U.S. Small Business Administration

U.S. Small Business Administration

SBA's Small Business Learning Series

Subcontracting Plans (Post-Award)

Not intended for public distribution

Hosts

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Area IV

Welcome to “SBA Virtual Learning 2024”

1. Questions answered during the final 10 minutes.
2. Technical problems: Contact your IT admin who manages Teams settings for your organization.
3. Captioning available for this presentation.
4. We cover the **“SBA Quick Reference”** as time allows.
5. For more SBA training visit the SBA Learning Center website https://www.sba.gov/tools/sba-learning-center/search/training

The APEX Accelerator Program

The APEX Accelerators are a vital resource partner.

- APEX Accelerator have a name change and a new website.
- Its new name is the National APEX Accelerator Alliance. The new website is https://www.napex.us/
- Recordings have been posted to a new URL and they are current to November 6, 2024.
- The website recordings are at: https://www.napex.us/category/sba-webinars/

Small Business Administration YouTube Page

SBA YouTube page posts past “First Wednesday” programming at links below.

FY2023

- October 5, 2022 – 8(a) Business Development Program Updates: https://youtu.be/Yl5Sp0dP1aE
- November 2, 2022 – Surety Bond Guarantee Program: https://youtu.be/QIZJiMLcc5o
- December 7, 2022 – Subcontracting Program: https://youtu.be/gMaaeGl8CBs
- January 4, 2023 – Surveillance Review Program: https://youtu.be/euUX4Jv6kRI
- February 1, 2023 – HUBZone Program: https://youtu.be/YGnS8e6idCc
- March 1, 2023 – The Mentor Protégé Program: https://youtu.be/A9KbCm4FP1c
- April 5, 2023 – Non-Manufacture Rule (NMR):https://youtu.be/AqwYMWoe9f0
- May 3, 2023 – Size Program: https://youtu.be/45WZ_oPb1GY
- Jun 7, 2023 – Legislature and Regulatory Updates: https://youtu.be/ljx9IajQJNY
- July 5, 2023 – Market Research: SBA First Wednesday Market Research - July 13, 2023
- August 2, 2023 – Service-Disabled Veteran Owned Program (SDVOSB): https://youtu.be/QxcxJISRhnw

FY2024

- October 4, 2023 - Certificate Of Competency: https://youtu.be/VDZ-uuCLlWw
- November 1, 2023 - 8(a) Program Updates: https://youtu.be/6fN3dK0EShs
- December 6, 2023 -Timber Program : https://youtu.be/sa29iONBtfk
- January 3, 2024 - Compliance Reviews: https://youtu.be/WmZn_oa13-o
- February 7, 2024 – Limitations on Subcontracting: https://youtu.be/fYtGi6zhjXM
- March 6, 2024 – Mentor Protégé Program: https://youtu.be/ULmCzTe4c04
- April 3, 2024 – Women-Owned Small Business Program: https://youtu.be/E-R17-5IBn4
- *May 9, 2024 - Participation Plans & Subcontracting Plans: https://youtu.be/6OBLwxqdoZM
- June 5, 2024 – Legislative and Regulatory Update: https://youtu.be/iajaPOhtgHI
- July 11, 2024 – HUBZone: https://youtu.be/MJ9iL8dTOmk
- August 7, 2024 – Market Research: https://youtu.be/zg4ceGaqveE

FY2025

- October 2, 2024 – SBA Size and Affiliation: https://youtu.be/il5o6YEONc0
- November 6, 2024 - Procurement Center Representative - An advocate, A Resource: https://youtu.be/_eJwz2S934Y
- December 4, 2024 – Small Business Plans (Pre-Award):
- January 16, 2024 - Small Business Plans (Post-Award):
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FIRST WEDNESDAY VIRTUAL LEARNING SERIES
FY 2025 SCHEDULE

1:00 to 2:00 PM Central Time
2:00 to 3:00 PM Eastern Time

FY 2025	Date	Topic
1	October 2, 2024	SBA Size and Affiliation
2	November 6, 2024	PCR: An Advocate, A Resource
3	December 4, 2024	Subcontracting Plans (Pre-Award)
4	*January 16, 2025	Subcontracting Plans (Post-Award)
5	February 5, 2025	Other Transaction Authority (OTA)
6	March 5, 2025	TBA
7	April 2, 2025	TBA
8	May 7, 2025	TBA
9	June 4, 2025	TBA
10	July 2, 2025	TBA
11	August 6, 2025	TBA

The program schedule is for information only and is subject to change

*Schedule Revisions may occur Due to Holiday or Programming Conflict

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One Continuous Learning Point

- Self-service process for one CLP of credit: Many of you want to receive credit for today's training. You will be glad to know that today's training is worth one CLP. The slide presentation will include the training certificate on Slide 9. Fill, download the training certificate, copy and submit it through regular channels.

- If you listen in groups and you want all attendees to be included on the future mailing list, send email addresses of participants in an excel document to sbalearning@sba.gov.

