

# MODEL COMMERCIAL SUBCONTRACTING PLAN

## INSTRUCTIONAL REMINDERS

### Use the Commercial Subcontracting Plan Template when:

- The company determines this is the best type of plan to meet its purchasing model and is unable to break out subcontracting attributable to a particular government contract
- The supplies or services provided to the federal government meet the definition of “commercial” in FAR part 2

**NOTE: The Model Commercial Subcontracting Plan template is a tool contractors may choose to use when preparing their commercial subcontracting plans. The Model Commercial Subcontracting plan:**

- **Is NOT a fill-in-the-blank form**
- **Does not replace the FAR requirements listed in clause 52.219-9**
- **Reflects objectives GSA encourages contractors to adopt**

### A COMMERCIAL SUBCONTRACTING PLAN

- Includes the Offeror’s (or Contractor’s) planned subcontracting supporting **both commercial AND government business**, rather than solely to a single government agency or contract
- Is the **preferred** type of subcontracting plan for Contractors furnishing commercial items and services. However, if the contract will be a multiple award, indefinite delivery-indefinite quantity contract where task/delivery orders will be funded by more than one federal agency, consider using the individual subcontracting plan.
- Covers only the **company’s fiscal year** (12 month period - i.e., only one commercial plan per Contractor annually).
- Applies to the purchasing to support the entire production of commercial items sold by the entire company or is limited to a portion thereof (e.g. division, plant, or product line). Please indicate such a statement in the commercial plan, whether it applies company-wide or is a limited plan.
  - Must include indirect costs (i.e. general and routine commercial purchases)
  - Note: If the commercial plan encompasses more than one company within the corporation, identify in the plan the companies covered and include the DUNS number for each.

- Remains in effect during the Contractor’s fiscal year for all Government contracts in effect during that period. Once a Contractor’s commercial plan has been approved, the Government shall not require another subcontracting plan from the same Contractor while the plan remains in effect, as long as the product or service being provided continues to meet the definition of a commercial item.
- To submit a commercial plan:
  - Complete Section I. *Identification Data* in the Model Template and check “Commercial Plan” under Section II, *Type of Plan*
  - List the annual goals (or spend) for each socio-economic category listed in the commercial plan format provided under Section III, *Goals*.
  - Complete Sections IV through XV, ensuring a company official signs the plan under XVII.
  - Submit the commercial plan to either:
    - the first Contracting Officer (of any agency) awarding a contract subject to the plan during the Contractor’s fiscal year; or,
    - if the Contractor has ongoing contracts with commercial plans, to the Contracting Officer responsible for the contract with the latest completion date.

### **What happens after I submit the subcontracting plan to the contracting officer?**

The Contracting Officer:

- Reviews the subcontracting plan to ensure the plan meets all of the requirements listed in FAR 52.219-9
- Submits the plan to the Small Business Technical Advisor (SBTA) in GSA’s Office of Small and Disadvantaged Business Utilization and the Small Business Administration Procurement Center Representative (PCR) for input as required by FAR
- Considers the recommendations by the GSA SBTA and the SBA PCR and negotiates the commercial plan on behalf of the entire federal government.

Once approved by a government contracting officer, the contractor may use the commercial plan for any federal government contract during the 12 month period covered by the plan.

### **AFTER CONTRACT AWARD, DON’T FORGET TO:**

- **Submit a new commercial plan, 30 working days before the end of the Contractor’s fiscal year (i.e., plan expiration date) to the Contracting Officer responsible for the uncompleted Government contract with the latest completion date.**

- **When the new commercial plan is approved each year, provide a copy of the approved plan to each Contracting Officer responsible for ongoing contract(s) subject to the plan.**
- After award, submit the required annual Summary Subcontracting Report (SSR) in the Electronic Subcontract Reporting System (eSRS):
  - Due no later than **October 30** each year. **Failure to submit the report on time may indicate a lack of “good faith effort”, putting your company at risk for the assessment of liquidated damages.**
  - Follow the directions on the eSRS home page, especially the “Quick Reference Guides for Government Contractors Filing SSR for Commercial Plan” and the Sample SSR Step by Step for Commercial plans
  - Be sure to select “Commercial” as the type of subcontracting plan
  - While the commercial plan covers your company’s fiscal year, the SSR covers all subcontracting done during the government’s fiscal year (October 1 through September 30)
  - List the email address of the contracting officer who approved the commercial plan on behalf of all federal agencies and the contracting officers when other federal agencies’ contracts are covered by the plan
  - Include indirect costs
  - Explain in the “Remarks” section any shortfall or “0” dollars reported and the corrective action going forward. Make sure the reasons or future actions are not the same year after year with no improvement.
  - Allocate to each federal agency a portion of each of the dollars reported
    - At no time should the total percentage allocated to the federal agencies equate to 99%!
    - When the government’s share is less than one percent, make sure the percentage is translated into the report correctly. For example, if the government’s allocation is 0.51%, make sure the percentage is entered as 0.51% and not 51%.

