

## DoD SUBCONTRACTING PROGRAM

### *Guide to Preparing and Reviewing an Individual Subcontract Report (ISR) for an Individual Subcontracting Plan (Sept 2019)*

#### Regulatory Requirements

<b>Authority:</b>	<ul style="list-style-type: none"> <li>Section 8(d) Small Business Act - 15 USC 637(d)</li> </ul>	<ul style="list-style-type: none"> <li>Specifies that small businesses will have maximum practicable opportunity to participate in contract performance consistent with efficient performance</li> <li>Requires the Agency to collect data on the extent to which the contractor meets the goals of the subcontracting plan</li> </ul>
	<ul style="list-style-type: none"> <li>Section 15(g) Small Business Act - 15 USC 644(g)</li> </ul>	<ul style="list-style-type: none"> <li>Specifies government-wide goals for contracts and subcontracts awarded to small business concerns</li> <li>Includes reporting on subcontracting</li> </ul>
<b>Regulations:</b>	<p>FAR 19.7 / DFARS 219.7</p> <p>FAR 52.219-9, Small Business Subcontracting Plan, and Alternate III</p> <p>DFARS 219.706 Class Deviation 2018-00007 dated 12/13/2017</p> <p>DFARS 252.219-7003, Small Business Subcontracting Plan</p> <p>DFARS 252.219-7004, Small Business Subcontracting Plan (Test Program)</p>	<ul style="list-style-type: none"> <li>Subcontracting plan requirement</li> <li>Upper-tier contractor flows down requirements for subcontracting plan</li> <li>Comply in good faith with subcontracting plan requirements</li> <li>Prime contractors and subcontractors submit ISRs independently in Federal Electronic Subcontracting Reporting System (eSRS)</li> <li>Prime contractors and subcontractors submit SF 294s in lieu of ISRs for contracts not reported in FPDS and for orders under BOAs &amp; BPAs</li> <li>Authority to acknowledge receipt and approve / reject the report for DoD resides with the Procuring Contracting Officer (PCO) who awarded the contract</li> </ul>

#### Individual Subcontract Report (ISR) or Standard Form (SF) 294, when Required

<b>Submit when?</b>	<ul style="list-style-type: none"> <li>Submit semiannually during contract performance</li> <li>Due 30 days after the end of each reporting period (Mar 31 and Sep 30) by Apr 30 and Oct 30 respectively</li> <li>Final ISR/SF 294 is required within 30 days of contractor's completion of subcontract obligations</li> </ul>
<b>Submit where?</b>	<ul style="list-style-type: none"> <li>ISR -- in eSRS at <a href="https://www.esrs.gov/">https://www.esrs.gov/</a></li> <li>SF 294 -- to PCO</li> </ul>
<b>Includes what?</b>	<ul style="list-style-type: none"> <li>Dollars subcontracted from the inception of the contract to the report date (Mar 31/Sep 30)</li> <li>May show negative dollars</li> </ul>
<b>Correct how?</b>	<ul style="list-style-type: none"> <li>Contractor may make changes or corrections to previously submitted reports when reviewer either "Reopens" or "Rejects" the report</li> </ul>
<b>Who reviews? When?</b>	<ul style="list-style-type: none"> <li>PCO is responsible for "acknowledging receipt" or "rejecting" the ISR submitted by the prime contractor, even if the contract administration has been delegated to another organization, such as DCMA</li> <li>Upper-tier contractor is responsible for reviewing their next lower-tier subcontractors' ISRs/SF 294s</li> <li>By Jun 15 and Dec 15 of each year</li> </ul>
<b>Not required when?</b>	<ul style="list-style-type: none"> <li>Not required from contractors with commercial subcontracting plans or DoD comprehensive subcontracting plan</li> </ul>
<b>Reviewed how?</b>	<ul style="list-style-type: none"> <li>Person responsible for reviewing report should ensure the report is complete and correct; that the contractor is making noticeable progress towards established goals in the subcontracting plan; and provides explanation and mitigation plan when not achieving those goals</li> </ul>