“SBA 1st Wednesday Virtual Learning 2025”

This Certificate is awarded to

Insert Your Name Here

For completion of

Subcontracting Plans (Post-Award)

This training seminar may be credited towards “Continuous Learning Points” as described in OFPP Policy Letter 05-01. Recommendation of One CLP.

Pamela J. Beavers
Director, Area IV
SBA Office of Government Contracting

01/16/2025

DATE

Today's Speaker(s)

Stephanie Lewis
National Subcontracting Program Manager
U.S. Small Business Administration
Office of Government Contracting

U.S. Small Business Administration

Small Business Subcontracting Plans

First Wednesday – January 2025

Welcome

Agenda

- Announcements
- SBA's Role in Subcontracting Plans
- Common Questions
- Monitoring Subcontracting Plan Compliance – ISRs and SSRs

Announcements

Final Rules

SDVOSB FINAL RULE:

As of December 22, 2024, only SDVOSBs that are SBA-certified or have a pending SDVOSB certification can be counted towards the SDVOSB subcontracting plan goal. Federal Register :: Eliminating Self-Certification for Service-Disabled Veteran-Owned Small Businesses

Use DSBS to find out if companies are certified as SDVOSB

Use this link to see the pending SDVOSB applications: What Businesses had Pending SDVOSB applications in MySBA Certifications as of December 22, 2024? - MySBA Certifications Knowledge Base - Confluence

HUBZone FINAL RULE:

SBA issued a final rule on December 17, 2024 (effective January 16, 2025), with many changes affecting the HUBZone certification program. This rule also permanently extended the due dates for the ISR and SSR reports to be submitted by contractors by 15 additional calendar days.

This rule contains many other items affecting the SBA 8a program, past performance for joint ventures, SBA mentor protégé program, and size recertification (which applies to prime contracts). See Federal Register :: HUBZone Program Updates and Clarifications, and Clarifications to Other Small Business Programs

Proposed Rules

The FAR council issued a proposed FAR rule (2024-001) on November 29, 2024, for inflation. It plans to increase the subcontracting plan threshold to $950,000 and $2 million for construction (and other thresholds such as the micro-purchase (MPT) to $25,000 and simplified acquisition threshold (SAT) to $350,000). See Federal Register :: Federal Acquisition Regulation: Inflation Adjustment of Acquisition-Related Thresholds

SBA issued a proposed rule on December 19, 2024, that affects many areas of subcontracting plans and compliance including a requirement to provide contracting officers a written explanation for an untimely payment to a subcontractor that is more than 30 days past due under the terms of the subcontract (decreased from 90 days); requirement to cooperate with contracting officers to correct/mitigate this failure until payment is made in full to the subcontractor; allowance for contracting officers to modify a prime contractor's past performance for failure to make full or timely payments; define contract completion and executive agency; clarify that SSRs should be directed to the executive agency; increase individuals that can sign the SSR; addition of an option to base a commercial subcontracting plan on the government's fiscal year; clarify how to calculate an agency's allocation on the commercial SSR; clarify that the percentage is used to determine whether a goal is met; clarify reporting requirements for ordering agencies to get subcontracting credit (through the SSR) ; and allow a subcontractor's primary NAICS to be used to determine its size status for indirect costs, for subcontracts under the MPT, and in commercial subcontracting plans. See Federal Register :: Government Contracting: Subcontracting Program

OMB Memo Nov. 26, 2024

[OFPP-Memorandum-Increasing-Small-Business-Subcontracting-Participation-in-the-Federal-Marketplace.pdf]

Pre-award reminders and considerations

- ✓Work **collaboratively** with small business specialists to determine opportunities for subcontracting
- ✓**Evaluate** an offeror's performance in meeting its past small business subcontracting plan goals to predict the likelihood of achieving goals on the new subcontracting plan
- ✓Consider **subcontracting incentive** strategies to help strengthen the supplier base
- ✓Consider broadened use of **small business participation evaluation factors** (SBPEFs) or significant subfactors
- ✓Challenge **zero** or **virtually-zero goals** (i.e., goals equaling a mere fraction of one percent)
- ✓Consider the **value** of reflecting an offeror's promised use of small business subcontractors in the contract
- ✓**Strengthen** the small business supplier base for research and development by considering a preference for Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) subcontractors
- ✓**Improve** agency procurement forecasts

OMB Memo Nov. 26, 2024, Cont.

