

U.S. Department of Energy
and
The Trustees of Princeton University

ATTACHMENT J.8

APPENDIX H
SMALL BUSINESS SUBCONTRACTING PLAN

**Applicable to the Operation of
The Princeton Plasma Physics Laboratory**

Contract No. DE-AC02-76CH03073

Modification No. M444

Small Business Subcontracting Plan

CONTRACTOR: The Trustees of Princeton University
ADDRESS: Princeton, New Jersey 08544
CONTRACT NUMBER: DE-AC02-76CH03073
ITEM/SERVICE: Operation of Single-Purpose National
Laboratory
TOTAL AMOUNT OF CONTRACT: \$3,131,146,049.69 (through Mod. A442)
(Including Options)
PERIOD OF CONTRACT PERFORMANCE: 10/01/2007—9/30/2008
(Day, Month, and Year)

A. INTRODUCTION

This plan documents the commitment of the Trustees of Princeton University (Princeton University) to utilize, to the greatest extent possible, small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small businesses in the execution of the Princeton University contract for operation of the Princeton Plasma Physics Laboratory (PPPL). PPPL is a recognized leader among Department of Energy Department of Energy (DOE) science laboratories in subcontracting goods and services to the small business community, having received the United States Small Business Administration (SBA) Award of Distinction in 1998 and 2005. In 1999, PPPL received the SBA's most prestigious prime contractor honor, the Dwight D. Eisenhower Award. In its operation of PPPL, Princeton University is committed to the mission of stimulating the U.S. economy through its contributions to the growth, vitality and diversity of the small business community.

B. POLICY STATEMENT

Princeton University has an established, sound small business program that fully complies with Public Law 95-507; FAR 52.219-8, "Utilization of Small Business Concerns"; 52.219-9, "Small Business Subcontracting Plan"; all prime contract requirements; and current DOE policies and practices. The following policy statement will be shared with all PPPL personnel:

“In the spirit of President Woodrow Wilson’s vision of ‘Princeton in the Nation’s Service,’ we recognize the contributions of small businesses to our local, regional, and national economy, and we gladly acknowledge and accept our contractual duty to foster and sustain a vibrant and diverse small business supplier community. It is the policy of Princeton University in its operation of PPPL that the maximum practicable opportunities for subcontracting shall be extended to small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small business. All PPPL personnel who have a role in the decision process for creating and approving any subcontracts will be directly responsible for expending best reasonable efforts to achieve our small business goals.”

PPPL maintains a highly aggressive strategy to maximize the use of small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business and service disabled veteran-owned small businesses in contracting opportunities. These small businesses are being encouraged to participate in a wide range of subcontracting activities.

The effectiveness of the PPPL policy is evidenced by subcontracts recently awarded by PPPL during FY 2007. Utilizing the authority to set aside procurements under its Socio-Economic Preference Program [detailed in Section 3-13 of the PPPL Procurement Policies and Procedures Manual (PPPM)] competitively awarded fabrication procurements valued at \$191,087.32 to Zenex Precision, a HUBZone small business. Zenex entered into PPPL’s first Mentor-Protégé Agreement on March 26, 2007 and went on to be named DOE’s HUBZone Small Business of the Year for 2007. Also in 2007, PPPL awarded its second award-term blanket purchase agreement (BPA) for office supplies featuring an on-line, automated ordering system to Legacy Information Systems, a small disadvantaged, HUBZone business. The BPA has a potential term of five years, if all award term extensions are granted, with a total estimated value in excess of \$600,000.

1. TYPE OF PLAN *(please check one)*

- Individual Contract Plan** -- Individual Contract Plan, as used in this subpart, means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the contract.

- Master Plan** -- Master Plan, as used in this subpart, means a subcontracting plan that contains all of the required elements of the individual plans, except goals, and may be incorporated into individual contract plans, provided the master plan has been approved.

