

Department of the Army Small Business Program



"Our Army at War - Relevant & Ready"

Army Small Business Programs 18 January 2006

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Army Small Business Programs *Agenda*



- ❑ Vision
- ❑ Goals
- ❑ Service Disabled Veteran-Owned Small Business
- ❑ Historically Underutilized Business (HUB) Zone Small Business
- ❑ Mentor Protégé Program



Vision

**To Be The Premier Advocacy
Organization Committed To
Maximizing **Small Business**
Opportunities In Support Of The
Warfighter And Transformation Of
The Army.**

Army Small Business Office



Army Prime Contract Awards FY 05 (11/30/05)



	Total Dollars	Achieved	Army Target	Nat'l Goal
US Business	\$69,240			
Small Business	\$19,863	28.7%	27.0%	23.0%
Small Disadvantaged Business	\$ 6,498	9.4%	8.8%	5.0%
Women-Owned SB	\$ 2,508	3.6%	4.1%	5.0%
HUBZone Small Business	\$ 2,145	3.1%	3.0%	3.0%
Service Disabled Veteran-Owned SB	\$ 454	0.7%	0.9%	3.0%

Dollars shown in millions



Army Prime Contract Awards FY 04/FY 05 Growth



	FY 04		FY 05		Growth Rate
US Business	\$55,493		\$69,240		24.8%
Small Business	\$15,471	27.9%	\$19,863	28.7%	28.4%
Small Disadvantaged Business	\$ 5,005	9.0%	\$ 6,498	9.4%	29.8%
Women-Owned SB	\$ 2,029	3.7%	\$ 2,508	3.6%	23.6%
HUBZone SB	\$ 1,573	2.8%	\$ 2,145	3.1%	36.4%
Service Disabled Veteran-Owned SB	\$ 233	0.4%	\$ 454	0.7%	94.8%

Dollars shown in millions



Army Subcontract Awards FY 04



	TOTAL DOLLARS	ACHIEVED	TARGET
US Business	\$5,313		
Small Business	\$2,703	50.9%	47.3%
Small Disadvantaged Business	\$ 327	6.2%	8.6%
Women-Owned SB	\$ 373	7.0%	7.8%
HubZone SB	\$ 126	2.4%	3.0%
Service-Disabled Veteran-Owned SB	\$ 22	0.4%	3.0%

Dollars Shown in millions



National/DOD/Army Prime Contract Goals - FY 06



	National Goals	DOD Goals	Army Targets
Small Business	23.0%	23.0%	26.0%
Small Disadvantaged Business	5.0%	5.7%	8.8%
Women-Owned Small Business	5.0%	5.0%	4.0%
HUBZone Small Business	3.0%	3.0%	3.0%
Service-Disabled Vetern-Owned Small Business	3.0%	3.0%	0.8%



National/DOD/Army Subcontracting Goals - FY 06



	National Goals	DOD Goals	Army Targets
Small Business	40.0%	42.0%	50.0%
Small Disadvantaged Business	5.0%	5.0%	7.7%
Women-Owned Small Business	5.0%	5.0%	7.0%
HUBZone Small Business	3.0%	3.0%	3.0%
Service-Disabled Vetern-Owned Small Business	3.0%	3.0%	0.5%



USACE Goals FY 2006



	<u>PRIME</u> <u>Contracts</u>	<u>SUB</u> <u>Contracts</u>
Small Business	43.0%	51.2%
Small Disadvantaged Business	16.5%	8.8%
Woman-Owned Small Business	5.7%	7.3%
HUBZone Small Business	8.0%	3.1%
Service-Disabled Veteran-Owned Small Business	1.5%	1.5%



SDVOSB Legislative Background

Public Law 106-50(1999)ⁱ

- Required Agencies to Establish 3% SDVOSB Goals

Public Law 108-183 (2003)ⁱ

- Established set-asides for SDVOSB

Executive Order 13360

- Support SDVOSB Contracting Opportunities and Mandate Federal Agency Responsibilities



SDVOSB Strategic Plan



- **Increase SDVOSB Base**
- **Increase Contracting Opportunities For SDVOSBs**
- **Educate Acquisition Work Force and SDVOSBs**
- **Maintain Strategic Partnering Relationships**
- **Leverage All Small Business Programs**
- **Foster Contracting Opportunities Through Partnering**



Mentor Protégé Program *Background*



- ❑ Est. 1991 to provide incentives to prime contractors to develop the technical and business capabilities of eligible protégés to increase their participation in both prime contracts and subcontracts
- ❑ The National Defense Authorization Act for FY 2005 extended the MPP until **30 Sep 2010** for approval of new agreements and **30 Sep 2013** for incurred costs
- ❑ FY 2005 NDAA added **HUB Zone SB** and **SDVOSB** as eligible protégés



Mentor Protégé Program



Who is Eligible?