Increasing Small Business Subcontracting Participation in the Federal Marketplace

Post-award reminders and considerations

- ✓**Monitor** submission of subcontracting plan reports, review any discrepancies with the plan, and ensure good faith compliance

- ✓**Evaluate** contractor achievement against the small business subcontracting plan and document the evaluation in the Contractor Performance Assessment Reporting System (CPARS)

- ✓Take note of **ongoing policy actions** that can help small business subcontractors compete as prime contractors

FY25 Second Wednesday

Training for prime contractors regarding subcontracting plan compliance (no CLPs)

Dec 11, 2024 – Legislative Update

January 8, 2025 – SBLO 101

February 12, 2025 – Completing the ISR

March 12, 2025 – Subcontracting Plan Record-Keeping Requirements

June 11, 2025 – Demonstration of DSBS and SUBNet

July 9, 2025 – Assigning the NAICS code

August 13, 2025 – Completing the SSR

September 10, 2025 – Open Session Q&A

Previous Second Wednesday Sessions

https://youtube.com/playlist?list=PLrwM1ZVcvDhab78HybaUQBNBPO3rP4q5P

SBA’s Role in Subcontracting Plans

Requirements for a Plan and Agency Processes involving SBA

FAR 19.705-2 Determining the need for a subcontracting plan

FAR 19.705-3 Preparing the solicitation

FAR 19.705-4 Reviewing the subcontracting plan

19.705-5 Awards involving Subcontracting Plans

19.705-6 Post Award Responsibilities

Awards Involving Subcontracting Plans

Who reviews?

- **Individual & Master Plans**
  - Contracting Officer (CO) for the contract
  - Small Business Specialist (SBS)
  - Procurement Center Representative (PCR) – Advisory comments only
    - FAR 19.705-4(d)(7) - Obtain advice and recommendations from the SBA procurement center representative (or, if a procurement center representative is not assigned, see 19.402(a)) and the agency small business specialist.
  - Master plans are in effect for three (3) years

- **Commercial Subcontracting Plan**
  - First Approval – CO for first federal contract, SBS & PCR
  - Subsequent Annual Approvals – CO responsible for the uncompleted contract with the latest completion date
  - Contractor provides a copy of the approved plan to each CO responsible for an ongoing contract that is subject to the plan

  - The SBA PCR should also be included in revised subcontracting plans

SBA Subcontracting Assistance Program

- Contracting Officers should provide a copy of each subcontracting plan to the SBA Area Office/CMR (FAR 19.705-6)

  Instruction to upload an approved subcontracting plan.docx | Powered by Box

- Ensures that domestic small business concerns receive maximum practicable opportunity to compete for and receive subcontracts from other-than-small businesses that have Federal prime contracts.

- This is primarily accomplished by SBA's Commercial Market Representatives (CMRs) conducting compliance reviews to ensure that other-than-small businesses are meeting their small business socio-economic goals and the other elements contained within their small business subcontracting plans.
  - Results of compliance reviews are shared with the OSDBU office and each Contracting Officer

- Directory of SBA CMRs: Commercial Market Representatives | U.S. Small Business Administration

- Subcontracting@sba.gov

Common Questions

Is a subcontracting plan required?

When there will be no subcontracting performed in the United States, territories, possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico?

When the contractor only plans to subcontract to large businesses?

When there is going to be no subcontracting?

When the contractor is an Ability One contractor?

When the contractor already has an approved commercial plan in place?

When the contractor has a DOD Comprehensive Plan?

Can a contractor have both an individual subcontracting plan and a commercial subcontracting plan?

Yes.

A commercial plan (as defined in 19.701) is the preferred type of subcontracting plan for contractors furnishing commercial products and commercial services..
(FAR 19.704(d)).

If a contractor has one or more individuals plans and also a commercial plan, it must submit separate SSR reports for each plan type and be careful not to double count any subcontracts on its SSR reports.

Is a contractor required to submit a subcontracting plan when a modification increases the contract value above $750,000?

Yes

FAR 19.702(a)(1)(iii):

Each contract modification that causes the value of a contract without a subcontracting plan to exceed $750,000 ($1.5 million for construction), shall require the contractor to submit a subcontracting plan for the contract, if the contracting officer determines that subcontracting opportunities exist.

Do subcontracts with required large business or OEM subcontractors have to be included in the subcontracting plan?

Yes, all subcontracts must be included in the plan.

Subcontract – FAR 19.701 –

“any agreement (other than one involving an employer-employee relationship) entered into by a Government prime contractor or subcontractor calling for supplies and/or services required for performance of the contract, contract modification, or subcontract.”

Only exclusions (13 CFR 125.3(a)(1)(iii) and FAR 19.704(d)):

“internally generated costs such as salaries and wages; employee insurance; other employee benefits; payments for petty cash; depreciation; interest; income taxes; property taxes; lease payments; fines, claims, and dues; Original Equipment Manufacturer relationships during warranty periods (negotiated up front with product); utilities such as electricity, water, sewer, and other services purchased from a municipality or solely authorized by the municipality to provide those services in a particular geographical region; and philanthropic contributions.”

Do the WOSBs counted in a subcontracting plan have to be SBA certified?

No.

Only HUBZone and SDVOSB have to be SBA certified.