**I am having difficulty in meeting the goals established in the contract’s subcontracting plan. What should I do?**

A number of actions can be taken:

1. Read the plan. Did you do what you said you were going to do in the plan to find qualified SBs, SDBs, WOSBs, VOSBs, SDVOSBs and HUBZones?
2. Did a key small business supplier grow into “other than small”? Explain any “0” or shortfalls in the “Remarks” section of the report. Be sure to identify what corrective action you will take to get back on track. “Tell the story” in the report.

3. Did you post your company's subcontracting opportunities on the **SBA [SubNet](#)** database?
4. Does your website make it easy for small businesses to find you and your company's opportunities?
5. How do you keep market research fresh? Check out the following resources recommended in GSA's Model Subcontracting Plan Instructions:  
**SBA Commercial Marketing Representative:** [SBA CMRs](#)  
**Procurement Technical Assistance Centers:** [PTAC website](#)  
**Trade and professional organizations and conferences**  
**Department of Commerce Minority Business Development Agencies:** [MBDA website](#)  
**State, county, city minority business offices**  
**Small, minority, women-owned, veteran business organizations**  
**Local chambers of commerce:** [Chambers of Commerce website](#)  
**Department of Veterans Affairs (VOSBs and SDVOSBs)**  
**Dynamic Small Business Search:** [DSBS website](#)
6. Do current suppliers meet the size status for the NAICS code that best describes the subcontract and the socio-economic definitions in FAR part 2
7. Are you able to break out elements of large acquisitions into smaller contracts suitable for small business participation?
8. Did you follow the required actions listed in FAR 52.219-9(e)?

**Commercial Subcontracting Plan Template**  
**[INSERT COMPANY NAME]**  
**SMALL BUSINESS SUBCONTRACTING PLAN**

**I. IDENTIFICATION DATA:**

**Address:** \_\_\_\_\_

**Date Prepared:** \_\_\_\_\_

**Description of Types of Supplies/Services:**

\_\_\_\_\_

**Contract Number:** \_\_\_\_\_

**DUNS Number:** (under the contract awarded or pending award)

*Insert company Fiscal Year (FY) beginning and end dates*

**Commercial Plan Period:** (Contractor's 12-month dates including year covered M/D/Y)

**II. GOALS:**

*FAR clause 52.219-9(d) states that the subcontracting plan shall include the following: (1) Separate goals, expressed in terms of total dollars subcontracted, and as a percentage of total planned subcontracting dollars, for the use of small business (including ANCs and Indian tribes), veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business (including ANCs and Indian tribes) and women-owned small business WOSB concerns as subcontractors.*

***Remember:***

- ***Commercial plans will always reflect annual company-wide goals***
- ***Dollars and percentages to OTSB and total small businesses (including all socioeconomic subsets) must equal the total subcontracted to both categories in dollars and percentages.***

**[Company Name] provides the following separate dollar and percentage goals, which are a percentage of the total subcontracting dollars for each business category:**

1. Estimated **TOTAL** dollars planned to be subcontracted **to all types of concerns** (generally for both commercial and government business, in support of commercial items sold during company fiscal year):

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = 100% subcontracted**

2. Total dollars planned to be subcontracted to those classified as **Other Than Small Business** concerns:

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

3. Total dollars planned to be subcontracted to **all Small** business concerns (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB small business concerns:

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

**REMEMBER: COMPUTE THE PERCENTAGE FOR THE FOLLOWING BY USING THE TOTAL DOLLARS LISTED IN #1 ABOVE:**

4. Total dollars planned to be subcontracted to **veteran-owned small** business concerns (including service-disabled veteran-owned small businesses):

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

5. Total dollars planned to be subcontracted to **service-disabled veteran-owned small** business concerns (**subset of VOSB above and cannot be higher than #4 above**):

