

## D.6 SUBCONTRACTING PLAN MODEL

**U.S. DEPARTMENT OF VETERANS AFFAIRS (VA)  
OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (00SB)  
SUBCONTRACTING PLAN MODEL  
FEBRUARY 2012**

**In accordance with FAR 19.704, 52.219 and P.L.  
109-461**

Prime Contractor:

Address:

City:

State:

Zipcode:

Solicitation/Contract Number:

Description of Requirement:

Total Contract Amount (Including Option Years): \$

Period of Contract Performance Including Option Years (Month and Year):

Activity Awarding Contract:

Contracting Officer Name:

Prime Contractor is:

- |   |  |
|---|--|
| <input type="checkbox"/> Architect-Engineer                                 | <input type="checkbox"/> Janitorial                  |
| <input type="checkbox"/> Blood  | <input type="checkbox"/> Laboratory Testing Services |
| <input type="checkbox"/> Bulk Oxygen Services                               | <input type="checkbox"/> Laundry and Linen Services  |
| <input type="checkbox"/> Clinical Diagnostic Equipment                      | <input type="checkbox"/> Medical Equipment           |
| <input type="checkbox"/> Community Based Outpatient Clinic                  | <input type="checkbox"/> Medical Equipment and       |
| Supplies  |  |
| <input type="checkbox"/> Construction                                       | <input type="checkbox"/> Medical Equipment and       |
| Supplies  |  |
| <input type="checkbox"/> Consulting Services                                | and Pharmaceuticals                                  |
| <input type="checkbox"/> Dental Equipment                                   | <input type="checkbox"/> Medical Gas and Medical     |
| Bulk  |  |
| <input type="checkbox"/> Dental Equipment and Supplies                      | Oxygen   |
| <input type="checkbox"/> Dental Supplies                                    | <input type="checkbox"/> Medical Healthcare Services |
| <input type="checkbox"/> Diagnostic Imaging Equipment and Supplies          | <input type="checkbox"/> Medical Surgical Prime      |
| Vendor  |  |
| <input type="checkbox"/> Diagnostic X-Ray and Related Systems and Equipment | <input type="checkbox"/> Niche Markers               |
| Including Installation  | <input type="checkbox"/> Pharmaceuticals             |
| <input type="checkbox"/> Dietary Supplements                                | <input type="checkbox"/> Pharmaceutical and Cost Per |
| Test  |  |
| <input type="checkbox"/> Digital Hearing Aids and Batteries                 | <input type="checkbox"/> Prosthetics                 |
| <input type="checkbox"/> Elevator Maintenance                               | <input type="checkbox"/> Publisher/Subscription      |
| Services  |  |
| <input type="checkbox"/> External Peer Review                               | <input type="checkbox"/> Radiation Therapy Systems   |
| <input type="checkbox"/> Healthcare Staffing                                | <input type="checkbox"/> Real Estate                 |
| <input type="checkbox"/> Home Healthcare Services                           | <input type="checkbox"/> Studies                     |
| <input type="checkbox"/> Home Medical Equipment                             | <input type="checkbox"/> Support Services            |

☐ Home Oxygen Hardware/  
☐ Information Technology  
☐ InVitro Diagnostics Reagents  
☐ InVitro Diagnostics Substances Reagents, Test Kits and Blood Laboratory

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☐ Telephone System  
Software Maintenance  
☐ Transportation  
☐ Other (Not Checked)

Prime Contractor (Please check if you are):

☐ Manufacturer                      ☐ Distributor                      ☐  
Manufacturer/Distributor

Type of Plan (Check One)

\_\_\_ Commercial Plan - means a subcontracting plan (including goals) that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line).

(Represents \_\_\_\_\_ % of Total Annual Sales)

\_\_\_ Individual Plan - means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the contract.

1 - 2. GOALS - Please state separate dollar and percentage goals for Small Business (including Alaska Native Corporation's (ANCs)); Service-Disabled Veteran-Owned Small Business, Veteran-Owned Small Business; Small Disadvantaged, Women-Owned, and Historically Underutilized Business Zone (HUBZone) Business Concerns.