Subcontracting Plan Goals

Total Subcontracting		$2,000,000	100%
Other Than Small		$1, 500,000	75%
Small Business		$500,000	25%
	Small Disadvantaged Business	$250,000	12.5%
	Women-Owned Small Business	$200,000	10%
	HUBZone Small Business	$150,000	7.5%
	Veteran Owned Small Business	$150,000	7.5%
	Service-Disabled Veteran Owned Small Business	$100,000	5%

- LB+SB = total subcontracting
- All dollars use total subcontracting as the denominator
- A subcontractor is counted in in all categories the company represents its status
- There is no EDWOSB category, 8(a) category, or “other” category
- Do not add up the socioeconomic groups to get the SB goal
- SDVOSB can never be higher than VOSB (every SDVOSB is a VOSB)
- Goal accomplishment is determined by meeting the percentage goal

When can the SF294 be submitted in lieu of the ISR in eSRS.gov?

When the contract contains FAR 52.219-9, Alternate III.

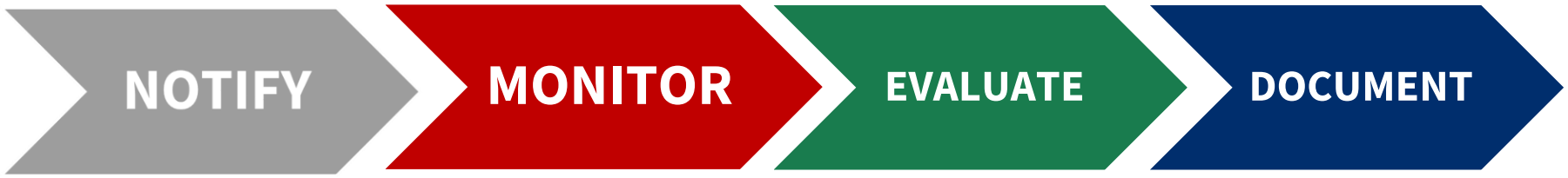
Should not be used because of difficulty inputting an ISR in eSRS.gov

SF 295s should NEVER be used in lieu of the SSR report.

Monitoring Subcontracting Plans

Electronic Subcontracting Reporting System (eSRS)

Four Post-Award Agency Responsibilities



Monitor

FAR 19.705-6

- Confirm contractor's timely subcontracting report submissions into the eSRS. Track goal progress and remarks.

- Contracting Officer reviews:
  - Individual Subcontract Reports (ISR)
  - Summary Subcontract Reports (SSR) for *Commercial Subcontracting Plans*

- Agency Designated Individual (usually the OSBP/OSDBU Office) reviews:
  - SSRs for Individual Subcontracting Plans

Monitor

Ensuring timely report submissions

Types of Reports	Applies to	Includes	Reports Due
Individual Subcontracting Report (ISR)	Individual Plans	Subcontract dollars from inception of K thru report date	Semi-annual. Reporting period ends Mar 31 and Sept 30 (report due 45 days later) & a final report within 30 days of contract completion
Summary Subcontracting Report (SSR) (Individual)	Individual Plans	Summary of ALL Subcontracting under a prime or subcontract with the agency (with and without subcontracting plans) during the FY	Annual. Reporting period ends Sept 30 (report due within 45 days)
Summary Subcontracting Report (SSR) (Commercial/DOD Comprehensive)	Commercial or DOD Comprehensive Plan	Commercial: Subcontract dollars for both commercial & govt. business during FY Comprehensive: Subcontract dollars for all DOD business during FY	Commercial Plan - Annual. Reporting period ends Sept 30 (report due within 45 days) DOD Comprehensive Plan – Semi-annual. Reporting period ends Mar 31 and Sept 30 (report due within 45 days)

Notes

Reporting periods end Mar 31 and Sept. 30

* SBA HUBZone proposed rule plans to extend the reporting deadline for contractors from **30 to 45** days.

Monitor

- eSRS is part of Integrated Award Environment (IAE), managed by GSA
  - SAM.gov, CPARS, FPDS, and FSRS

- Houses **all** subcontracting data related to subcontracting plans
  - No data is **ever** removed from eSRS

- Individual Subcontract Report(s) (ISR)
  - track goal accomplishment from individual subcontracting plans
  - Used to run Annual Report for Congress on contractor's goal accomplishment, by agency (and # of zero goals) Report to Congress on Small Business Subcontracting Plan Goals Status | U.S. Small Business Administration

- Summary Subcontract Report(s) (SSR)
  - Track goal accomplishment on commercial plans and comprehensive plans
  - Track each contractor's subcontracting, by agency, during a fiscal year for SBA Scorecard

eSRS Registration

Four Federal Government User Roles

Agency Coordinator (AC): has **full** access to eSRS for their agency and below. Users can manage their agency hierarchy, other agency contacts**, manage new agency contact registrations, review eSRS reports and run reports on data from their registered level and below.** Should be **disabling old user's rights**

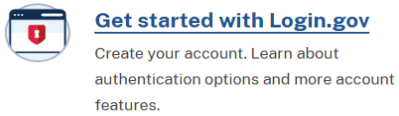
Point of Contact (POC): Users manage other agency contacts **(but not the agency organization),** manage new agency contact registrations, review eSRS reports and run reports on data from their registered level and below.