Commercial Products Plan – Commercial Products Plan, as used in this subpart, means a subcontracting plan that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line). The contractor must provide a copy of the approved plan. *NOTE: A commercial plan is the preferred type of subcontracting plan for contractors furnishing commercial items.*

2. GOALS

State separate dollar and percentage goals for Small, Small Disadvantaged, Women- Owned Small Business, HUBZone Small Business, Veteran-Owned Small Business, and Service Disabled Veteran-Owned Small Business concerns, as subcontractors, for the basic and each option year, as specified in FAR 19.704.

- a. Total estimated dollar value of all planned subcontracting, i.e., with types of concerns eligible for Small Business subcontracting under this contract in fiscal year (FY) 2008 is \$26,983,000.
- b. Total estimated dollar value and percent of planned subcontracting with small business concerns (includes Small Disadvantaged Businesses, Women-Owned Small Businesses, HUBZone Small Businesses, Veteran-Owned Small Business concerns, and Service Disabled Veteran Owned Small Business concerns): (% of "a") \$12,520,112 and 46.4%
- c. Total estimated dollar value and percent of planned subcontracting with Central Contractor Registration (CCR) certified Small Disadvantaged Businesses: (% of "a") \$1,708,023 and 6.33%
- d. Total estimated dollar value and percent of planned subcontracting with Women Owned Small Businesses: (% of "a") \$1,888,810 and 7.0%
- e. Total estimated dollar value and percent of planned subcontracting with CCR certified HUBZone Small Businesses: (% of "a") \$809,490 and 3.0%
- f. Total estimated dollar value and percent of planned subcontracting with Service Disabled Veteran Owned Small Businesses: (% of "a") \$809,490 and 3.0%
- g. Total estimated dollar value and percent of planned subcontracting with LARGE BUSINESSES: (% of "a") \$14,462,888 and 53.6%

To achieve the above stated goals, PPPL will employ the following subcontracting strategies:

Preference will be given to small business for purchases with an estimated value greater than \$2,500, up to \$100,000, where there is a reasonable expectation that offers, competitive as to

price, quality, and delivery will be obtained from two or more responsive small business concerns.

For awards in excess of \$100,000, every effort will be made to utilize small business concerns. See paragraph 11.C. for documentation of awards to large business with a value of \$100,000 or more.

To further facilitate the Small Business Program, PPPL will, in accordance with DOE Acquisition Letter 2005-08, dated June 10, 2005, without further sole source documentation to the file, and based upon its unilateral discretion, utilize the option of making awards without competition: (1) for purchases valued up to \$100,000 to small business concerns; or (2) for purchases valued at: (a) \$5 million or less for manufacturing standard classifications; and (b) \$3 million or less for all other acquisitions to registered Small Business Administration 8(a) Pilot Program firms or HUBZone 8(a) certified firms. PPPL shall assure that awards are to be made at fair market prices.

PPPL will utilize HUBZone set-asides and HUBZone sole source methodologies in the award of subcontracts provided the acquisition meets requirements of FAR 19.1305 and FAR 19.1306(a). PPPL will foster its long-term business relationship with Zenex Precision under the DOE Mentor-Protégé Program to the extent permitted by available resources, and in so doing, in accordance with DOE Acquisition Letter 2005-08, dated June 10, 2005, award noncompetitive subcontracts, of any dollar value, to its Protégé, subject to the best commercial practices and procedures required by DEAR 970.4402-2(d).

PPPL will employ, to the maximum extent practical, leveraged purchasing agreements awarded by the DOE Contractor Integrated Contractor Purchasing Team (ICPT) to small business, or those ICPT agreements which allow for the participation of small business partners as value added resellers. PPPL will issue single source awards to the protégé of official DOE approved Mentor-Protégé Agreements.