**QUESTION:** What level of subcontracting tier counts towards the prime contractor subcontracting plan goals?" Example: The prime subcontracts to a large business at a value of \$5.0 mil. The subcontracted large business then, subcontract to a VOSB for \$1.5mil. Does this 2<sup>nd</sup> tier subcontract amount count towards the prime contractor's subcontracting goals?

**ANSWER:** FAR 52.219-9(l): The Contractor shall submit ISRs and SSRs using the web-based eSRS at <http://www.esrs.gov>. Purchases from a corporation, company, or subdivision that is an affiliate of the prime contractor or subcontractor are not included in these reports. Subcontract award data reported by Prime contractors 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 direct

subcontracting can be counted. For instance, the prime contractor can only count what it directly subcontracts. If the prime contractor subcontracts to a LB over \$650,000 and there is flow down subcontracting plan, this LB subcontractor can only count who they directly subcontract too.

**NOTE:** VA’S REQUIRED PERCENTAGE GOALS ARE SHOWN BELOW. “ZERO” PERCENT VALUE FOR GOALS OR “N/A” ARE UNACCEPTABLE. GOALS AND PERCENTAGES MUST BE ROUNDED TO THE NEAREST DOLLAR AND TENTH OF A PERCENT. EXAMPLE OF HOW TO CALCULATE THE GOALS:

	<u>DOLLARS</u>	<u>PERCENT</u>
Total Contract Price	\$1,500,000	
Total to be Subcontracted	1,000,000	100%
Subcontract to Small Business (including Alaska Native Corporations (ANC) and Indian tribes)	177,000	17.7%
Subcontract to Service Disabled Veteran-Owned Small Business	30,000	3.0%
Subcontract to Veteran-Owned Small Business	50,000	5.0%
Small Disadvantaged Business (including ANC and Indian tribes)	50,000	5.0%
Women-Owned Small Business	50,000	5.0%
Subcontract to HUBZone Small Businesses	30,000	3.0%

**IF PERCENTAGE GOALS BELOW ARE LOWER THAN EXAMPLE ABOVE, PLEASE SUBMIT JUSTIFICATION AS TO WHY.**

PLEASE ENTER THE INFORMATION LISTED BELOW:

Total dollars to be subcontracted: \$\_\_\_\_\_

- ☞ Total dollars to be subcontracted to Small Business (SB) (including Alaska Native Corporation’s (ANCs) and Indian tribes):

\$\_\_\_\_\_ %

- ☞ Total dollars to be subcontracted to Service-Disabled Veteran-Owned Small Business (SDVOSB) – P.L. 109-461 signed by the President December 22, 2006.

Goal shall not be less than 3.0%. **NOTE: In accordance with VA Acquisition Regulations 852.219-9(d): To be credited toward goal achievements, businesses must be Verified as eligible in the Vendor Information Pages database. The contractor shall annually submit a listing of ServiceDisabled Veteran-Owned Small Businesses and Veteran-Owned Small Businesses for which credit toward goal achievement is to be applied for the review of personnel in the Office of Small and Disadvantaged Business Utilization.**

\$ \_\_\_\_\_ %

- ☞ Total dollars to be subcontracted to Veteran-Owned Small Business (VOSB) – P.L. 109-461 signed by the President December 22, 2006. Goal shall not be less than the 7.0% as mandated by the Secretary, Department of Veterans Affairs:

**NOTE: In accordance with VA Acquisition Regulations 852.219-9(d): To be credited toward goal achievements, businesses must be Verified as eligible in the Vendor Information Pages database. The contractor shall annually submit a listing of Service-Disabled Veteran-Owned Small Businesses and Veteran-Owned Small Businesses for which credit toward goal achievement is to be applied for the review of personnel in the Office of Small and Disadvantaged Business Utilization.** ☞

