



DCMA Instruction 2302

Small Business

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| Office of Primary Responsibility | Contractor Effectiveness Capability |
| Effective: | February 23, 2019 |
| Releasability: | Cleared for public release |
| New Issuance | |
| Incorporates: | DCMA-INST 119, "Small Business Process," February 10, 2014 DCMA-INST 141, "Comprehensive Subcontracting Plan Test Program for Small Business, February 10, 2014" DCMA-INST 142, "Mentor Protégé Program for Small Business," February 10, 2014 |
| Internal Control: | Process flow and key controls are located on the Resource Page |
| Labor Codes: | Located on the Resource Page |
| Resource Page Link: | https://360.dcmsa.mil/sites/policy/CE/SitePages/2302r.aspx |
| Approved by: | David H. Lewis, VADM, USN, Director |

Purpose: This issuance in accordance with the authority in DoD Directive 5105.64 and DoD Instruction 4205.01:

- Establishes policy, assigns responsibility, and prescribes general principles associated with Small Business

- Focuses on fulfilling Agency responsibilities pursuant to Federal Acquisition Regulation Subpart 42.302, “Contract Administration Functions,” Defense Federal Acquisition Regulation Supplement Subpart 242.302, “Contract Administration Functions”
- Establishes the policy framework to address Small Business processes with procedural manuals (e.g., DCMA Manual 2302-01, “Conducting Individual Subcontracting Plan (Pre-award) Reviews,” DCMA Manual 2302-02, “Small Business Subcontracting Test Plan Program,” DCMA Manual 2302-03, “Administration of the DoD Mentor Protégé Pilot Program,” and DCMA Manual 2302-04, “Conducting Contractor Small Business Subcontracting Program Compliance Reviews”)

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY. This Instruction applies to all DCMA Directorates and Centers.

1.2. POLICY. It is DCMA policy to:

a. Execute and follow the procedures for DoD Small Business Programs to ensure that small business entities are afforded the maximum practicable opportunity to participate as prime contractors and/or subcontractors in DoD acquisitions in accordance with (IAW) DoDI 4205.01, “DoD Small Business Programs.”

b. Attain and monitor Agency small business prime contractor performance goals established by the DoD, Office of Small Business Programs (OSBP).

c. Provide assistance to DCMA and DoD Component contracting officers in determining the need for and the acceptability of subcontracting plans.

d. Provide periodic small business subcontracting oversight and compliance for DoD prime contractors over which DCMA has been delegated contract administration authority IAW Federal Acquisition Regulation (FAR) 42.302 (a)(51) through (55). Follow up reviews may be conducted jointly with the Small Business Administration (SBA) IAW the July 26, 2016 Memorandum of Understanding (MOU) between DCMA and the SBA.

e. Provide small business administrative support on DoD Policy, Subcontracting Plan Reviews, and Management of the DoD Test Program for the Negotiation of Comprehensive Subcontracting Plans (CSP), Administration of the DoD Mentor Protégé Program IAW the March 2, 2018 MOU between DCMA and DoD OSBP.

f. Execute the DCMA Small Business Ombudsman responsibilities by providing advice to the Agency Director on policy issues related to small business concerns and serve as the Agency’s primary point of contact and source of information. The DCMA Small Business Ombudsman evaluates and analyzes how well prime contractors ensure small businesses receive maximum practicable opportunity to participate in prime contractors' subcontracts.

g. Maintain the integrity of small business review documents and file IAW DoDI 5015.02, “Records Management Program.”

h. Ensure compliance with the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 in accordance with Section 834 of Public Law 104-121, as amended by the Fair Minimum Wage Act of 2007 IAW Section 834 of Public Law 110-28 (Reference: U.S House of Representative Committee on Small Business, letter to all DoD, May 1, 2018).

i. Execute this manual in a safe, efficient, effective, and ethical manner.

SECTION 2: RESPONSIBILITIES

2.1. DIRECTOR, DCMA. The DCMA Director will:

- a. Implement small business program policy as set forth in DoDD 4205.01.
- b. Disseminate the Agency goals as established by DoD OSBP.
- c. Appoint a full time Small Business Director responsible for Agency small business policy, programs, and procedures.

2.2. HEAD OF THE CONTRACTING ACTIVITY (HCA). The HCA will:

- a. Monitor Agency small business achievements including socio-economic categories to ensure Agency small business goals assigned by DoD OSBP are achieved.
- b. Provide guidance and direction to the Small Business Compliance Center, as necessary, in executing small business policy.
- c. Serve as the Agency Small Business Liaison to the DoD OSBP, Military Components and Industry.

2.3. SMALL BUSINESS DIRECTOR. The Small Business Director will:

- a. Represent the Agency Director on all Small Business matters.
- b. Serve as the Agency Small Business Ombudsman.
- c. Support Agency Initiatives such as the Service Acquisition Review Board, Corporate Assessment Initiative.
- d. Advise and assist the Contracts Directorate, Program Managers, and requirements personnel on all matters that affect small businesses throughout the acquisition process.
- e. Administer the 2018 DCMA/DoD OSBP MOU and the 2016 DCMA/SBA MOU.
- f. Establish Agency's policies, guidance and procedures for the small business programs and for the selection and appointment of Small Business Professionals as appropriate.
- g. Plan and manage the Agency's small business programs.
- h. Advise cognizant DoD Components of any significant event or situation that may affect accomplishments, either positively or negatively, of contract small business subcontracting goals.

i. Annually assess the small business programs and provide a report of the results to the Agency Director and HCA.

j. Routinely brief the DCMA Director, HCA, and Senior Leaders on the Agency small business program status, to include the Small Business Compliance Center, who implements DoD Small Business programs, such as the DoD Mentor Protégé Pilot Program and the CSP, and contractor subcontracting program compliance reviews on behalf of the Administrative Contracting Officer, Test Program for the Negotiation of Comprehensive Subcontracting Plans (CSP Test Program).

k. Provide advice and counsel to the HCA on all small business matters as required.

