



U.S. Small Business
Administration



SBA's Mentor Protégé Program

Selling to the Federal Government

- FY 2021 – over **\$2 Billion*** in federal contracts awarded to businesses located in the SBA Portland District (**\$600+ Billion** nationwide)
 - Over **\$1 Billion*** went to small businesses located in the SBA Portland District in FY 21
- Top five federal agencies buying in the Portland District
 - **U.S. Army Corps of Engineers** (Department of Defense)
 - **General Services Administration** (Public Buildings Service)
 - **U.S. Department of Veterans Affairs**
 - **U.S. Department of Interior** (Bureau of Land Management, U.S. Fish & Wildlife Service)
 - **U.S. Department of Agriculture** (U.S. Forest Service)
- Opportunities as a subcontractor to prime contractors

**Figures from the Federal Procurement Data System via USASpending.gov*

Set-Aside for Certification Programs and Socio-Economic Categories

Targeted set-asides and acquisition goals:

Small Businesses (23%)

**Women-Owned Small Businesses
(5%)**

**Small Disadvantaged Businesses
(including 8(a) certified) (5%)**

HUBZone Businesses (3%)

**Service-Disabled Veteran-Owned
Small Businesses (3%)**



Teaming and Partnering

Overview

The Federal Acquisition Regulations (FAR) recognize teaming and partnering as an effective strategy to increase capacity

- FAR Part 9 – Contractor Qualifications:

9.602 -- General

(a) Contractor team arrangements may be desirable from both a Government and industry standpoint in order to enable the companies involved to--

- (1) Complement each other's unique capabilities; and
- (2) Offer the Government the best combination of performance, cost, and delivery for the system or product being acquired.

(b) Contractor team arrangements may be particularly appropriate in complex research and development acquisitions, but may be used in other appropriate acquisitions, including production.

Defined

9.601 -- Definition

“Contractor team arrangement,” as used in this subpart, means an arrangement in which-

- (1) Two or more companies form a partnership or **joint venture** to act as a potential prime contractor; or
- (2) A potential prime contractor agrees with one or more other companies to have them act as its **subcontractors** under a specified Government contract or acquisition program.

When Should my Business Consider a Teaming Arrangement?

- Need for additional capacity as a result of the increased use of non-price related evaluation factors
 - Technical capabilities
 - Financial capacity
- Business Development
- Access to set aside contracts
- Competitive advantage

Prime/Sub Arrangement

Prime/Sub

- Prime contractor vs sub-contractor
- Companies remain separate
- Privity of contract
- Formal agreement is generally not required, but is recommended to delineate responsibilities, duration, etc.
- Small Business Subcontracting Plans
 - \$1.5M - construction
 - \$750k – all other types
- Limitations on subcontracting for set aside contracts (52.219-14)

Limitations on Subcontracting 52.219-14

- (1) **Services (except construction)**, it will not pay more than **50 percent** of the amount paid by the Government for contract performance to subcontractors that are not **similarly situated entities**. Any work that a similarly situated entity further subcontracts will count toward the 50 percent subcontract amount that cannot be exceeded;
- (2) **Supplies** (other than procurement from a non-manufacturer of such supplies), it will not pay more than **50 percent** of the amount paid by the Government for contract performance, excluding the cost of materials, to subcontractors that are not similarly situated entities. Any work that a similarly situated entity further subcontracts will count toward the 50 percent subcontract amount that cannot be exceeded;
- (3) **General construction**, it will not pay more than **85 percent** of the amount paid by the Government for contract performance, excluding the cost of materials, to subcontractors that are not similarly situated entities. Any work that a similarly situated entity further subcontracts will count toward the 85 percent subcontract amount that cannot be exceeded; or
- (4) **Construction by special trade contractors**, it will not pay more than **75 percent** of the amount paid by the Government for contract performance, excluding the cost of materials, to subcontractors that are not similarly situated entities. Any work that a similarly situated entity further subcontracts will count toward the 75 percent subcontract amount that cannot be exceeded.

Joint Ventures (outside of MPP & 8(a))

Joint Ventures (outside of MPP and 8(a))

- Association of individuals or businesses that engage in and carry out a **specific or limited-purpose** business venture for joint profit for a **defined period of time**.
- Form a new entity to compete on contracts
 - Separate DUNS number
 - Separate SAM registration
- **Affiliation** – partners to the joint venture are considered affiliates for size determination purposes
 - Aggregate employees or revenues, depending on the NAICS code
 - If both partners to the JV are small, JV will be considered small
- **3/2 Rule no longer applies**
- JV Agreement must be in writing
- Must meet limitations on subcontracting

SBA's Mentor Protégé Program

SBA's Mentor-Protégé Program (MPP)



