



# SUBCONTRACTING PROGRAM REVIEWS



# Subcontracting Program Review

## Preparation

- **Coordinate with senior management.**
  - Date, Location, Time, etc.
- **Letter outlining what will be reviewed.**
  - Files
  - List of people to interview
  - Senior management in brief & out brief.
  - Issues
- **Review files, correspondence, regulations**



# Subcontracting Program Review

## The Review

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- **Senior Management Inbrief**
  - Cover what you'll be looking at.
  - Arrange for an out brief if necessary.
- **Use the Program Compliance Review checklist as a guide.**



# Subcontracting Program Review

## The Review

### ➤ **Ten Key Elements**

- Management Support
- An Active SBLO
- Good Subcontracting Plan
- Training
- Meeting Goals & Objectives
- Outreach Program
- Connected to SB organizations
- Active Procurement Participation
- Use & maintenance of databases.
- Accurate & On-Time Reporting



# Subcontracting Program Review

## The Review

### ➤ **Management Support**

- Recognize acronyms
- Degree of program knowledge
- Small Business Program Briefings
- Involvement in the Small Business Program
- Aware of goals
- Aware of socio economic categories



# Subcontracting Program Review

## The Review

### ➤ **Active SBLO**

- Appointed in writing
- Length of time in SBLO position
- Degree of program knowledge
- Small Business Program Briefings
- Training – buyers, project managers, mgmt, etc.
- Outreach
- Available to small businesses



# Subcontracting Program Review

## The Review

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### ➤ **Subcontracting Plan**

- Who writes the subcontracting plan
- When is it prepared
- Market Research
- Who approves it
- Who knows about it once it's approved



# Subcontracting Program Review

## The Review

- **Small Business Training Module**
  - Does one exist
  - Explains company expectations for SB's
  - Incorporate trade show/procurement fair presentations
  - Who conducts the training
  - What part does senior management play



# Subcontracting Program Review

## The Review

- **Small Business Goals & Objectives**
  - Established goals for the company
  - General awareness of those goals throughout the company
  - Company goals are over and above subcontracting plan goals
  - May be a good time to check on HBCU/MI



# Subcontracting Program Review

## The Review

### ➤ Outreach

- Who in the company does outreach
- Number of trade shows/procurement fairs attended in the last year. Let them know.
- SBA Matchmaking events
- Number of new small businesses added to the supplier base in the last year.
- New small business goal, i.e. add three new woman owned businesses in CY 2008
- Assist SB's in CCR registration process
- Check attendance lists



# Subcontracting Program Review

## The Review

### ➤ **Connected to SB Organizations**

- Does the PTAC know the SBLO – vice versa
- Attendance at regular meetings with PTAC, other SBLO's, state, city, county small business offices, Minority Supplier Development Councils
- Involvement with SBA, particularly SDB/8a and HUB Zone business development specialists
- Active participation in DOD Regional Small Business Council



# Subcontracting Program Review

## The Review

- **Active Procurement Participation**
  - Are the buyers aware of the firm's written small business policy
  - Are the buyers trained in all facets of the small business program
  - Do the buyers regularly participate in company wide outreach events.
  - Are small business responsibilities incorporated into buyers position descriptions
  - Interview some buyers
  - Call some unsuccessful bidders



# Subcontracting Program Review

## The Review

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### ➤ **Databases**

- Familiarity with CCR and the Dynamic Business Search
- VA database – [www.vetbiz.gov](http://www.vetbiz.gov)
- SBA Subnet
- Supplier Database within the company
- Database maintenance



# Subcontracting Program Review

## The Review

### ➤ **Reporting**

- Are SF 294/295's submitted on time
- Are they current, accurate and complete
- Compare actual subcontract dollars to the SF 294 dollars
- Verify subcontractor's small business status



# Subcontracting Program Review

## The Review

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### ➤ **Outbrief**

- Outstanding, Highly Successful, Acceptable  
Marginal or Unsatisfactory
- Unsure? Do not provide a rating until after  
your report is completed
- What needs to be fixed versus how to fix it
- Good Faith effort
- Follow-up review if necessary



# Subcontracting Program Review

## The Review

### ➤ **Outstanding**

- Exceeded at least 1 goal, met all others
- Exceptional success in using, promoting and helping small businesses
- Model for other primes to follow

### ➤ **Highly Successful**

- Met all goals
- Success in using promoting and helping small businesses
- Above & beyond required program elements with documentation to substantiate it



# Subcontracting Program Review

## The Review

### ➤ **Acceptable**

- Good faith effort but not meeting Highly Successful or Outstanding criteria
- Fulfills program requirements
- Reports are accurate and on time

### ➤ **Marginal**

- Reports are inaccurate and/or not complete
- Program requirements are inadequate
- Corrective Action Plan is required
- Followup Review is required
- Management shows interest in correcting the problems



# Subcontracting Program Review

## The Review

### ➤ **Unsatisfactory**

- Not compliant with the contractual requirements of DFAR and FAR
- Management shows little interest in bringing the program to an acceptable level or is uncooperative
- Detailed corrective action plan with specific completion dates is required
- Follow-up review is required



# Subcontracting Program Review

## The Report

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- **Describe deficiencies, shortcomings and problem areas.**
- **Make specific recommendations regarding areas that require corrective action.**
- **Written to and for CO action**
- **Copy to the Contractor at CO's discretion**



# Subcontracting Program Review

## Summary

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- **Thorough**
- **Helpful spirit. Both of us want to maximize small business participation**
- **Contractor is in business to make money**
- **Not all small businesses are a good fit**
- **Reasonableness rules the day**



**U.S. Army Corps of Engineers  
Subcontracting Program**