\$ \_\_\_\_\_ %

- ☞ Total dollars to be subcontracted to Small Disadvantaged Business (SDB) (including Alaska Native Corporation's (ANCs) and Indian tribes):

\$ \_\_\_\_\_ %

- ☞ Total dollars to be subcontracted to Women-Owned Small Business (WOSB):

\$ \_\_\_\_\_ %

- ☞ Total dollars to be subcontracted to HUBZone Small Business Concerns:

\$ \_\_\_\_\_ %

- ☞ Total dollars to be subcontracted to Large Business:

\$ \_\_\_\_\_ %

3. Provide a description of the principal types of supplies and services to be subcontracted under this contract, and an identification of the types planned for subcontracting to small (including ANCs and Indian tribes), Service-Disabled Veteran-Owned and Veteran-Owned Small Business concerns), Small Disadvantaged (including ANCs and Indian tribes), Women-Owned, HUBZone Business.

**YOU MUST IDENTIFY THE PRODUCTS/SERVICES TO BE SUBCONTRACTED IN EACH CATEGORY.**

**(EXAMPLE: OFFICE SUPPLIES, MAINTENANCE AND REPAIR)**

### **PRODUCTS/SERVICES**

**LARGE BUSINESS**

**SMALL BUSINESS**

## **SMALL DISADVANTAGED BUSINESS**

## **WOMEN-OWNED SMALL BUSINESS**

## **HUBZONE SMALL BUSINESS**

**SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS (SDVOSB)** – in accordance with P.L. 109-461, signed by the President December 22, 2006, please list the name, address, and telephone number for each Service-Disabled and Veteran-Owned Small Business concerns as follows. Please ensure that the Service-Disabled Veteran-Owned Small Business concerns are registered in the System for Award Management [www.sam.gov](http://www.sam.gov) and the Vendor Information Pages [www.vetbiz.gov](http://www.vetbiz.gov). If more than one, please utilize the format listed below to indicate additional Service-Disabled Veteran-Owned Small Business:

**NOTE:** In accordance with VA Acquisition Regulations 852.219-9(d): To be credited toward goal achievements, businesses must be Verified as eligible in the Vendor Information Pages database. The contractor shall annually submit a listing of Service-Disabled Veteran-Owned Small Businesses and Veteran-Owned Small Businesses for which credit toward goal achievement is to be applied for the review of personnel in the Office of Small and Disadvantaged Business Utilization.

**Name of SDVOSB:**

**Address:**

**City/State/Zipcode:**

**Email address of point of contact:**

**Telephone:**

**FAX:**

**VETERAN-OWNED SMALL BUSINESS (VOSB)** - In accordance with P.L. 109-461, signed by President December 22, 2006, please list the name, address, and telephone number for each Veteran-Owned Small Business concerns as follows. Please ensure that the Veteran-Owned Small Business Concerns are registered in the System for Award Management (SAM) [www.sam.gov](http://www.sam.gov) and the Vendor Information Pages [www.vip.vetbiz.gov](http://www.vip.vetbiz.gov). If more than one, please utilize the format listed below to indicate additional Veteran-Owned Small Business:

**NOTE:** In accordance with VA Acquisition Regulations 852.219-9(d): To be credited toward goal achievements, businesses must be Verified as eligible in the Vendor Information Pages (VIP) database. The contractor shall annually submit a listing of Service-Disabled Veteran-Owned Small Businesses and Veteran-Owned

**Small Businesses for which credit toward goal achievement is to be applied for the review of personnel in the Office of Small and Disadvantaged Business Utilization.**

**Name of VOSB:**

**Address:**

**City/State/Zipcode:**

**Email address of point of contact:**

**Telephone:**

**FAX:**

**In accordance with P.L. 109-461, Verification Process is mandated to certify that the Service-Disabled and Veteran-Owned Small Business concerns listed for subcontracting opportunities do have a subcontract with you as the prime contractor.**