Access business development assistance

Build capacity and grow

Establish joint ventures

SBA's Mentor Protégé Program

- Modeled after the 8(a) Mentor Protégé Program established in 1998
- Authorized by 2013 Jobs Act and NDAA
- Launched in 2016

The purpose of MPP is to help small firms gain experience accessing & winning federal contracts through formal partnerships with experienced firms

Mentor Protégé Program Benefits

- **Mentors**
 - Strengthen supply chain
 - Exclusion from affiliation through JV
 - Access to small business and other socio-economic set aside contracts
- **Federal Agencies**
 - Helps to meet small business goals
 - Expands pool of capable small businesses
- **Protégés**
 - Business development assistance
 - Access to contracts
 - Gain experience

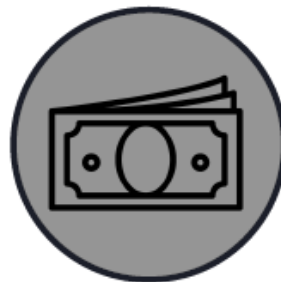
Goal of the program is to expand protégé capacity to bid independently

Mentor Protégé Program Support from Mentors

SUPPORT FROM MENTORS



MANAGEMENT &
TECHNICAL ASSISTANCE



FINANCIAL
ASSISTANCE



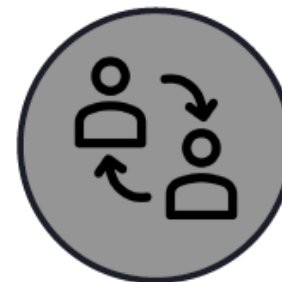
CONTRACTING
ASSISTANCE



INTERNATIONAL TRADE
EDUCATION



BUSINESS DEVELOPMENT
ASSISTANCE



ADMINISTRATIVE
ASSISTANCE

Mentor Protégé Program Eligibility



FOR-PROFIT BUSINESS



NO DETERMINATION OF AFFILIATION



SMALL FOR NAICS CODE



NO MORE THAN 40% EQUITY FROM MENTOR



NO MORE THAN TWO MENTORS IN A LIFETIME



NO MORE THAN THREE PROTEGES AT ANY ONE TIME

Mentor Protégé Program Additional Eligibility Factors

- **Mentors**

- Any concern that demonstrates a commitment and the ability to assist small business concerns may act as a mentor. This includes other than small businesses
- Mentors must be capable of carrying out its responsibilities to assist the protégé firm
- Possess good character
- Does not appear on the federal list of debarred or suspended contractors
- Can impart value to a protégé firm due to lessons learned and practical experience gained or through its knowledge of general business operations and government contracting.
- In order for SBA to agree to allow a mentor to have more than one protégé at time, the mentor and proposed additional protégé must demonstrate that the added mentor-protégé relationship will not adversely affect the development of either protégé firm (e.g., the second firm may not be a competitor of the first firm).

Mentor Protégé Program Additional Eligibility Factors

- **Proteges**

- Must qualify as small for the size standard corresponding to its primary NAICS code or identify that it is seeking business development assistance with respect to a secondary NAICS code and qualify as small for the size standard corresponding to that NAICS code
- A protégé firm may generally have only one mentor at a time. SBA may approve a second mentor for a particular protégé firm where the second relationship will not compete or otherwise conflict with the assistance set forth in the first mentor-protégé relationship
- SBA may authorize a small business to be both a protégé and a mentor at the same time where the small business can demonstrate that the second relationship will not compete or otherwise conflict with the first mentor-protégé relationship
- SBA may examine WOSB or SDVOSB status when appropriate

Mentor Protégé Program Application Process

certify.sba.gov

5 STEPS:

1 **SELECT YOUR MENTOR**

2 **REGISTER IN SAM**

3 **TAKE ONLINE TUTORIAL**

4 **GATHER DOCUMENTS:**

- SIGNED MPA
- ~~PROTÉGÉ BUSINESS PLAN~~
- COPIES OF OTHER MPAS
- PROOF OF EXPERIENCE IN SECONDARY NAICS (if applicable)

5 **APPLY THROUGH
CERTIFY**

Mentor Protégé Program Application Process

certify.sba.gov

Since the MPP began in 2016, SBA has approved more than

1,500

Mentor Protégé Agreements

Mentor Protégé Program Reporting Requirements

- SBA will review the mentor-protégé relationship annually.
- Within 30 days of the anniversary of SBA's approval of the mentor-protégé agreement, the protégé must report to SBA for the preceding year
 - All technical and/or management assistance provided by the mentor to the protégé;
 - All loans to and/or equity investments made by the mentor in the protégé;
 - All subcontracts awarded to the protégé by the mentor and all subcontracts awarded to the mentor by the protégé, and the value of each subcontract;