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

6. Total dollars planned to be subcontracted to **HUBZone small** business concerns:

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

7. Total dollars planned to be subcontracted to **small disadvantaged** business concerns (including ANCs and Indian tribes):

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

8. Total dollars planned to be subcontracted to **women-owned small** business concerns:

**Annual Commercial Purchases/Spend: \$ \_\_\_\_\_ = \_\_\_ % of Total**

**III. PRINCIPAL TYPES OF SUPPLIES AND SERVICES TO BE SUBCONTRACTED:**

*Describe the principal types of supplies and services to be subcontracted and an identification of types of supplies or services planned for subcontracting to SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns.*

The principal types of supplies and/or services that [**Company Name**] anticipates to be subcontracted (outsourced) and the identification of the type of supply or service offered to each business concern are as follows. GSA requests inserting the applicable NAICS code<sup>1</sup> under the description:

Supplies/Services	Large	Small	VOSB	SDVOSB	HUBZone	SDB	WOSB
Example - Painting NAICS 238230		X	X	X			

**ATTACH ADDITIONAL SHEETS IF NECESSARY**

Explain in the narrative of this section any low goals<sup>2</sup> and the actions planned in order to support your plan. Otherwise, the CO, GSA Office of Small and Disadvantaged Business Utilization or the SBA may deem your plan unacceptable preventing contract award.

**NOTE: “zero” is not considered a “positive” goal which the FAR requires. Having a goal will provide the incentive for your company to make a “good faith effort” in fostering opportunities for Small business, SDB, WOSB, VOSB, SDVOSB and HUBZone SB. After award, the contracting officer assesses whether you have made a “good faith effort” to implement the subcontracting plan.<sup>3</sup>**

**IV. DESCRIPTION OF METHOD USED TO DEVELOP SUBCONTRACTING GOALS:**

*FAR 19.704(a)(4) and the clause at 52.219-9(d)(4) require a description of the method used to develop the subcontracting goals. Explain or state the basis for establishing your proposed goals (i.e. based on historical data and experience, market research, etc.).*

[**Company Name**] used the following method to develop the subcontracting goals:

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<sup>1</sup> NAICS codes are found at: <https://www.census.gov/eos/www/naics/>

<sup>2</sup> Low goals are those less than the government-wide statutory goals of 23% for SB; 5% for SDB; 5% for WOSB; 3% for SDVOSB; and, 3% for HUBZone SB.

<sup>3</sup> See FAR 19.705-6(g). “Good faith effort” is defined in SBA regulations 13 CFR 125.3(d)(3).

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**V. DESCRIPTION OF METHOD USED TO IDENTIFY POTENTIAL SOURCES:**

*Describe the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the System for Award Management (SAM), veterans service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small, HUBZone, small disadvantaged, and women-owned small business trade associations). A firm may rely on the information contained in SAM as an accurate representation of a concern's size and ownership characteristics for the purposes of maintaining SB, VOSB, SDVOSB, HUBZone, SDB, and WOSB source lists.<sup>4</sup>*

**[Company Name]** identifies potential subcontractors using the following source lists and organizations (please list your sources used):

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**VI. INCLUSION OF INDIRECT COSTS IN ESTABLISHING GOALS:** *FAR clause 52.219-9(d)(6) requires a statement as to whether or not the Offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns.*

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<sup>4</sup> Use of SAM as a source list does not relieve a firm of its responsibilities to identify potential small business sources by other means (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities) in this clause. FAR 19.703 adds that the prime contractor may not require the use of SAM for the purposes of representing size or socioeconomic status in connection with a subcontract . . . and a prime contractor acting in good faith is not liable for misrepresentations made by its subcontractors regarding their size or socioeconomic status.



**CONTRACTORS SUBMITTING COMMERCIAL PLANS MUST INCLUDE INDIRECT COSTS<sup>5</sup> TO CAPTURE MAJOR COMPANY-WIDE EXPENSES AND MAXIMIZE OPPORTUNITIES FOR SMALL BUSINESSES.**

Indirect costs HAVE BEEN included in the dollar and percentage subcontracting goals stated above.