### *Guide to Preparing and Reviewing an ISR for an Individual Subcontracting Plan (JUNE 2019)*

Item	Section	Preparing ISR	Reviewing ISR
A	DUNS #	Provided by FPDS.	If incorrect: <ul style="list-style-type: none"> <li>• Check the CAR in FPDS.</li> <li>• Use agency process to correct in FPDS.</li> </ul>
B	Verify Data	Contractor verifies information by selecting "yes." If "no" is selected, the contractor should contact the contracting officer to correct the problem.	Follow up with contractor if "no" is selected.
C	Corporation, Company or Subdivision Covered	Provided by FPDS.	<b>NOTE:</b> The contractor cannot change this information. If incorrect: <ul style="list-style-type: none"> <li>• Check the CAR in FPDS.</li> <li>• Use agency process to correct FPDS.</li> </ul>
D	Date Signed	Provided by eSRS.	No Action Required.
E	Contract Information	Provided by FPDS <b>if available:</b> <ul style="list-style-type: none"> <li>• Agency Awarding Contract</li> <li>• Contracting Office Agency ID</li> <li>• Contracting Office Agency Name</li> <li>• Contracting Office ID</li> <li>• Contracting Office Name</li> <li>• Funding Agency ID</li> <li>• Funding Agency Name</li> <li>• Funding Office ID</li> <li>• Funding Office Name</li> <li>• Prime Contract Number</li> <li>• Product or Service Code</li> <li>• Dollars Obligated</li> <li>• Current Contract Value</li> <li>• Ultimate Contract Value</li> </ul>	<b>NOTE:</b> The contractor cannot change this information. If incorrect: <ul style="list-style-type: none"> <li>• Check the CAR in FPDS.</li> <li>• Use agency process to correct FPDS.</li> </ul> <b>NOTE:</b> The ISR is associated with a contracting office, not with the specific contracting officer who awarded the contract. As a result, a contracting officer registered at the contracting office level will see all of the submitted ISRs for that office. However, a contracting officer is only responsible for the ISRs for contracts that they awarded.
F	Is your contract administered by an office other than the Contracting Office that awarded the contracts?	Contractor completes: <ul style="list-style-type: none"> <li>• If "yes," then contractor must select "DCMA," "ONR" or "Other Administering Office."</li> <li>• If "DCMA" is selected, breakout menu includes Dept of Defense (9700)/DCMA (9763)/CSP Team CSP Division.</li> <li>• If "ONR" is selected, breakout menu includes Dept of Defense (9700)/Dept of Navy (1700)/ONR.</li> <li>• If "Other Administering Office" is selected, breakout menus include all of the DoD departments, agencies and contracting organizations under each.</li> </ul>	Do <b>NOT</b> reject the report based on this information.  <b>NOTE:</b> For DoD, when contractor selects "Yes" and identifies administering contracting office, this may impact the ability of the procuring contracting official to see and/or take action on the ISR. This is presently a system issue of which GSA, the agency overseeing eSRS, is aware and working with DoD to resolve.  It is recommended that the contractor select "No" since the administering contracting office is not responsible for taking action on the report.
G	Contact Information	Provided by eSRS, based on registration information; contractor inputs telephone number and email address.	No action required by reviewer.
H	Reporting Period from Inception of Contract Thru	Contractor selects "Mar 31" or "Sep 30" and the "year" from drop-down menu.	If incorrect: <b>REJECT</b> ISR and provide explanation so that contractor knows what to correct.
I	Type of Report	Contractor selects "Regular" or "Final."	If incorrect: <b>REJECT</b> ISR and provide explanation so that contractor knows what to correct.

J	Agency Awarding Contract	Provided by FPDS; contractor CANNOT select.	<p>Always Item #4 in the second section of the ISR.</p> <p><b>NOTE:</b> eSRS uses this data element to determine "Target Agency", which may not be the procuring/awarding contracting agency/organization.</p> <p>eSRS uses "Target Agency" to determine where to "place" the ISR. This is often an issue for DoD when the administering contracting agency / organization issues last modification prior to contractor preparing the ISR. As a result, the procuring/awarding contracting official may not be able to see and/or take action on the ISR, because the contracting official is not registered at the other organization.</p> <p>In this case, the contracting official must contact the department/agency eSRS Agency Coordinator or the Subcontracting Program Manager for assistance. The eSRS Agency Coordinator may need to create an additional role at a different level for the contracting official.</p> <p>This is presently a system issue of which GSA,</p>
K	Report Submitted As	Contractor selects "Prime Contractor" or "Subcontractor."	<p><b>NOTE:</b> Government reviews ISRs from prime contractor only.</p> <p>The upper-tier contractor reviews next lower-tier subcontractors' ISRs.</p>
L	Subcontract Awards	Contractor indicates if Indirect Subcontracting Dollars are or are not included.	<p>If not the same as in the subcontracting plan:</p> <p><b>REJECT</b> ISR and provide explanation so that contractor knows what to correct.</p>
L	Subcontract Awards (continued)	<p><b>Current Goal (Whole Dollars and Percentage of total Subcontract Awards)</b></p> <p>Contractor inputs based on approved subcontracting plan. Goals are not required for large business, HBCU/MI, ANC or Indian Tribes.</p> <p>System does not calculate percentages; system only validates that the dollars for any of the socioeconomic categories cannot be greater than the dollars for small business included in Line Item 2(a).</p>	<p>If not the same as in the subcontracting plan: REJECT ISR and provide explanation so that contractor knows what to correct.</p> <p><b>NOTE:</b> Per FAR 19.705-1(b)(2) for IDIQ contracts utilized by multiple agencies the contracting officer may also establish subcontracting goals for order. What is the process in eSRS which allows the contractor to include task order goals on the ISR for the IDIQ contract? Presently, eSRS allows the contractor to show goals in the ISR for the IDIQ contract. How does the contractor show separate goals for multiple task orders under the IDIQ contract?</p>
L	Subcontract Awards (continued)	<p><b>Actual Cumulative (Whole Dollars and Percentage of Total Subcontract Awards)</b></p> <p>Contractor inputs dollars.</p> <p>System calculates percentages based on total dollars in Line Item 2(C) and validates that the dollars for any of the socioeconomic categories cannot be greater than the dollars for small business included in Line Item 2(a).</p> <p><b>NOTE:</b> This is not based on the dollars under "Current Goal."</p>	<p><b>NOTE:</b> After the first report, the dollars in each subsequent report should be <math>\geq</math> previous report; IF NOT, WHY NOT? Discuss with contractor to determine whether to accept or reject the ISR.</p> <p>Failure to meet goals is not a reason for rejecting ISR. Contractor may input a negative number on the ISR. eSRS calculates "Percentage of Current Contract Value" only if the data is "pulled" from FPDS. However, this is never correct for "D" Type contracts (IDIQ). Check ISR to see if "Current Contract Value" data was "pulled" from FPDS. Contractor has no control over this information.</p> <p><b>NOTE:</b> FAR 52.219-9(d)(10)(iii) states: "After November 30, 2017, include subcontracting data for each order when reporting subcontracting achievements for indefinite-delivery, indefinite-quantity contracts with individual subcontracting plans where the contract is intended for use by multiple agencies.</p>