3. DESCRIPTION OF PRINCIPAL TYPES OF SUPPLIES AND SERVICES

Provide a description of all the products and/or services to be subcontracted under this contract, and indicate the types of businesses supplying them, [i.e., SMALL BUSINESS (SB), SMALL DISADVANTAGED BUSINESS (SDB), WOMEN-OWNED SMALL BUSINESS (WOSB), HUBZONE SMALL BUSINESS (HUB), VETERAN-OWNED SMALL BUSINESS (VOSB), SERVICE DISABLED VETERAN-OWNED SMALL BUSINESS (SDV), and LARGE BUSINESS (LARGE).

<i>Subcontracted Product/Service</i>	<i>SB</i>	<i>SDB</i>	<i>WOSB</i>	<i>HUB</i>	<i>VOSB</i>	<i>SDV</i>	<i>LARGE</i>
Apple™ Computer Supplies	X	X		X			
Building Automation							X
Cafeteria Services							X
Construction	X	X	X	X			
Diesel and Fuel Oil	X	X	X	X			
Fabrications	X	X	X	X			
Furniture and Fixtures	X	X		X	X	X	
Janitorial Supplies	X	X		X	X		
Laboratory Chemicals	X	X		X			
Medical Services							X
Office Supplies	X	X		X	X	X	

<i>Subcontracted Product/Service</i>	<i>SB</i>	<i>SDB</i>	<i>WOSB</i>	<i>HUB</i>	<i>VOSB</i>	<i>SDV</i>	<i>LARGE</i>
Optical Apparatus	X						X
Parcel Delivery Service	X						X
Safety Supplies	X	X	X	X	X	X	
Software Licenses	X						X
Super High Power Tetrode Vacuum Tubes							X
Telecommunication	X						X
Temporary Help Services	X	X					X
Wire and Cable	X	X		X			

4. METHOD USED TO DEVELOP SUBCONTRACTING GOALS

- (1) PPPL’s small business goals are based on the Laboratory’s historical experience with each category and current need.
- (2) The CCR certified Small Disadvantaged Business (SDB) subcontracting goal is based on the Laboratory’s historical experience in this area, and exceeds the agency-wide goal of 5.0% established by DOE for FY 2008.
- (3) The woman owned small business goal is projected based on PPPL’s successful experience in this area and our commitment to continuous improvement, recognizing that PPPL’s goal of 7.0% exceeds the 5.0% agency-wide goal established by DOE for FY 2008.
- (4) The CCR certified HUBZone goal is projected based on PPPL’s recent successful experience in this area and our commitment to continuous improvement. PPPL’s goal of 3.0% is the same as the 3.0% agency-wide goal established by DOE for FY 2008.

- (5) The CCR certified service disabled veteran owned small business goal of 3.0% is based on the non-negotiable, agency-wide statutory requirement published by the DOE for FY 2008.

5. INDIRECT COSTS

Indirect costs have been have not been included in the dollar and percentage subcontracting goals stated above. *(Please check one.)*

6. PROGRAM ADMINISTRATOR

Name, title, and position within the Organization's structure, and the duties and responsibilities of the employee who will manage the contractor's subcontracting program.

NAME: Rodney D. Templon
TITLE: Director of Procurement
ADDRESS: P.O. Box CN-17, MS 12
James Forrestal Campus
US Route 1 North at Sayre Drive
Princeton, NJ 08543
TELEPHONE: (609) 243-2443

Name, title, and position within the Organizations structure, and the duties and responsibilities of the employee who will administer the contractor's subcontracting program.

NAME: Arlene White
TITLE: Senior Buyer/Small Business Liaison Officer (SBLO)
ADDRESS: P.O. Box CN-17, MS 12
James Forrestal Campus
US Route 1 North at Sayre Drive
Princeton, NJ 08543
TELEPHONE: (609) 243-2080

Duties: The SBLO has general overall responsibility for the subcontracting program, i.e.,

developing, preparing, and executing subcontractor plans and monitoring performance relative to the requirements of this particular plan. These duties include, but are not limited to, the following activities:

- a. Developing and promoting policy initiatives that demonstrate the support for awarding contracts and subcontracts to small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small business and assure that small business, small disadvantaged business, women-owned small business, HUBZone small business concerns and service disabled veteran-owned small businesses are included on the services they are capable of providing;
- b. Ensuring periodic rotation of potential subcontractors;
- c. Ensuring that procurement "packages" are designed to permit the maximum possible participation of small business, small disadvantaged business, women owned small business, HUBZone small business, veteran owned small business, and service disabled veteran owned small businesses within procurement policies and procedures;
- d. Facilitating the utilization of various sources for the identification of small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran owned small businesses such as the Central Contractor Registration (CCR) (<http://www.ccr.gov>), the Small Business Administration, and the facilities of local small business, minority and women associations, and contact with federal agencies' small business program managers;
- e. Overseeing the establishment and maintenance of contract and subcontract award records;
- f. Attending or arranging for the attendance of personnel at Small Business Opportunity Workshops, Minority and Women Business Enterprise Seminars, Trade Fairs, Procurement Conferences, etc.;
- g. Ensuring small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran owned small businesses are made aware of subcontracting opportunities as well as how to prepare responsive bids or offers;
- h. Conducting and arranging of training for purchasing personnel regarding the intent and impact of Public Law 95-507 on purchasing procedures;
- i. Monitoring performance, making senior management aware of actual performance

against goals on a monthly basis and making any adjustments necessary to achieve the subcontract plan goals;

- j. Preparing and submitting required subcontract reports on a timely basis;
- k. Coordinating activities during the conduct of compliance reviews by federal agencies;
- l. Reviewing solicitation formats to remove statements, clauses, etc., which may tend to restrict or prohibit small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small business concerns participation where possible;
- m. Ensuring that the reasons for not selecting low bids submitted by small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled. veteran-owned small businesses are documented;
- n. Ensuring the establishment and maintenance of records of solicitations and subcontract award activity;
- o. Ensuring that historically Black colleges and universities and minority institutions shall be afforded maximum practicable opportunity;
- p. Assisting program managers as early as possible in the development cycle of major system acquisitions and system programs as pertains to the Small Business program; and
- q. Advising potential suppliers as to how they can obtain information about business opportunities; and
- r. Periodically briefing the Director of Procurement and the Head, Business Operations, concerning the status of small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small business utilization in relation to goals and objectives established.

7. EQUITABLE OPPORTUNITY

In accordance with FAR 19.704 (a) (3), PPPL agrees to ensure that small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned Small business concerns, and service disabled veteran-owned small businesses will have an equitable opportunity to compete for subcontracts.

These efforts include, but are not limited to, the following activities:

- a. Outreach efforts to obtain sources
- (1) Contacting small, small disadvantaged (minority) and women-owned small business, HUBZone small business, veteran-owned small business concerns, and service disabled veteran-owned small business through trade associations, such as:
 - Chicago Minority Business Development Council
 - Black Contractors United
 - Mercer Regional Chamber of Commerce
 - Metropolitan African American Chamber of Commerce
 - New Jersey Association of Women Business Owners
 - The US Women's Chamber of Commerce
 - National Center for American Indian Enterprise Development
 - NJ/PA/DE Minority Purchasing Council
 - NY/NJ Minority Purchasing Council
 - National Minority Purchasing Council, Inc.
 - (2) Contacting business development organizations such as the New Jersey Small Business Development Center, Philadelphia and Delaware Valley Business Association, the National Minority Supplier Development Council, the DOE Office of Small and Disadvantaged Business Utilization (ODSBU) and the Mercer County Small Business Administration;
 - (3) Attending small, small disadvantaged (minority) and women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small business procurement conferences and trade fairs, including:
 - NMSDC Conference and Business Opportunity Fair (Miami, FL--October 28, 2007)
 - National Reservation Economic Summit/American Indian Business Trade Fair (Las Vegas, NV – March 2008)
 - Chicago Business Opportunity Fair (Chicago, IL – April 2008)
 - DOE 9th Annual Small Business Conference (San Antonio, TX – June 2008)
 - Mercer County Small Business Week (Trenton, NJ – September 2008)
 - National Minority Supplier Development Council of PA/NJ/DE Business Expo (Atlantic City, NJ – September 2008)
 - (4) Potential sources will be requested from the Central Contractors Registration (CCR) Dynamic Small Business Search, the DOE's Small Business Energy Contract Database, the VetBiz database, and other electronic media.
 - (5) Utilizing newspaper and magazine ads to encourage new sources when funds are available to do so.
- b. Internal efforts to guide and encourage purchasing personnel.