*Provide the method used to determine the proportionate share of indirect costs to be incurred with small business concerns for your contract below.*

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**VII. PROGRAM ADMINISTRATOR:** *FAR clause 52.219-9(d)(7) requires the name of the individual employed by the Offeror who will administer the Offeror's subcontracting program, and a description of the duties of the individual. Please add the contact information for this person (telephone number and email address), in case of questions, and provide an alternate point of contact, if applicable.*

Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Telephone number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Alternate POC with contact information:

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**Duties:** *FAR clause 52.219-9(e) requires that in order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform*

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<sup>5</sup> Indirect costs represent the expenses of doing business that are NOT easily identified with a specific project (i.e. contract or grant) but are generally recognized as ordinary and necessary for the general operation of the Contractor's organization and the conduct of activities it performs. Types of indirect costs include routine supplies and general and administrative (G&A) expenses. However, fringe benefits (e.g. services or benefits provided to employees such as health insurance, payroll taxes, pension contribution, etc.), are NOT considered subcontracting and shall be excluded).

the following functions. Include these in the subcontracting plan, indicating your compliance with FAR 52.219-9:

1. Assist SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns by arranging solicitations, sufficient time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential SB, VOSB, SDVOSB, HUBZone, SDB and WOSB subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.
2. Provide adequate and timely consideration of the potentialities of SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns in all "make-or-buy" decisions.
3. Counsel and discuss subcontracting opportunities with representatives of SB, VOSB, SDVOSB, HUBZone, SDB and WOSB firms.
4. Confirm that a subcontractor representing itself as a HUBZone small business concern is certified by SBA as a HUBZone small business concern in accordance with 52-219-8(d)(2).
5. Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as SB, VOSB, SDVOSB, HUBZone, SDB and WOSB for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor's subcontracting plan.
6. For all competitive subcontracts over the simplified acquisition threshold in which a small business concern received a small business preference, upon determination of the successful subcontract offeror, prior to award of the subcontract the contractor must inform each unsuccessful small business subcontract offeror in writing of the name and location of the apparent successful offeror and if the successful subcontract offeror is a SB, VOSB, SDVOSB, HUBzone SB, SDB, or WOSB concern.
7. Assign each subcontract the NAICS code and corresponding size standard that best describes the principle purpose of the subcontract.

Other ways the Plan Administrator will ensure the company meets the goals of the plan **demonstrating "good faith effort"** [*Check those that will be done under this plan*]:

\_\_\_\_ Ensure the periodic rotation of potential subcontractors on bidders' lists.

\_\_\_\_ Ensure that SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns are included on the bidders' list for every subcontract solicitation for products and services they are capable of providing.

\_\_\_\_ Ensure that subcontract procurement "packages" are designed to permit the maximum possible participation of SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns.

\_\_\_\_ Review subcontract solicitations to remove statements, clauses, etc., which might tend to restrict or prohibit SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns.

\_\_\_\_ Ensure that the subcontract bid proposal review board documents its reasons for not selecting any low bids submitted by SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns.

\_\_\_\_ Oversee the establishment and maintenance of contract and subcontract award records.

\_\_\_\_ Attend or arrange for the attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.

\_\_\_\_ Directly or indirectly counsel SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns on subcontracting opportunities and how to prepare bids to the company.

\_\_\_\_ Conduct or arrange training for purchasing personnel regarding the intent and impact of Section 8(d) of the Small Business Act on purchasing procedures

\_\_\_\_ Develop and maintain an incentive program for buyers that support the subcontracting program.

\_\_\_\_ Monitor the company's performance and make any adjustments necessary to achieve the subcontract plan goals.

\_\_\_\_ Coordinate the company's activities during compliance reviews by Federal agencies

\_\_\_\_ Promote opportunities for small businesses on the company's website

\_\_\_\_ Additional Duties: *[If your company or program administrator will perform additional subcontracting duties not shown above, please identify them here]*

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**VIII. EQUITABLE OPPORTUNITY:** *FAR clause 52.219-9(d)(8) requires a description of the efforts the Offeror will make to assure that SB, VOSB, SDVOSB, HUBZone, SDB and WOSB concerns have an equitable opportunity to compete for subcontracts.*

**[Company Name]** will make every effort to ensure that all small business concerns have an equitable opportunity to compete for subcontracts. These efforts may include one or more of the following activities: *(please indicate which of the following apply or adapt the list to fit your company's efforts)*

Outreach efforts to obtain sources:

- \_\_\_ Contacting minority and small business trade associations
- \_\_\_ Contact business development organizations
- \_\_\_ Requesting sources from the SBA's Dynamic Small Business Search: ([https://web.sba.gov/pro-net/search/dsp\\_dsbs.cfm](https://web.sba.gov/pro-net/search/dsp_dsbs.cfm)) and/or the SAM.gov database
- \_\_\_ Attend small and minority business trade fairs and procurement conferences

Internal efforts to guide and encourage purchasing personnel:

- \_\_\_ Present workshops, seminars and training programs
- \_\_\_ Establishing, maintaining and using small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business source lists, guides, and other data for soliciting subcontracts
- \_\_\_ Monitoring activities to evaluate compliance with the subcontracting plan

Other efforts: *(Please describe below.)*

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**IX. ASSURANCES OF CLAUSE INCLUSION AND FLOW DOWN:** *FAR clause 52.219-9(d)(9) requires assurances that the Offeror will include the clause at 52.219-8, Utilization of Small Business Concerns (see 19.708(a)), in all subcontracts that offer further subcontracting opportunities, and that the Offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$750,000 (\$1,500,000 for construction of any public facility) with further subcontracting possibilities to adopt a subcontracting plan that complies with the requirements of this clause.*

**[Company Name]** agrees to include the FAR Clause 52.219-8, "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and will require all subcontractors (*except small business concerns*) that receive subcontracts in excess of \$750,000 (\$1,500,000 for construction of any public facility) to adopt a subcontracting plan that complies with the requirements of the clause at [52.219-9](#), Small Business Subcontracting Plan.

## X. ASSIGNMENT OF SIZE STANDARDS TO SUBCONTRACTS

[[Company Name](#)] agrees to assign North American Industry Classification System (NAICS) codes to subcontracts and further agrees to provide the socio-economic status of the successful subcontractor in the notification to the unsuccessful offerors for the subcontracts in accordance with FAR 52.219-9.

XI. **REPORTING AND COOPERATION:** *FAR clause 52.219-9(d)(10) requires assurances that the offeror will do the following.*

[[Company Name](#)] agrees to:

- Cooperate in any studies or surveys as may be required
- Submit accurate Summary Subcontract Reports (SSR) in the Electronic Subcontracting Reporting System (eSRS) at [Link to eSRS](#), following the instructions provided on the eSRS home page, especially the guidance for accurately allocating a percentage of the subcontracted dollars to the federal agencies covered by the commercial subcontracting plan. *[See the “Quick Reference Guides for Federal Government Contractors Filing SSR for Commercial Plan” for allocation techniques.]*<sup>6</sup>
- Enter the SSR in eSRS within 30 days after the end of the Government’s fiscal year, September 30, following the directions on the eSRS homepage.<sup>7</sup> **Note: Failing to submit reports on time may be an indication of a lack of “good faith effort” (SBA regulation 13 CFR 125.3(d)).**
- Correct and submit a revised SSR within 30 days of notice of rejection by the contracting officer
- Submit a new commercial plan to the cognizant contracting officer 30 days prior to the expiration of the current plan

<u>Calendar Period</u>	<u>Report Due</u>	<u>Due by</u>	<u>with email address for:</u>
10/01--09/30	SSR	10/30	Contracting Officer

**ASSISTANCE IN REPORT PREPARATION CAN ALSO BE FOUND IN THE ATTACHMENT, *REPORTING INSTRUCTIONS FOR CONTRACTORS*, or in**

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<sup>6</sup> If the total allocation is 99% or 100%, that indicates that 100% of your business is attributable to the federal government which is incorrect. The Guide gives examples on how to allocate subcontracted dollars properly under commercial plan SSRs. The data in the SSRs is used by SBA and Congress each year to evaluate federal agencies’ performance in meeting their respective small business subcontracting goals.

<sup>7</sup> Any SSR submitted to GSA prior to the period ending date (September 30) will be rejected. GSA does not require a mid-year filing of the SSR.

guidance documents on the eSRS home page (<https://esrs.gov>), and from your local SBA Commercial Marketing Representative<sup>8</sup>.

**Note:** for contracts awarded by GSA's Public Building Service (PBS), select PBS as the "agency to which the report is being submitted", code 4740, in eSRS.

**XII. RECORDKEEPING:** FAR clause 52.219-9(d)(11) requires a description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the efforts to locate SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns and to award subcontracts to them.