Contracting Officer (CO): Users **review** eSRS reports and run reports on data from their registered level and below. In an eSRS Context, this role is likely more appropriate for **users needing to review eSRS reports pertaining to contracts**

Designated Government User (DGU): users review eSRS reports and run reports on data from **their registered level and below**
Source: Microsoft Word - eSRS_Contracting_Officer_User_Guide 4-30-2018.docxs.

Government Users

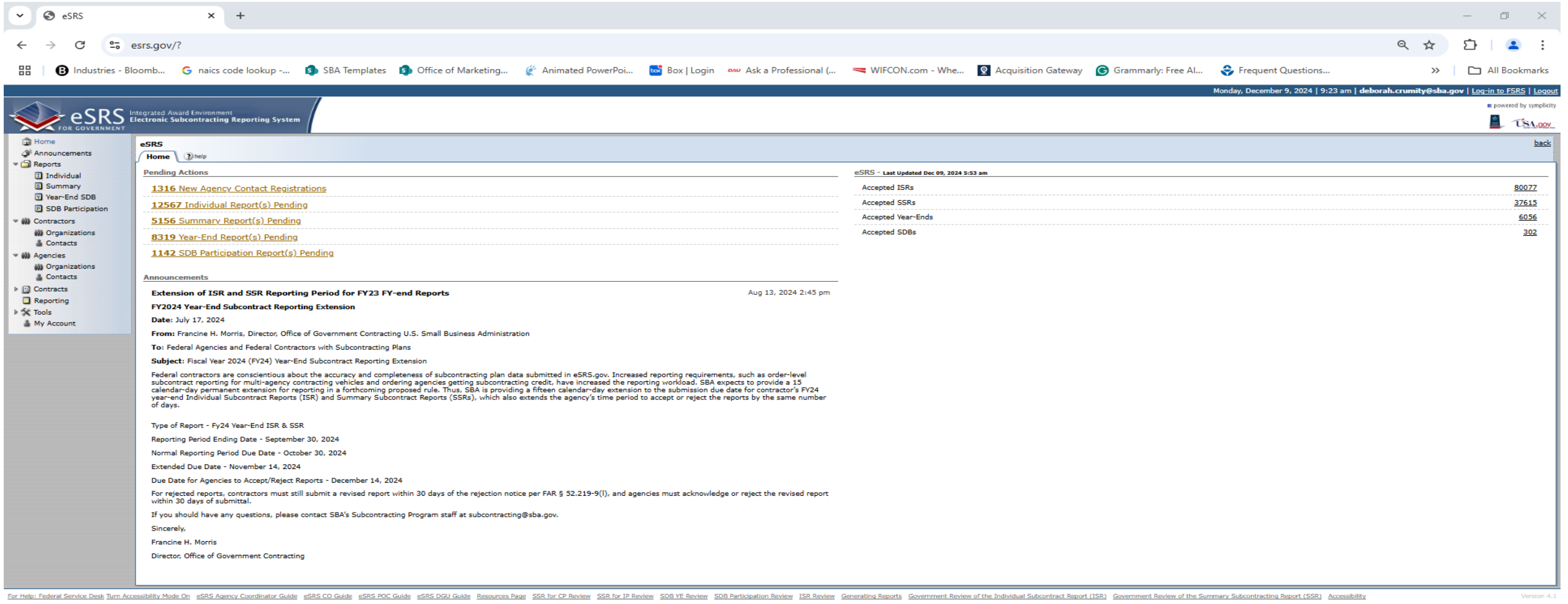
1) Access the **eSRS** home page
2) Select **Government** in the **Log-in or Register Now** on the home page
3) Log in using your login.gov credentials. **If you do not have a login.gov account, you will need to create one.**



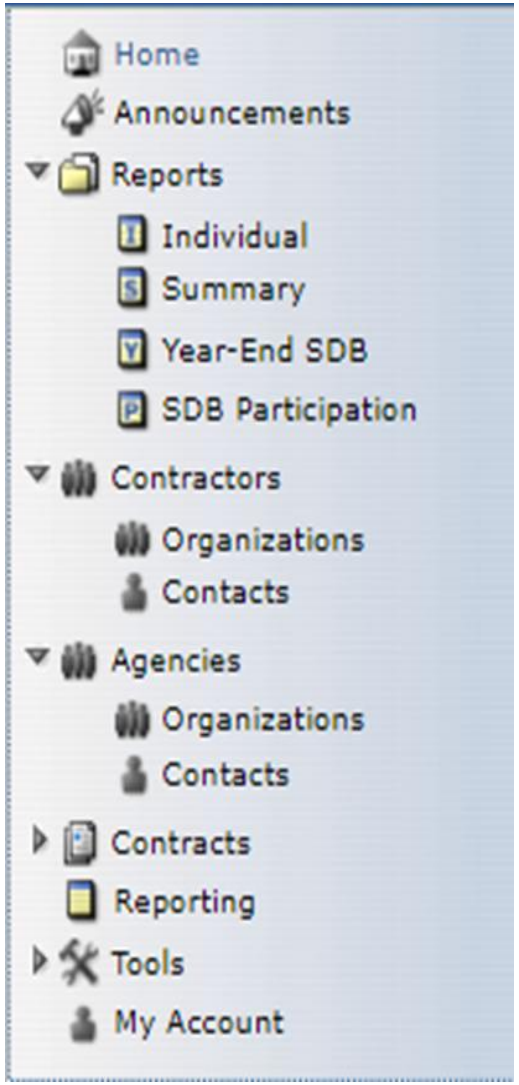
4) Once you are directed back to eSRS, select your Agency/Sub-Agency association
4) Enter profile/registration information
5) Once complete, select the **Submit Registration** button