- (1) Presenting workshops and training programs;
 - (2) Establishing, maintaining and using small business, small disadvantaged business, women-owned small business, HUBZone small business, veteran-owned small business, and service disabled veteran-owned small business source lists, guides, and other data for soliciting subcontracts such as:
 - Set-Aside Alert
 - Guide to Women Contractors
 - Regional Directory of Minority- and Women-Owned Business Firms
 - Federal Suppliers Guide
 - (3) Monitoring activities to evaluate compliance with the subcontracting plan(s)
 - (4) Providing periodic updates to Laboratory senior management to track actual small business awards compared to small business subcontracting goals, and soliciting senior management support as required.
- c. Small, small disadvantaged, women owned small business, HUBZone, veteran owned small business, and service disabled veteran owned small business source lists, guides and other data identifying small, small disadvantaged, women owned small business, HUBZone, veteran owned small business, and service disabled veteran owned small business concerns will be maintained and utilized by buyers/subcontract specialists in sourcing suppliers.

8. FLOW-DOWN CLAUSE

PPPL agrees to include the provisions under FAR 52.219-8 entitled, "Utilization of Small Business Concerns," in all subcontracts in excess of the small purchase limitations that offer further subcontracting opportunities. All subcontractors, except small business concerns, that receive subcontracts in excess of \$550,000 (\$1,000,000 for construction of any public facility) that offer further subcontracting opportunities must adopt and comply with a plan similar to the plan required by FAR 52.219-9, "Small Business Subcontracting Plan." (FAR 19.704 (a) (4)).

Such plans will be reviewed by comparing them with the provision of Public Law 95-507, and assuring that all minimum requirements of an acceptable subcontracting plan have been satisfied. The acceptability of percentage goals shall be determined on a case-by-case basis depending on the supplies/services involved, the availability of potential small, small disadvantaged, women owned small business, HUBZone small business subcontractors, veteran owned small business, and service disabled veteran owned small business, and prior experience. Once approved and implemented, plans will be monitored through the submission of periodic reports, and/or, as time and availability of funds permit, periodic visits to subcontractor's facilities to review applicable records and subcontracting program progress.

As prescribed in FAR Subpart 19.301 (d), the Federal U.S. Government may impose a penalty

against any firm misrepresenting their business size as a small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns status for the purpose of obtaining a subcontract this is to be included as part or all of a goal contained in PPPL's subcontracting plan.

9. TIMELY PAYMENTS TO SUBCONTRACTORS

PPPL agrees to ensure the timely payment of amounts due pursuant to the terms of the subcontracts with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns.

10. REPORTING AND COOPERATION

Princeton gives assurance of (1) cooperation in any studies or surveys that may be required by the contracting agency or the Small Business Administration; (2) submission of periodic reports which show compliance with the subcontracting plan; (3) submission of timely Individual Subcontracting Report (ISR) and Summary Subcontracting Report (SSR), in accordance with the requirements of the eSRS website (www.esrs.gov) and (4) ensuring that large business subcontractors with subcontracting plans agree to submit the Individual Subcontracting Report and Summary Subcontracting Report, in accordance with the requirements of the eSRS

<u>Reporting Period</u>	<u>Report Due</u>	<u>Due Date</u>
Oct 1 – Mar31	Individual Subcontracting Report	04/30
Apr 1 – Sept 30	Individual Subcontracting Report	10/30
Oct 1 – Sept 30	Summary Subcontracting Report	10/30
Oct 1 – Sept 30	SDB Participation Report	10/30