<b>M</b>	Which method do you use to collect subcontracting data for this report?	Contractor selects one of three options: "award," "invoiced," or "other" ("other" is a text field).	The contractor should be consistent with whichever option is selected; IF NOT, WHY NOT? Discuss with contractor to determine whether to accept or reject the ISR.
<b>N</b>	Certification	Contractor certifies that the data being submitted on the report is accurate and that the dollars and percentages reported do not include lower-tier subcontracts (except as set forth for ANC and Indian Tribes).	If contractor does not certify: <b>REJECT</b> ISR and provide explanation so that contractor knows what to correct.
<b>O</b>	Remarks	Contractor provides explanation for zero in any small business category or failure to meet the dollar or percentage goals in the individual subcontracting plan. The contractor should explain why and provide a plan of action or comments that would be helpful to the person reviewing the report. <b>NOTE:</b> There are no goals for large businesses, HBCU/MI, ANC or Indian Tribe businesses.	If no comment/explanation or plan of action is provided: <b>REJECT</b> ISR and provide explanation so contractor knows what to correct.  <b>NOTE:</b> The contractor's explanation and mitigation plan should demonstrate contractor's good faith effort in meeting the subcontracting goals. The contractor's effort or lack of effort should be assessed annually in CPARS.
<b>P</b>	Contractor's Subcontracting Plan Administrator	Contractor provides name, title and phone number of the company official who administers the contractor's Small Business Subcontracting Program.	This person is an employee of the contractor and not a Government person. If contractor does not provide correct person: <b>REJECT</b> ISR and provide explanation so that contractor knows what to correct.
<b>Q</b>	Email address of Government Employee(s) and/or Other Person(s) to be Notified That You Have Submitted this Report	Contractor provides e-mail address of Government employee(s) and/or other person(s) to be notified about the ISR submission. eSRS will send a notification to listed parties advising that an ISR was submitted.	No action required by reviewer.  <b>NOTE:</b> Reports should not be rejected because a contracting official's email address is not included in the report.  This does not mean that those notified have the responsibility to review the report.

**Other Issues**

<p>1. Next-tier subcontractors' ISRs</p> <ul style="list-style-type: none"> <li>a. Subcontractor must have correct email address of upper-tier contractor's POC who is responsible for reviewing the ISR</li> <li>b. If email address is incorrect, ISR will remain in "pending" status in eSRS, as upper-tier contractor is not aware of report</li> <li>c. Only government reviewer can see these ISRs in eSRS</li> <li>d. Reviewer should assist upper-tier contractor by providing e-mail address to which next-tier contractor submitted ISR</li> <li>e. Federal Services Desk for eSRS (<a href="https://www.fsd.gov/fsd-gov/home.do">https://www.fsd.gov/fsd-gov/home.do</a>) can assist upper-tier contractors with access to reports which were inadvertently sent to someone not responsible for reviewing the reports</li> </ul>
<p>2. Reviewing ISRs</p> <ul style="list-style-type: none"> <li>a. Accomplishing the "acknowledge receipt" function is not considered acceptance of the reported information</li> <li>b. If reviewer "acknowledges receipt" of the report and later determines the report is incorrect, the reviewer may then "Reopen" or "Reject" the report</li> <li>c. Reviewer must provide an explanation for the reopened or rejected report so that the contractor knows what to correct</li> </ul>
<p>3. For all reports submitted after the Apr and Oct reporting period end dates, the "acknowledge receipt/reject" functions should be completed within 30 days of a contractor's submission</p>

**NOTE:** Passwords for all registrations in eSRS must be changed every 90 days. If reset is required, contact the Federal Service Desk for assistance at: <https://www.fsd.gov/fsd-gov/home.do>; 1-866-606-8220 or internationally; 334-206-7828.