Agency Coordinator (AC)/POC has options to "approve," "reject," or "edit" the registration.

eSRS Home Screen



Functionality of eSRS



Home: Returns the user to the default home page

Reports: Allows a user to review specific **ISR or SSR,** for any year, for any contractor.

Contractors: All contractor contacts in eSRS and POC information on a contractor.

Agencies: All agency contacts in eSRS and POC Information on an individual and their user level.

Organization Users can see their organization hierarchy including sub-agencies. The hierarchy is imported and updated daily from FPDS-NG. Usually, AC's and Super Users can see this information.

Reporting:

All reports are exportable to Excel

Types of Reports

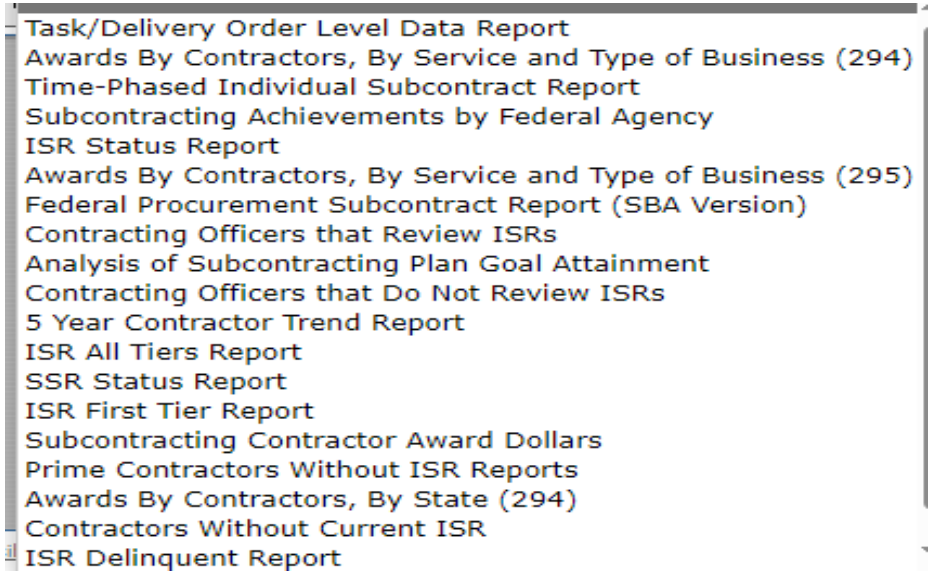
1. AD HOC – Ran *based on the user selecting specific filters which will return a specific set of data*

- All ISRs for a certain period and/or agency
- All SSRs for a certain period and/or agency