Mentors

- ❑ Have at least one active approved subcontracting plan with DoD
- ❑ Be eligible for award of Federal contracts
- ❑ May be an 8(a) Graduate
- ❑ Committed to small business & protégé
- ❑ Can mentor more than 1 protégé under separate agreements
- ❑ **May be SB only if** a graduated 8(a) or have an active approved subcontracting plan with DOD and can show capability to mentor



Mentor Protégé Program *Who is Eligible?*



Protégés

- ❑ Certified Small Disadvantaged Business
- ❑ Qualified organizations employing the severely disabled
- ❑ Women-Owned Small Business
- ❑ Indian-Owned Small Business
- ❑ Native Hawaiian Organization-Owned Small Business
- ❑ Qualified HUB zone Small Business
- ❑ Service-Disabled Veteran-Owned Small Business
- ❑ Be eligible for award of Federal contracts



Mentor Protégé Program

Types of Agreements



- ❑ **Credit** – Allows mentor to receive credit against their SDB subcontracting goals for costs incurred due to development assistance provided to the protégé.
- ❑ **Direct Reimbursement** – Allows mentor to receive monetary reimbursement of costs incurred due to development assistance provided to the protégé.



Mentor Protégé Program

Mentor Benefits



- ❑ Long-term relationship with business partner
- ❑ Qualified source at competitive prices
- ❑ Ability to award subcontracts directly
- ❑ Help achieve subcontracting goals
- ❑ Source of qualified employees from HBCU/MI



Mentor Protégé Program

Protégé Benefits



- ❑ Technology Transfer
- ❑ Technical Management Skills
- ❑ Long-term Relationship
- ❑ Enhanced Competitiveness
- ❑ Subcontracting Opportunities
- ❑ Source of Qualified Employees from HBCU/MI



Army Mentor-Protégé Program



❑ Army

- ❑ Application Process using specific evaluation criteria
- ❑ Agreements through **modifications** to existing contracts
- ❑ New contracts can be approved with compelling justification
- ❑ Non-Manufacturing Agreements **< \$500,000**, Manufacturing may be higher but cannot exceed **\$1 Million** a year
- ❑ **Joint ventures must** still meet size standards IAW federal regulations unless JV approved by SBA



Mentor Protégé Program *How to Apply*



- ❑ DoD delegated approval authority to Services beginning FY 2004 for cost reimbursement agreements
- ❑ For credit only agreements, apply directly to Defense Contract Management Agency (DCMA)
- ❑ 2 rounds of proposals each Fiscal Year -- Proposal due dates: **15 Nov, 15 Apr**
- ❑ Agreements can last up to 3 years



Mentor Protégé Program *Agreement Requirements*



- ❑ Army goal is to engage industries to shape and expand the industrial base to support the war fighter
- ❑ Army wants agreements with **strong technical component**, or focus on innovative transfer of state-of-the art technology
- ❑ Comprehensive Needs Assessment
- ❑ Developmental Assistance Plan with the “what”, “how”, “when”, “where” and “who”
- ❑ Milestone chart and cost breakout
- ❑ Sponsoring activity endorsement letter



Mentor Protégé Program *Additional Information*



Army SADBUs Web Page:
www.sellingtoarmy.info

Policies & Guidance

FAQs



Points of Contact

- DOD Mentor-Protégé Program (MPP)
 - 1-800-540-8857
 - www.acq.osd.mil/sadbu/mentor_protege/
- Army MPP
 - Wendy Despres, Program Mgr/703-697-2868
 - www.sellingtoarmy.info
- HUB Zone/SDVOSB
 - LTC James Blanco, Program Mgr/703-697-2868

*Strengthening Our Nation's
Military through
Small Business*

