

1. The subcontracting plan, percentage and corresponding dollar goals for awards to small business, small disadvantaged business and women-owned small business concerns shall be developed by the contractor for its entire business operation in support of all DoD contracts regardless of dollar value.

2. Participating contractors shall include separate specific goals and timetables for the awarding of subcontracts in two industry categories which have not historically been made available to small business, small disadvantaged business and women-owned small business. These industry categories will be recommended by the contractor and approved by the contracting officer. Subcontract awards made in support of the specific industry categories shall also count towards attainment of the overall small business, small disadvantaged business and women-owned small business goals.

3. The subcontracting plan shall set forth the prime contractor's actions to publicize prospective subcontract opportunities for small business, small disadvantaged business and women-owned small business concerns.

B. Subcontracting plans to be established under the Program shall be submitted each year by participating contractors to the designated contracting officer 45 days prior to the end of the Government's fiscal year (September 30). However, new contractors requesting participation under the Program shall submit subcontracting plans to the contracting officer as close as possible to September 30.

V. Procedures

A. The Service Acquisition Executive within each Military Department and Defense Agency having contractors that meet the requirements of III(B) shall designate one contracting activity to participate in the Program.

B. The designated contracting activity will accomplish the following:

1. With the coordination of the Director, Office of Small and Disadvantaged Business Utilization for their military Department or Defense Agency, select as many eligible prime contractors for participation under the Program as deemed appropriate.

2. Establish a "Comprehensive Small Business Subcontracting Plan" negotiating team(s) composed as follows:

a. A contracting officer(s) who will be responsible for negotiation and approval of the comprehensive subcontracting plan(s) as well as the responsibilities at FAR 19.705.

b. The contracting activity's Small and Disadvantaged Business Utilization Specialist.

c. The Small and Disadvantaged Business Utilization Specialist of the cognizant contract administration activity that administers the preponderance of the selected prime contractor's contracts and/or the appropriate individual who will administer contractor performance under the test in accordance with FAR 19.706 and the provisions herein.

d. Production specialist, price analyst and other functional specialists as appropriate.

C. The designated contracting officer shall:

1. Solicit proposed comprehensive subcontracting plans from selected contractor(s) as soon as possible and by July 1, annually thereafter.

2. By October 1, and annually thereafter, review, negotiate and approve on behalf of the DoD a comprehensive subcontracting plan for each selected contractor.

3. Distribute copies of the approved subcontracting plan in accordance with VI(A) below.

4. Upon negotiation and acceptance of the comprehensive subcontracting plan, the contracting officer shall obtain from the contractor:

a. A listing of all active DoD contracts that contain individual subcontracting plans required by section 211 of Public Law 95-507.

b. The listing shall include the following:

i. Contract number.

ii. Name and address of the contracting activity.

iii. Contracting officer's name and phone number.

5. Upon receipt of the information provided by the participating contractor under 4 above, the contracting officer shall notify the designated administrative contracting officer to issue a comprehensive change order, which modifies all of the contractor's active DoD contracts that include subcontracting plans. The modification will substitute the contractor's approved comprehensive subcontracting plan for the individual plans, will substitute the clause at DFARS 252.219-7004 for the clauses at FAR 52.219-9, and 52.219-16, respectively, and will delete the clauses at FAR 52.219-10 and DFARS 252.219-7003 and 252.219-7005, as appropriate.

6. Review annually, with the contract administration activity, contractor's performance under the plan. Document the review findings and distribute, in accordance with VI(A), within 45 days of the end of the fiscal year.

7. By November 15 of the year after acceptance and annually thereafter, determine whether the contractor has met its comprehensive subcontracting goals. If the goals have not been met, determine whether there is any indication that the contractor failed to make a good faith effort and take appropriate action.

8. By December 15, 1998, prepare and submit a report on each participating contractor's performance which details the results of the Program. The report must compare the contractor's performance under the Program with its performance for the three fiscal years prior to acceptance into the program. The report distribution will be in accordance with VI(A) below.

D. Participating contractors:

1. To the extent practicable, shall establish their comprehensive subcontracting plans on the same corporate, division or plant-wide basis under which they submitted the Standard Form (SF) 295 during fiscal year 1994, except those contractors that historically reported through a higher headquarters however as a separate reporting profit center, plant or division the contractor achieved an SDB subcontracting performance rate of five percent or greater in fiscal year 1994.

2. Upon negotiation of an acceptable comprehensive subcontracting plan shall be exempt from individual contract by contract reporting requirements for DoD contracts unless otherwise required in accordance with (III)(B)(5).

3. Shall continue individual contract reporting on non-DoD contracts.

4. Shall comply with the flow-down provisions of section 211 of Public Law 95-507. Large business concerns receiving a DoD subcontract in excess of \$500,000 (\$1,000,000 for construction) are required to adopt a plan similar to that mandated by the clause at 52.219-9. Participating contractors are prohibited from flowing down the "Comprehensive" subcontracting deviations provisions of 252.219-7004. Accordingly, large business subcontractors to the participating contractors shall be required to establish individual subcontracting plans with specific goals for awards to small business, small disadvantaged business and women-owned small business.

5. Upon expulsion from the Program or Program termination on September 30, 1998, shall negotiate and establish individual subcontracting plans on all future DoD contracts that otherwise meets the requirements of section 211 of Public Law 95-507.