11. RECORD KEEPING

The following is a recitation of the types of records maintained to demonstrate the procedures adopted to comply with the requirements and goals in the subcontracting plan. These records will include, but will not be limited to, the following:

- a. PPPL utilizes the CCR as its source for small business, small disadvantaged business, women-owned small business, HUBZone small business and service disabled veteran-owned small businesses concerns, and maintains a list of the guides and other data identifying such vendors;
- b. Organizations contacted in an attempt to locate small business, small disadvantaged business, women-owned small business, HUBZone, and service disabled veteran-owned small business sources;

- c. On a contract-by-contract basis, records on all subcontract solicitations over \$100,000, which indicate for each solicitation (1) whether small business concerns were solicited, and, if not, why not; (2) whether HUBZone small business concerns were solicited, if not, why not; (3) whether small disadvantaged business concerns were solicited, if not, why not; (4) whether woman owned small business concerns were solicited, and if not, why not; (5) whether veteran owned small business or service disabled veteran owned small or service disabled veteran owned small business concerns were solicited, and if not, why not; and (6) the reason for the failure of solicited small, disadvantaged, woman-owned, HUBZone, veteran owned small business, and service disabled veteran owned small business concerns to receive the subcontract award;
- d. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small and minority business procurement conferences and trade fairs;
- e. Records to support internal guidance and encouragement, provided to buyers through (1) workshops, seminars, training programs, incentive awards; and (2) monitoring of activities to evaluate compliance; and
- f. On a contract-by-contract basis, records to support subcontract award data including the name, address and business size of each subcontractor.

12. MENTOR-PROTÉGÉ PROGRAM

In accordance with DOE DEARS Part 19, PPPL has established an official DOE approved Mentor-Protégé Agreement with Zenex Precision of Paterson New Jersey, a HUBZone small business who primary service is machining of parts. The initial agreement period is three years, March 26, 2007 through March 25, 2010, with two one-year options. If all options are exercised, the total agreement period will be five years, through March 25, 2012.

13. HISTORICAL PERFORMANCE DATA

	<u>FY 2007 GOALS</u>	<u>FY 2007 ACHIEVEMENTS</u>
Total Subcontract Dollars.	\$ 17.690M	\$ 16.953M
Small Business Dollars	\$ 7.607M	\$ 9.314M
Small Business Percent	43.0%	54.9%
Small Disadvantaged Dollars.	\$ 1.120M	\$ 1.206M
Small Disadvantaged Percent.	6.33%	7.1%
Women Owned Dollars.	\$ 1.238M	\$ 2.426M
Women Owned Percent.	7.0%	14.3%
HUBZone Dollars.	\$ 0.531M	\$ 0.854M
HUBZone Percent.	3.0%	5.0%
Veteran-Owned Dollars.	No Goal	\$ 0.496M
Veteran-Owned Percent.	No Goal	2.9%
Svc. Disab. Vet.-Owned Dollars.....	\$ 0.230M	\$ 0.295M
Svc. Disab. Vet.-Owned Percent.....	1.3%	1.7%

14. SUMMARY OF PROJECTED FY 2008 SMALL BUSINESS GOALS

	<u>FY 2008 GOALS</u>
Total Subcontracting Dollars.	\$26.983M
Small Business Dollars.	\$12.520M
Small Business Percent.	46.4%
Small Disadvantaged Dollars	\$ 1.708M
Small Disadvantaged Percent.	6.33%
Women Owned Small Dollars	\$ 1.889M
Women Owned Small Percent	7.0%
HUBZone Dollars	\$ 0.809M
HUBZone Percent	3.0%
Veteran Owned Dollars.	No Goal
Veteran Owned Percent.	No Goal
Service-Disabled Dollars	\$ 0.809M
Service-Disabled Percent.	3.0%