Mentor Protégé Program Reporting Requirements

- All federal contracts awarded to the mentor-protégé relationship as a joint venture (designating each as a small business set-aside, small business reserve, or unrestricted procurement), the value of each contract, and the percentage of the contract performed and the percentage of revenue accruing to each party to the joint venture; and
- A narrative describing the success such assistance has had in addressing the developmental needs of the protégé and addressing any problems encountered.
- Additional reporting requirements include certifications of compliance and quarterly financial statements

All Small Mentor Protégé Program Application Maintaining Eligibility

SBA RESERVES THE RIGHT TO:

Terminate the agreement for noncompliance if the mentor hasn't provided proper assistance

Renew the agreement for an additional three years upon expiration after the initial three years

Helpful Tools

Market Research – Federal Procurement Data System (FPDS)

- Federal government agencies are responsible for collecting and reporting data on federal procurements – www.fpds.gov
- Provides useful market research information
 - Buying agency
 - Awardee demographic information
 - \$ value of the award
 - Type of product or service purchased
 - Place of performance
 - Set aside information
- Ability to do “EZ Searches” based on DUNS, CAGE, NAICs and other variables
- Ability to create and account and conduct “ad hoc” and savable searches
 - Export data into Excel spreadsheets

**90 day delay for DoD awards*

Market Research – Federal Procurement Data System (FPDS)

Federal Procurement Data System - Next Generation

» [Home](#) | » [Newsroom](#) | » [Reports](#) | » [Status](#) | » [Worksite](#) | » [Archives](#) | » [Training](#) | » [Help](#)

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- » [Security and Privacy](#)
- » [Contact Help Desk](#)
- » You must click [here](#) for very Important D&B Information

ezSearch

Google-like search to help you find federal contracts...

ezSearch contains procurement data as well as additional NASA data (for example, financial assistance actions).

MA Code - Hurricane Michael (H19M)

A new National Interest Action value 'Hurricane Michael 2019' has been added to track the relief contracts.

For Web Portal users the value 'Hurricane Michael 2019' is available for selection in the National Interest Action field. The Contract Writing systems shall use the code 'H19M' when creating/updating documents through Business Services.

National Interest Action value 'Hurricane Michael 2019' is valid from 10/11/2018 to 01/12/2019.

Contracts reported against 'Hurricane Michael 2019' are available in the National Interest Action report starting Friday, 10/12/2018.

FY 2017 Small Business Goaling Report

FY 2017 Small Business Goaling Report is now available on the 'Reports' page of FPDS.

[Click here](#) for the report.

The Small Business Goaling Report is a department level report that displays Small Business data for a specified date range by Funding/Contracting Agency.

Deployment of Version 1.5

As of October 1, 2017, Version 1.5 is live in FPDS production (<https://www.fpds.gov>)

Version 1.4 has been deprecated as of September 30, 2017.

NIA Code - Hurricane Florence (H18F)

A new National Interest Action value 'Hurricane Florence 2018' has been added to track the relief contracts.

For Web Portal users the value 'Hurricane Florence 2018' is available for selection in the National Interest Action field. The Contract Writing systems shall use the code 'H18F' when creating/updating documents through Business Services.

National Interest Action value 'Hurricane Florence 2018' is valid from 09/13/2018 to 12/15/2018.

Contracts reported against 'Hurricane Florence 2018' are available in the National Interest Action report

NIA Code - Hurricane Maria (H17M)

A new National Interest Action value 'Hurricane Maria 2017' has been added to track the relief contracts.

For Web Portal users the value 'Hurricane Maria 2017' is available for selection in the National Interest Action field drop-down. The Contract Writing systems shall use the code 'H17M' when creating/updating documents through Business Services.

National Interest Action value 'Hurricane Maria 2017' is valid from 09/20/2017 to 06/30/2018.

Top Requests

- » [Recovery Report](#)
- » [Recovery Data \(Recipient-Reported, Cumulative Summary\)](#)
- » [Recovery Data \(Recipient-Reported, FY2013Q4\)](#)
- » [Hurricane Sandy Report](#)
- » [Hurricane Florence Report](#)
- » [Hurricane Harvey Report](#)
- » [Hurricane Maria Report](#)
- » [Hurricane Irma Report](#)
- » [Other Hurricane/Disaster Relief](#)

Latest News

- » [NIA Code - Hurricane Michael \(H19M\)](#)
- » [NIA Code - Hurricane Florence \(H18F\)](#)
- » [End-Date of NIA Values on 08/13/2018](#)
- » [NIA Extension for Hurricane Maria](#)
- » [FY 2017 Small Business Goaling Report](#)
- » [Deployment of Version 1.5](#)
- » [NIA/Other Static Reports](#)
- » [NIA Code - Hurricane Harvey \(H17H\)](#)
- » [NIA Code - Hurricane Irma \(H17I\)](#)