**This information will be a report to the Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization (00SB) on a quarterly basis, (form attached) for the Service-Disabled and Veteran-Owned Small Business concerns to report.**

4. A description of the method used to develop the subcontracting goals.
5. A description of the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the System for Award Management (SAM), Dynamic Small Business Search (DSBS), Veteran's service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the U.S. Department of Commerce, or Small, HUBZone, Small Disadvantaged and WomenOwned 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 a Small, Veteran-Owned Small, Service-Disabled Veteran-Owned Small, HUBZone Business, Small Disadvantaged, and Women-Owned Small Business source list. Use of SAM as its source list does not relieve a firm of its responsibilities (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities)

**NOTE: VA expects contractors to advertise subcontracting opportunities at:**

**<http://www.sba.gov/subnet>. Contractors should also search the Vendor Information Pages (VIP) Database at the Vetbiz.gov web portal**

**<http://www.vip.vetbiz.gov/default.asp>), to ensure maximum practicable consideration in subcontracting with Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses.**

6. A statement as to whether or not the offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with Small Business (including ANC and Indian tribes); Service-Disabled Veteran-Owned Small Business; Veteran-Owned Small Business; Small Disadvantaged Business concern (including ANC and Indian tribes); Women-Owned Small Business, and HUBZone Business concerns.

☐ Yes ☐ No

7. 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.

**SUBCONTRACTING PLAN ADMINISTRATOR**

NAME:

TITLE:

ADDRESS:

CITY:

STATE: ZIPCODE:

TELEPHONE:

FAX NUMBER:

E-MAIL:

**DUTIES:** List duties and responsibilities of the Plan Administrator and a statement of the extent and scope of the Plan Administrator's authority in subcontracting source selections:

**Attach duties of the Subcontracting Plan Administrator**

8. A description of the efforts the offeror will make to assure that Small Business, Service-Disabled Veteran-Owned Small Business; Veteran-Owned Small Business, Small Disadvantaged Business, Women-Owned Small Business and HUBZone Business concerns have an equitable opportunity to compete for subcontracts.

9. Assurances that the offeror will include the clause of this contract entitled "Utilization of Small Business Concerns" 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 \$650,000 (\$1,500,000 for construction) to adopt a subcontracting plan that complies with the requirements of this clause.

☐ Yes ☐ No

10. Assurances that the offeror will—

(i) cooperate in any studies or surveys as may be required;



- (ii) Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan;
- (iii) Submit the Subcontracting Report for Individual Contracts (ISR) and/or the Summary Subcontract Report (SSR), in accordance using the Electronic Subcontracting Reporting System (eSRS) at <http://www.esrs.gov> following the instruction in the eSRS;
- (iv) Ensure that its subcontractors with subcontracting plans agree to submit the ISR and/or the SSR using eSRS;
- (v) (v) Provide its prime contract number, its DUNS number, and the e-mail address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their reports; and
- (vi) Require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the e-mail address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to its subcontractors with subcontracting plans.

☐ Yes

☐ No

NOTE: When entering your subcontracting information, you must include the email address of the following individuals whom will be reviewing the Subcontracting Report for Individual Contracts ISR 294, as well as, SSR 295 "Summary Subcontracting Report".

Reporting Agency (Veterans Affairs, Department of (3600))

Please enter the contracting officer's email address:

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11. 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 offeror's efforts to locate Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, HUBZone Business, Small Disadvantaged Business, and Women-Owned Small Business 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):

- (i) Source lists (e.g., SAM, Vendor Information Pages (VIP) Database at the Vetbiz.gov web portal ([www.vetbiz.gov](http://www.vetbiz.gov)), to ensure maximum practicable consideration of Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses:), guides, and other data that identify Small Business, Veteran-Owned Small Business, ServiceDisabled Veteran-Owned Small Business, HUBZone Business, Small Disadvantaged Business, and Women-Owned Small Business concerns.



(ii) Organizations contacted in an attempt to locate sources that are Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, HUBZone Business, Small Disadvantaged Business, or Women-Owned Small Business concerns.

