the subcontracting plan (if a plan is required)
- (f) Explain how offers will be rated to include a requirement for other-than-small business offerors to receive a higher evaluation rating for exceeding the baseline MQR if an MQR is used.
- (g) Evaluate compliance with FAR 52.219-8 and 52.219-9 (small business utilization past performance)
- (h) Determine the realism of the proposed utilization of small businesses
- (i) Require all offerors to submit periodic reports (monthly, quarterly, whatever is appropriate for the acquisition) on their small business utilization for the contract.



Evaluation of Small Business Participation

Solicitation Development

Let's go to Work!



Solicitation Development is complete; Now What?





Evaluation of Small Business Participation Commitment Document

- Has a responsive SBPCD been proposed?
- What should the SBPCD rating be?
- Is the SBPCD consistent with the Small Business Subcontracting Plan?



Evaluation of Small Business Participation

Divorced Cousins but Still Related

SBPCD to be Consistent with the Small Business Subcontracting Plan

- Type of work to be subcontracted
- Names of small businesses
- SB subcontracting dollars



Planned Subcontracting Goals vs. SB Participation Minimum Quantitative Requirement (MQR)

Subcontracting Plan Goals % Denominator: Planned Subcontracted \$	SBPCD MQR % Denominator: Proposed Total Contract \$ (TCV)
Total Contract Value (TCV) \$: \$160,000,000	
Offeror proposed total planned subcontracting \$: \$80,000,000	Offeror proposed MQR commitment based on TCV \$
Offeror proposal: 60% planned Subcontract \$ to small businesses	Offeror proposed MQR: 30% of TCV to small businesses
Do the Math: SBs get \$48,000,000 <i>(60% planned subcontracted \$: \$80,000,000)</i>	Do the Math: SBs get \$48,000,000 <i>(30% TCV \$: \$160,000,000)</i>

↕
**Consistency
at the dollars**
↕



Evaluation is Done; What's next?

- Incorporate desired proposed small business participation as contract requirements
- How?
 - Find out in:
 - SBP 102 Introduction to Small Business Programs Part B
 - SBP 202 Intermediate Small Business Programs
 - SBP 210 Subcontracting



Evaluation of Small Business Participation

Summary

- Start at the very beginning
 - Acquisition planning
 - Market research
 - Acquisition strategy
 - Small business strategy
- ***Develop appropriate solicitation language******
- Conduct source selection
 - Evaluate Small Business Participation Commitment Document
 - Evaluate small business past performance
- Award contract(s)
- Monitor compliance - Accountability