Registration

- » [Register](#)
- » [Who Should Register?](#)

FAQs

- » [FPDS-NG](#)
- » [ezSearch](#)
- » [ATOM Feed](#)

Links

- » [Recovery.Gov](#)
- » [eGov Initiatives](#)

Market Research – USASpending.gov

New on USAspending: Unique Entity Identifiers
Beginning in March, UEIs will be added to USAspending displays alongside DUNS numbers. [Learn more and find out what changes you'll see on the site.](#)

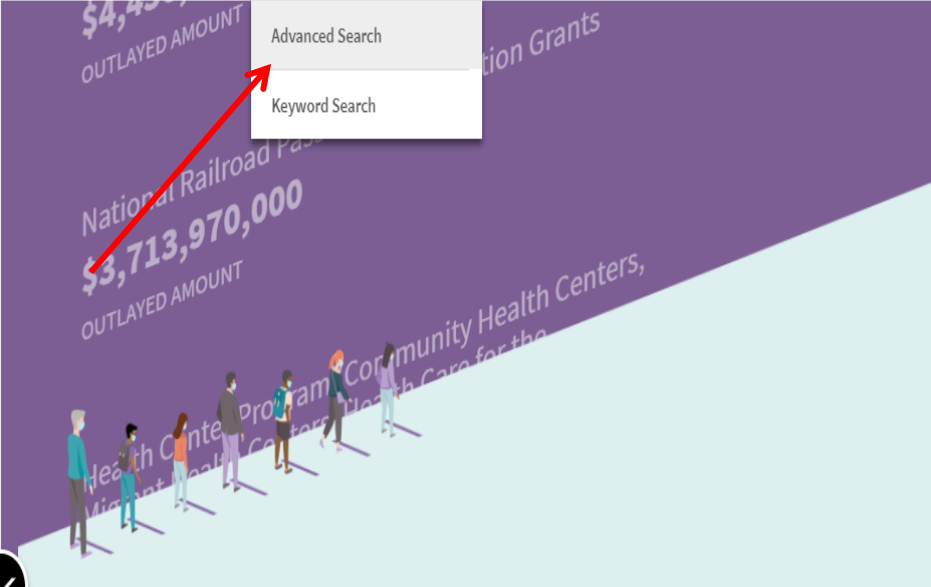


- Award Search
- Advanced Search
- Keyword Search

The federal government has spent \$3.59 trillion in response to COVID-19.

[View all COVID-19 spending](#)

USAspending is the official open data source of federal spending information. We track how federal money is spent in communities across America and beyond. Learn more about government spending through interactive tools that explore elements of the federal budget, such as federal loan, grant, and contract data.



Market Research – USASpending.gov

- How to generate contract data
 - Go to usaspending.gov
 - Select award search
 - Select advanced search
 - Enter search variables – for example, FY 2021 awards to firms located in Oregon for NAICS 236220
 - FY 2021
 - Award Type > Contracts
 - Location > recipient location > Oregon (click add filter)
 - NAICS 236220 (click add filter)
 - Submit search
 - Download

The screenshot displays the USASpending.gov search results interface. At the top, it shows '3 Active Filters':

- TIME PERIOD: FY 2018
- RECIPIENT LOCATION: STATE | Oregon
- NAICS: 236220 | Commercial and Institutional Building Construction

Below the filters, there are navigation options: TABLE (selected), TIME, MAP, and CATEGORIES. A toggle switch for 'Prime Awards' is turned on, and 'Sub-Awards' is turned off.

The main heading is 'Spending by Prime Award'. Below this, there is a breakdown of award types:

Contracts	94	Grants	0	Direct Payments	0	Loans	0	Other	0
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Helpful Hints

Helpful Hints

- **Open and Honest Communication – capabilities, culture**
- **Avoid over-dependence - affiliation can become a concern**
- **Legal review of MPAs and JVs is not required by the regulations, but many businesses prefer the peace of mind that comes with this type of review**
- **Maintain regulatory compliance – review [13 CFR 125.9](#)**
- **Work with your local PTAC**

Resources

- ▶ **Procurement Technical Assistance Centers (PTACs)**
 - In Oregon: www.gcap.org
 - In Washington: www.washingtonptac.org
- ▶ **Women's Business Center at Mercy Corps NW:**
<https://www.mercycorpsnw.org/business/womens-business-center/>
- ▶ **Small Business Development Centers (SBDCs)**
 - Find your local center at: <https://www.bizcenter.org/> in Oregon or <http://wsbdc.org/> in Washington
- ▶ **SCORE**
 - Find a mentor at: <https://www.score.org/find-mentor>

District Office Information

Joe Smetak, Business Opportunity Specialist
U.S. Small Business Administration – Portland District

503-326-6692

Joseph.smetak@sba.gov

www.sba.gov/or