2.4. SUPERVISORY PROCUREMENT ANALYST PERFORMING AS ASSISTANT DIRECTORS (AD) WITHIN THE SMALL BUSINESS COMPLIANCE CENTER. The AD will:

a. Execute Agency small business policies designed for small business subcontracting surveillance and maximum utilization of small businesses.

b. Provide Technical advice on contractor subcontracting performance.

c. Provide oversight of small business programs managed for DoD; Mentor-Protégé Pilot Program, IAW Defense Finance Acquisition Regulation Supplement (DFARS) Subpart 219.71- Pilot Mentor Protégé Program and Test Program for the Negotiation of Comprehensive Subcontracting Plans (CSP Test Program), IAW Section 834 of Public Law 101-189, as amended (Section 637 of Title 15, United States Code (U.S.C.)).

d. Provide input to the Agency's Strategic Plan on ensuring contractor effectiveness and monitoring contractor performance.

e. Manage Small Business Professionals on associated initiatives within the Small Business Compliance Center.

f. Maintain small business data and metrics.

g. Maintain internal and external work relationship with customers, more specifically DoD OSBP and SBA Regional Directors as a representative to special meetings and subcontracting working groups.

h. Assist DoD in peer reviews.

2.5. PROCUREMENT ANALYST PERFORMING DUTIES AS SMALL BUSINESS PROFESSIONALS. The Small Business Professionals will:

a. Implement and maintain Agency small business policies and procedures.

- b. Conduct pre-award subcontracting plan reviews for DoD Components with administration assigned to DCMA.
- c. Execute, as appropriate, the management and administration of DoD Mentor-Protégé Pilot Program and CSP Test Program.
- d. Conduct periodic contractor subcontracting compliance reviews where the Agency has contract administration authority.
- e. Assist DoD OSBP in special DoD Contractor subcontracting Program surveillance and performance monitoring IAW the 2018 DCMA/DoD OSBP MOU.
- f. Provide advice, assistance and guidance to prime contractors regarding the development of their subcontracting plans and periodic reporting requirements.
- g. Provide small business support where necessary on Agency reviews conducted by other Commands, Groups, or Divisions (e.g., for Procurement Technical Assistance Center, Contractor Purchasing and Review Systems, etc.).
- h. Where applicable, perform Contract Specialist duties and act as Action Officers for Small Business concerns.

2.6. PROCUREMENT ANALYST PERFORMING DUTIES AS SMALL BUSINESS PERFORMANCE ANALYST (SBPA) LOCATED AT HQ. The SBPA will:

- a. Monitor the Small Business Compliance Center Performance in conducting compliance reviews.
- b. Determine the Return on Investment for Small Business Professional support.
- c. Serve as the Agency Small Business Electronic Subcontracting Reporting System Representative to DoD OSBP.
- d. Maintain surveillance over all internal Small Business Program procedures.
- e. Conduct management reviews; analyzes and evaluates effectiveness of small business processes.
- f. Provide monthly, quarterly, and annual Agency Small Business Compliance Center performance metrics.
- g. Assist in conducting oversight reviews for the purpose of accuracy and standardization.
- h. Review and evaluate data on small business compliance reviews.

- i. Advise the Small Business Director and Assistant Directors on analysis of performance reviews.
- j. Assist in managing the DCMA360 site for small business.

GLOSSARY

G.1. ACRONYMS.

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| AD | Assistant Director |
| CSP | Comprehensive Subcontracting Plans |
| FAR | Federal Acquisition Regulation |
| HCA | Head of the Contracting Activity |
| MOU | Memorandum of Understanding |
| OSBP | Office of Small Business Programs |
| SBA | Small Business Administration |
| SBPA | Small Business Performance Analyst |

REFERENCES

- DCMA Manual 2302-01, “Conducting Individual Subcontracting Plan (Pre-award) Reviews,” TBD
- DCMA Manual 2302-02, “Small Business Subcontracting Test Plan Program,” TBD
- DCMA Manual 2302-03, “Administration of the DoD Mentor Protégé Pilot Program,” TBD
- DCMA Manual 2302-04, “Conducting Contractor Small Business Subcontracting Program Compliance Reviews,” TBD
- Defense Federal Acquisition Regulation Supplement SUBPART 219.71, “Pilot Mentor- Protégé Program,” December 23, 2016 as amended
- DoD Directive 5105.64, “Defense Contract Management Agency (DCMA),” January 10, 2013
- DoD Instruction 4205.01, “DoD Small Business Programs,” June 8, 2016
- DoD Instruction 5015.02, “DoD Records Management Program,” February 24, 2015
- Federal Acquisition Regulation Subpart 42.302 (a)(51) through (55), “Contract Administration Functions,” January 19, 2017
- Memorandum of Understanding between DCMA and the DoD Office of Small Business Programs, March 2, 2018
- Memorandum of Understanding between DCMA and the Small Business Administration, July 26, 2016
- Public Law 104-121, Section 834, “Contract with American Advancement Act of 1996,” March 29, 1996
- Public Law 110-28, Section 834, “U.S. Troop Readiness, Veteran’s Care, Katrina Recovery, and IRAQ Accountability Appropriations Act, 2007,” May 25, 2007
- Public Law 101-189, Section 834, “The National Defense Authorization Act for Fiscal Years 1990 & 1991,” November 29, 1989