

DEPARTMENT OF THE ARMY
Corps of Engineers, Omaha District
106 South 15th Street
Omaha, Nebraska 68102-1618

OM 715-1-3

CENWO-CT

Memorandum
715-1-3

30 November 2001

Contracting

SMALL BUSINESS SUBCONTRACTING PLAN COMPLIANCE

History. This memorandum supersedes DM 715-1-3 dated 1 March 1984.

Summary. This memorandum prescribes procedures for administration of the Small Business Subcontracting and Small Disadvantaged Subcontracting Program.

1. Purpose: To prescribe roles, responsibilities and procedures for administration and compliance of the Small Business Subcontracting Plan.
2. Applicability. This memorandum applies to all contracts, task orders, and modifications over \$500,000 (\$1 million for Construction) awarded to large business concerns. This memorandum also applies to the administration of the Omaha District's Small Business subcontracting plan.
3. References.
 - a. Federal Acquisition Regulation (FAR) 19.7 -- The Small Business Subcontracting Program.
 - b. Public Law 95-507.
4. Definitions. Subcontracting terms appearing in this document are defined in Appendix A.
5. Policy.
 - a. The District's mission and functions will be efficiently and effectively carried out in accordance with applicable laws, regulations, and policies.
 - b. The Omaha District will ensure that:
 - (1) An acceptable subcontracting plan was received from large business.

- (2) Contractor compliance is monitored for meeting contractual obligations, as stated in their subcontracting plans.

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(3) Small business, small disadvantaged business, woman-owned, Hub Zone and Service Disabled firms are being given fair and equitable opportunity to participate in performing contracts let by the Omaha District.

6. Responsibilities.

- a. The Small and Disadvantaged Business Utilization Specialist (DB) is responsible for the oversight, management and upward reporting of the Small Business Program and acts as liaison between the District and the Small Business Administration.

- b. Contracting Specialists will evaluate, negotiate and ensure the plan is reviewed by DB and approved by the designated Contracting Officer.

- c. Procuring Contracting Officer/Administrative Contracting Officer (PCO/ACO) is responsible for the evaluation and administration of the Small Business Subcontracting Plan. PCO's are responsible for all contracts other than construction. ACO's are responsible for construction contracts.

- d. PCO/ACO will discuss the terms and conditions of the approved subcontracting plan with the contractor. The PCO/ACO will document the discussions in the official contract file.

- e. The PCO/ACO will monitor, evaluate and document contractor performance and compliance with approved subcontracting plan.

- f. The PCO/ACO will forward a notification letter, semi-annually (Mar&Sep) to the Prime Contractor advising the firm of submittal of SF 294, Subcontracting Report for Individual Contract and SF 295, Summary Subcontract Report.

- g. The PCO/ACO will submit correct and completed SF Form 294 and 295 to the DB for submission to the Directorate for Information Operation and Reports (DIOR).

- h. The PCO/ACO will retain a copy of the SF294 and 295 in the official contract file.

- i. The PCO/ACO will determine appropriate remedies (in accordance with contract requirements) for contractor 's non-compliance or lack of "good faith effort" with approved subcontracting plan(s). The PCO/ACO may seek consultation/recommendations of the DB and/or SBA.

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j. The PCO /ACO /DB, annually (October of each year) will publish a schedule of compliance reviews for the next fiscal year. ACO's shall perform reviews for Construction contracts and the CO will perform reviews for all other contracts.

k. Upon establishment of an agreed upon budget the PPM will provide funding to the Contracting Officer for the compliance review. The funding should include travel cost, labor, and per diem.

l. The PCO/ACO will ensure a separate report (SF294) is received for each contract at contract completion. The SF294 will be included in the contractor's final payment documents submittal to the ACO and will be forwarded to the Contracting Division along with a copy of the final payment checklist routinely submitted to Contracting.

FOR THE COMMANDER:

1 Appendix
App. A – Definitions

TODD E. SKOOG
LTC, EN
Deputy Commander

DISTRIBUTION:

<http://w3.nwo.usace.army.mil/html/im-c/rcrdsmgt/pdf/m715-1-3.pdf>

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APPENDIX A DEFINITIONS

Contracting Officer. An individual delegated the authority to enter into, administer, and/or terminate contracts and make related determination and findings.

Subcontract. Any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor calling for supplies or services required for the performance of the original contract or subcontract.

Small business concern. A business concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard.

Women-owned small business concern. A small business concern, which is at least 51 percent owned and controlled by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock.

Small Disadvantaged Business Concern. A small business concern certified on the date of its representation in the database maintained by the Small Business Administration PRO-Net database.

HUBZone small business concern. A small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

Service-Disabled Veteran-Owned Small Business. A small business concern, which is at least 51% owned and controlled by a veteran with a disability that is service-connected (as defined in section 101(16) of title 38, United States Code

“Failure to make a good faith effort to comply”...willful or intentional failure to perform in accordance with the requirements of the subcontracting plan, or willful or intentional action to frustrate the plan.

Small and Disadvantaged Business Utilization Specialist (DB). Individual responsible for the oversight, management of the Small Business Program for the Omaha District. The DB serves as the District focal point for interfacing with the Small Business Administration (SBA).

Administrative Contracting Officer (ACO). Individuals delegated to perform contract administration functions, subject to identified limitations. ACO warrants are appointed by the Principle Assistant Responsible for Contracting.