Part III - Section J
Appendix E

Small Business Subcontracting Plan for Sandia Corporation

Period of October 1, 2003 through September 30, 2013

This Small Business Subcontracting Plan is submitted by Sandia Corporation (Sandia) in accordance with Section 8(d) of Public Law 95-507. It is established between Sandia and the Department of Energy (DOE) National Nuclear Security Administration (NNSA) under Prime Contract Number DE-AC04-94AL85000.

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I. GOALS

A. BREAKDOWN AND PERCENTAGES

Sandia's proposed Goals for Small Business concerns (SB), Small Disadvantaged Business concerns (SDB), Women-Owned Small Business concerns (WOSB), HUBZone Small Business concerns (HUBZone SB), Veteran-Owned Small Business concerns (VOSB), and Service-Disabled Veteran-Owned Small Business concerns (SDVOSB), shall be submitted in writing to the Contracting Officer. The negotiated Goals will be incorporated into this Plan annually by letter, and will not require contract modification.

Subcontracts awarded to an Alaska Native Corporation (ANC) or Indian Tribe (IT) concerns shall be counted towards the subcontracting goals for small business and small disadvantaged business (SDB) concerns, regardless of the size or Small Business Administration certification status of the ANC or IT.

Where one or more subcontractors are in the subcontract tier between Sandia and the ANC or IT, the ANC or IT shall designate the appropriate contractor(s) to count the subcontract towards its small business and small disadvantaged business subcontracting goals.

(1) In most cases, the appropriate Contractor is the Contractor that awarded the subcontract to the ANC or IT.

(2) If the ANC or IT designates more than one Contractor to count the subcontract towards its goals, the ANC or IT shall designate only a portion of the total subcontract award to each Contractor. The sum of the amounts designated to various Contractors cannot exceed the total value of the subcontract.

(3) The ANC or IT shall give a copy of the written designation to the Contracting Officer, to Sandia, and the subcontractors in between Sandia and the ANC or IT within 30 days of the date of the subcontract award.

If the Contracting Officer does not receive a copy of the ANC or the IT written designation within 30 days of the subcontract award, the Contractor that awarded the subcontract to the ANC or IT will be considered the designated Contractor.

The proposed Goals shall be based upon an established percentage of estimated commercial entities purchases, which will be derived from the current fiscal year budget. In the event that there is a significant funding reduction for a specific program/project at Sandia, Sandia shall be allowed to submit a request for goal adjustment. The request will be supported by a detailed justification and signed by the Manager of the Small Business Utilization Department. Goals may be changed/re-negotiated with the approval of the Contracting Officer.

Goals for the utilization of SB, SDB, WOSB, HUBZone SB, VOSB, and SDVOSB subcontractors shall be submitted as follows unless otherwise requested by the Contracting Officer:

(1) Total Commercial Procurement dollars available for Subcontracting Concerns
(2) Total dollars and percentage planned to be subcontracted to SB (including ANC and Indian Tribes)
(3) Total dollars and percentage planned to be subcontracted to SDB (including ANC and Indian Tribes)
(4) Total dollars and percentage planned to be subcontracted to WOSB
(5) Total dollars and percentage planned to be subcontracted to HUBZone SB
(6) Total dollars and percentage planned to be subcontracted to VOSB
(7) Total dollars and percentage planned to be subcontracted to SDVOSB

3. EXCEPTIONS

Sandia's proposed Goals for SB, SDB, WOSB, HUBZone SB, VOSB and SDVOSB shall not include the following:

(1) Subcontracts involving performance outside the United States or its outlying area.
(2) Purchases from a corporation company, or subdivision that is an affiliate of Sandia.

C PRODUCTS AND METHODOLOGY

(1) Principal Products and Services

The principal products and services to be obtained in support of this Plan are those generally associated with a multi-program science and engineering laboratory. SB, SDB, WOSB, HUBZone SB, VOSB and SDVOSB will generally supply a significant portion of the goods and services purchased. Examples of commodities are as indicated below:

Laboratory Equipment
Specialty Promotional items
Construction/Renovation
Safety Equipment
Office Supplies & Furniture
Mechanical Subassemblies
Engineering Services & Supplies
Chemicals & Adhesives
Computer Supplies & Equipment
Media Services & Supplies
Tools
Electronics
Electrical Components & Assemblies
Services
Clothing
Computer & Office Supplies

(2) Methodology for Determining Subcontracting Goals

Annual goals are developed based upon the previous years' records and experience as well as our acquisition forecasts for the next year. The anticipated needs and programs for the current year are also taken into consideration.