[**Company Name**] will maintain records concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of efforts to locate SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

- Source lists (e.g., SAM), guides, and other data that identify SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), and WOSB concerns.
- Organizations contacted in an attempt to locate sources that are SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANCs and Indian tribes), or WOSB concerns.
- Records on each subcontract solicitation resulting in an award of more than the simplified acquisition threshold as defined in FAR 2.101 as of the date of the subcontract award, indicating whether the following business concerns were solicited and if not, why not:
  - (A) Small businesses
  - (B) Veteran-owned small businesses
  - (C) Service-disabled veteran-owned small businesses
  - (D) HUBZone small businesses
  - (E) Small disadvantaged businesses
  - (F) Women-owned small businesses

If applicable, the reason award was not made to a small business concern.

- Records of any outreach efforts to contact:
  - (A) Trade associations

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<sup>8</sup> <https://www.sba.gov/document/support--commercial-market-representatives>

- (B) Business development organizations
  - (C) Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, service-disabled veteran-owned, and women-owned small business sources
  - (D) Veterans service organizations
- Records of internal guidance and encouragement provided to buyers through
    - (A) Workshops, seminars, training, etc.
    - (B) Monitoring performance to evaluate compliance with the program's requirements
  - Other records to support your compliance with the subcontracting plan: *(Please describe below.)*
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### **XIII. ADDITIONAL ASSURANCES:**

- **[Company Name]** will make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns that it used in preparing the bid or proposal, in the same or greater scope, amount, and quality used in preparing and submitting the bid or proposal.
  - **[Company Name]** will provide the Contracting Officer with a written explanation if the Contractor fails to acquire articles, equipment, supplies, services or materials or obtain the performance of construction work as described in (d)(12) of FAR clause 52.219-9. This written explanation must be submitted to the Contracting Officer within 30 days of contract completion.
  - **[Company Name]** will not prohibit a subcontractor from discussing with the Contracting Officer any material matter pertaining to the payment to or utilization of a subcontractor; and
  - **[Company Name]** assures that the offeror will pay its small business subcontractors on time and in accordance with the terms and conditions of the subcontract, and notify the contracting officer if **[Company Name]** pays a reduced or an untimely payment to a small business subcontractor (see FAR clause [52.242-5](#)).

**XIV. COMMITMENT TO MAKE A “GOOD FAITH EFFORT”<sup>9</sup>**

[**Company Name**] shall make a good faith effort to achieve the small business goals described in this plan by taking the efforts described below in addition to the efforts listed under Sections IV, VIII and Section IX of this plan: [**List additional efforts**].

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**XV. STATUTORY REQUIREMENTS (FAR 19.702)**

The above requirements will be negotiated with the Contracting Officer in the time specified. **The plan must be approved prior to contract award, option exercise, or renewal.** The Contracting Officer must ensure per FAR 19.705-5(a)(5) that an **acceptable plan is incorporated into and made a material part of the contract.**

**Failure to submit and negotiate the subcontracting plan shall make the Offeror ineligible for award of a contract.**

As stated in **15 U.S.C. 637(d)(8)** as implemented under FAR 52.219-16, *Liquidated damages*, any contractor or subcontractor **failing to comply in good faith with the requirements an approved subcontracting plan required by the clause of the contract “Utilization of Small Business Concerns” shall be a material breach of the contract** and may be considered in any past performance evaluation of the Contractor. Further, **15 U.S.C. 637(d)(4)(F)** directs that a contractor’s failure to make a good faith effort to comply with the requirements of the subcontracting plan shall result in the imposition of liquidated damages<sup>10</sup>.

**XVI. SIGNATURE REQUIRED:** *Plan must be signed and dated by a company official.*

This subcontracting plan was SUBMITTED by:

Signature: \_\_\_\_\_

Typed Name: \_\_\_\_\_

Company Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

\_\_\_\_\_

<sup>9</sup> Defined in SBA regulations 13 CFR 125.3(d)(3)

<sup>10</sup> FAR 52.219-16, *Liquidated damages*.



**Government Contracting Officer APPROVAL<sup>11</sup>:**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Agency: \_\_\_\_\_

Date Signed: \_\_\_\_\_

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<sup>11</sup> Contracting officer may indicate their approval by signing the plan, although not required. Approval is indicated when the negotiated subcontracting plan becomes a material part of the contract upon award as required by FAR 19.705-5(a)(5) and FAR clause 52.219-9(c)(1).