(iii) Records on each subcontract solicitation resulting in an award of more than \$150,000, indicating:

- (A) Whether Small Business concerns were solicited and, if not, why not;
- (B) Whether Veteran-Owned Small Business concerns were solicited and, if not, why not;
- (C) Whether Service-Disabled Veteran-Owned Small Business concerns were solicited and, if not, why not;
- (D) Whether HUBZone Business concerns were solicited and, if not, why not; (E) Whether Small Disadvantaged Business concerns were solicited and, if not, why not;
- (F) Whether Women-Owned Small Business concerns were solicited and, if not, why not; and
- (G) If applicable, the reason award was not made to a Small Business concern.

(iv) Records of any outreach efforts to contact:

- (A) Trade associations;
- (B) Business development organizations;
- (C) Conferences and trade fairs to locate Small, HUBZone, Small Disadvantaged, and Women-Owned Small Business sources; and
- (D) Veteran's service organizations.

(v) Records of internal guidance and encouragement provided to buyers through:

- (A) Workshops, seminars, training, etc.;
- (B) Monitoring performance to evaluate compliance with the program requirements.

(vi) 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.

(vii) Contractors having commercial plans need not comply with this requirement.

(e) In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following functions:

- (1) Assist Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, HUBZone Business, Small Disadvantaged

Business, and Women-Owned Small Business concerns by arranging solicitations, 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 Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small

Business, HUBZone Business, Small Disadvantaged Business, and Women-Owned 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.

(2) Provide adequate and timely consideration of the potentialities of Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, HUBZone Business, Small Disadvantaged Business, and Women-Owned Small Business concerns in all "make-or-buy" decisions.

(3) Counsel and discuss subcontracting opportunities with representatives of Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, HUBZone Business, Small Disadvantaged Business, and Women-Owned Small Business firms.

(4) Confirm that a subcontractor representing itself as a HUBZone Business is identified as a certified HUBZone Small Business Concern by accessing the SAM database or by contacting SBA.

(5) Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as Small, Veteran-Owned Small Business, HUBZone, 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.

#### SIGNATURES REQUIRED

PRIME CONTRACTOR: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINT/TYPE NAME:

TITLE:

DATE:

EMAIL:

CONTRACTING OFFICER NAME WHO

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_ TYPE

NAME:

TITLE:

EMAIL:

**FOR COMMERCIAL PLANS ONLY**

Effective period of this subcontracting plan is:

\_\_\_\_\_thru\_\_\_\_\_

CONTRACTING OFFICER NAME WHO

APPROVED BY: \_\_\_\_\_DATE: \_\_\_\_\_ TYPE

NAME:

TITLE:

EMAIL:

**PAST PERFORMANCE SUBCONTRACTING  
ACCOMPLISHMENTS**

	PRIOR YEAR GOALS	PRIOR YEAR ACCOMPLISHMENTS
TOTAL SUBCONTRACTING	\$ _____	\$ _____
SMALL BUSINESS PERCENT	\$ _____ _____ %	\$ _____ _____ %
SMALL DISADVANTAGED PERCENT	\$ _____ _____ %	\$ _____ _____ %
WOMEN-OWNED SMALL BUSINESS PERCENT	\$ _____ _____ %	\$ _____ _____ %
HUBZONE BUSINESS PERCENT	\$ _____ _____ %	\$ _____ _____ %
SERVICE-DISABLED VETERAN-OWNED PERCENT	\$ _____ _____ %	\$ _____ _____ %
VETERAN-OWNED PERCENT	\$ _____ _____ %	\$ _____ _____ %

CERTIFY THAT THE ABOVE SUBCONTRACTING ACCOMPLISHMENTS ARE ACCURATE AND  
WAS ALSO ENTERED IN THE ELECTRONIC SUBCONTRACTING REPORTING SYSTEM (eSRS)  
FOR REPORT PERIOD:

YEAR: \_\_\_\_\_

[ ] YES

[ ] NO