2. Predefined-- *requires the user to set specific filters to determine the basis for the report results*

Quick Reference Recommendations for Gov't Employees-Generating Reports

Predefined Reports –Some reports are obsolete or inoperable



Monitor

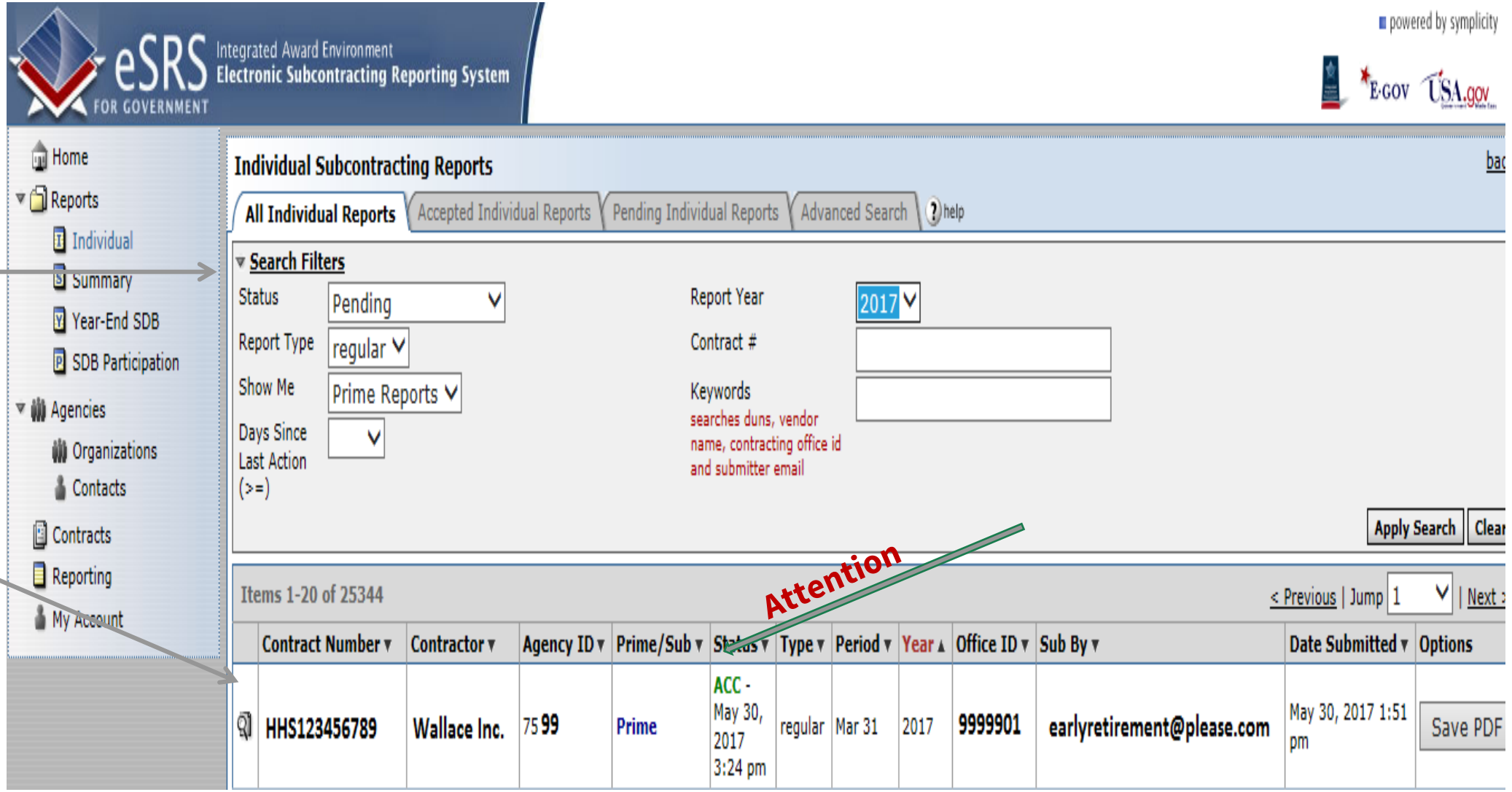
Reviewing The Individual Subcontract Report

ISR

Click on Individual

Click Search Filters

Then Click Magnifier



What do the terms in the "status "column represent?

Pending (PEN): This report has been submitted and is awaiting review to be **Accepted or Rejected** by the federal government agency who **awarded** the contract.

Accepted (ACC): This report has been reviewed by the federal government agency who awarded the contract no known errors, issues, or concerns were found that warranted any clarification, information, and/or correction and therefore the agency is **Accepting** receipt of the report data.

NOTE: Although a report has been **Accepted** if upon further review errors, issues, or concerns are found with the report, the federal government agency who awarded the contract may **Reopen or Reject** the report to obtain clarification, additional information, and/or correction.

Reopened (RPN): This report was previously **Accepted** by the federal government agency who awarded the contract. However, upon further review of the report, the Agency found errors, issues, and/or concerns and requires clarification, additional information, and/or correction. Once the report concerns have been addressed and/or corrected sufficiently the report will be **Accepted.**

Rejected (REJ): This report has been reviewed by federal government agency who awarded a contract, and they have found errors, issues and/or concerns. The report requires **clarification, additional information, and/or correction**. Thus, they will not accept the subcontracting report data at this time. Once the report concerns have been addressed and/or corrected sufficiently, the report will be **Accepted.**

Note: The contractor should correct the reopened or rejected report, not create a new one!!

	Current Goal:			Actual Cumulative:		
	Whole Dollars	Percentage of Total Subcontract Awards	Percentage of Total Contract Value	Whole Dollars	Percentage of Total Subcontract Awards	Percentage of Current Contrac Value
2a. SMALL BUSINESS CONCERNS	178,960	32.3	0	768,963	99.5	10.4
2b. LARGE BUSINESS CONCERNS	375,095	N/A	N/A	4,038	0.5	0.1
2c. TOTAL	554,055	100	0	773,001	100.0	10.5

	Current Goal:			Actual Cumulative:		
	Whole Dollars	Percentage of Total Subcontract Awards	Percentage of Total Contract Value	Whole Dollars	Percentage of Total Subcontract Awards	Percentage of Current Contrac Value
3. SMALL DISADVANTAGED BUSINESS (SDB) CONCERNS	27,703	5	0	1,509	0.2	0.0
4. WOMEN-OWNED SMALL BUSINESS (WOSB) CONCERNS	554	0.1	0	1,509	0.2	0.0
5. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) AND MINORITY INSTITUTIONS (MI) ** This field is required only for NASA contracts that were awarded on or after November 14, 2014.*	0	0	0	0	0	0.0
6. HUBZone SMALL BUSINESS (HUBZone SB) CONCERNS	554	0.1	0	0	0	0.0
7. VETERAN-OWNED SMALL BUSINESS CONCERNS	16,622	3	0	644,731	83.4	8.7
8. SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONCERNS	16,622	3	0	644,731	83.4	8.7
9. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT HAVE NOT BEEN CERTIFIED BY THE SMALL BUSINESS ADMINISTRATION AS SMALL DISADVANTAGED BUSINESSES	0	0	0	0	0	0.0
10. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT ARE NOT SMALL BUSINESSES	0	0	0	0	0	0.0

Importance of the REMARKS Block on the ISR

ISR

- To explain goal shortfalls
- To explain circumstances
  - which orders have order-level goals, merger information
- To explain good faith efforts & action plan to meet goals by contract's end
- To explain contract information that should be noted/part of record

How Do I Know Whether to Accept or Reject an ISR?

ISR

- Do goals match what is in the subcontracting plan?
- Do achievements seem realistic based on what you know about the contract?
- Do the remarks adequately explain any goal shortfalls?
- If failing to meet the goals, is there an action plan?
- Are all percentages less than 100% ?

Monitor

Reviewing The Summary Subcontract Report

SSR

What is a Summary Subcontract Report (SSR) for Individual Plans?

- **"Summarizes"** all subcontracting the contractor has done with a particular executive agency during the government fiscal year.
- Contains same size categories as the ISR
- Requires same scrutiny to ensure accurate reporting:
  - Timeliness?
  - Math computation?
  - All socio-economic categories credited?
  - Remarks section annotation
    - Reasonable explanation for any shortfalls
    - Corrective action identified, if necessary

- Assigned agency official accepts/rejects reports

What is a Summary Subcontract Report (SSR) for Commercial Plans?

- **"Summarizes"** all subcontracting done by the contractor during its fiscal year for its government and commercial business
- Indicates percentage attributable to each Federal agency
- Contains same size categories as the Individual Summary Report (ISR)
- ✓ **Does not contain the Commercial Subcontracting Plan's goals**
- Requires same scrutiny to ensure accurate reporting:
  - Timeliness?
  - Math accuracy?
  - All socio-economic categories credited?
  - Remarks section complete?
    - Reasonable explanation for any goal shortfalls
    - Corrective action identified, if necessary

- Contracting Officer who approves Commercial plans must review and accept/reject report(s)

SBA Annual Report to Congress

For SSRs submitted through eSRS only

- **Data in those SSRs are used by SBA and Congress to evaluate agencies' small business subcontracting**
  - Based upon **accepted** SSR reports
  - Must get all SSR reports to **accepted** or **rejected** status vs. leaving in a pending status
- Used to determine agency subcontracting scorecard credit (the eSRS scorecard data will be pulled on **3/17/2025**)
- Samples and guides on eSRS homepage, especially the **Quick Reference Guides for Federal employees**

Attend to PENDING reports, but also follow up on any ISR/SSR that is:

- REVISED
- REJECTED
- REOPENED

You may view SBA's Subcontracting Congressional Report at **Report to Congress on Small Business Subcontracting Plan Goals Status | U.S. Small Business Administration**

If you have any administrative questions about eSRS please contact your nearest **SBA Commercial Market Representative (CMR)** or your eSRS **Agency Coordinator .** For technical questions, please contact the **FSD Help Desk.**

How Do I Know Whether to Accept or Reject an SSR?

Commercial Plan (Contracting Officer that approved that year's commercial plan is accepting or rejecting it)

- Do the allocations seem reasonable?
- Do the remarks explain any abnormalities or very low subcontracting achievements to any category?
- Is it signed by CEO (most senior executive at facility)?

SSR

If contractor files an individual plan SSR that encompasses the DUNS/UEI numbers of several entities, it is helpful if they list these entities in the Remarks block

Evaluate

At the end of the contract (or the end of the year for Commercial Plans)

- Evaluate whether good faith efforts were made(FAR 19.507-7)
  - Determine whether **each** SB and socioeconomic goal was met
  - Review remarks on ISR (SSR for commercial plans)
  - Review written notifications of lack of payment or non-use of a subcontractor
  - SBA Compliance Review Findings

- Determine if a good faith effort was made when the goal is not met
    - What are Good Faith Efforts? 13 CFR 125.3(b)(3) and FAR 19.705-7
    - What is Lack of Good Faith Efforts? 13 CFR 125.3(d)(3)(ii) & FAR 19.705-7

- If good faith efforts not met, notify the contractor
    - 15 days to respond (FAR 19.507-7(d))
    - "The notice shall give the contractor an opportunity to demonstrate what good faith efforts have been made before the contracting officer issues the final decision and shall further state that failure of the contractor to respond may be taken as an admission that no valid explanation exists."

- Make Final Decision
    - Right to appeal under the contract's dispute clause

- Actions to take when good faith effort not met or non-compliance with subcontracting plan:
    - Negative CPARS rating
    - Liquidated Damages (FAR 52.219-16)

Questions