(3) Methodology for Identification of Suppliers

Sandia National Laboratories Business Opportunities Website: The Business Opportunities Website (BOW) lists current contract opportunities for products and services at Sandia National Laboratories (SNL) exceeding $100,000. Opportunities are listed in accordance with the North American Industry Classification System (NAICS). The website is intended to help firms identify Sandia contract opportunities as early as possible in the procurement process.

Trade Fairs: Sandia will actively participate in Minority Business Opportunity Trade Fairs across the Southwest and the United States. Sandia shall participate in those trade fairs that will be most beneficial to

Sandia's efforts in identifying SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT business concerns.

Dynamic Small Business Search: The U.S. Small Business Administration's Dynamic Small Business Search (DSBS) internet database may be used as a source of potential small business suppliers.

System for Award Management: The System for Award Management (SAM) is the primary registrant database for the U.S. Federal Government. SAM collects, validates, stores and disseminates data in support of agency acquisition missions.

Supplier Facility Survey: Sandia buyers, engineers and other support personnel, as required, may visit selected facilities of prospective SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT suppliers to assess their capability, capacity, and potential to provide goods and services to Sandia.

National, Regional, and Local Business Development and Trade Associations - Sandia shall be an active member in those organizations that best meet Sandia's requirements and are of benefit to the supplier community.

Other Sources of Information - Various local, regional and national small, disadvantaged and small business directories and associations

(4) Indirect costs

Indirect costs are not included in the dollars and percentages in subcontracting goals stated above.

II. PROGRAM ADMINISTRATOR

Sandia's Manager of the Small Business Utilization Department is responsible for the administration of this Subcontracting Plan

Responsibilities of the Manager of Small Business Utilization Department or his designee, include:

- Assure success of the Plan by assisting Procurement in preparing directives and procedures.
- Serve as Sandia's SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT Liaison Officer.

- Search for SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT sources for use by Sandia in proposed competitive procurements expected to exceed $100,000.
- Review Large Business Subcontracting Plans for utilization of SB, SDB, WOSB, HUBZone SB, VOSB and SDVOSB subcontracting plans submitted to Sandia in connection with supply and/or service subcontract awards of $650,000 or greater (or $1,500,000 or greater for construction), and assure that such plans are consistent with PL 95-507 requirements.
- Ensure flow down of appropriate clauses in subcontracts.
- Collect and prepare necessary data to submit reports to the Contracting Officer as required.
- Provide statistics to Sandia's management on progress toward established goals and recognition of significant Buyer/Subcontract Specialist success toward achievement of established small business goals.
- Assure inclusion of SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT firms in solicitations where appropriate.
- Participate as Sandia's representative in SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT trade fairs, conferences, SBA and Minority Enterprise Development events specifically directed toward offering opportunities for participants to do business with Sandia.
- Serve as Sandia's representative to Business Development and Trade Associations and other appropriate organizations.
- Hold periodic training and other meetings with Sandia Procurement staff on Small Business Utilization Department Socioeconomic Programs.
- Conduct periodic meetings and otherwise communicate with all of the Laboratories' organizational components regarding the Plan's goals and status.
- Support Small Business Administration (SBA) activities.

III. OUTREACH EFFORTS

The following efforts shall be taken to assure that SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT will have an equitable opportunity to compete for subcontracts.

A. External Efforts

Attendance at national and local SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT procurement conferences and trade fairs, including but not limited to:

- Small Minority Expos,
- Small Business Trade Fairs/Conferences,
- Minority Business Enterprise (MBE) Trade Fairs,

- Small & Disadvantaged Business Utilization National Conferences.
- Women Owned Business Conferences.
- Veteran / Service Disabled Veteran Owned Business Conferences
- HUB Zone Conferences.
- ANC and IT Business Events,
- DOE Headquarter Business Opportunity Sessions (BOS)
- Other events as needed

Utilization of publications and directories to identify new SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT sources, including but not limited to

- DSBS and SAM
- National, local, and regional business and trade organization directories.

In some instances, a Sandia engineer or other specialist may assist Procurement conducting an on-site survey of an SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT facility. These technical experts also assist (when needed) during subcontract performance. Sandia will maintain an active membership and representation on the Board of Directors of organizations (when appropriate) that Sandia may partner with for the mutual benefit of Sandia and the supplier community.

Assist SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT business concerns whenever possible by counseling them on how to do business with Sandia.

B. Internal Efforts

Procurement activities shall be monitored to evaluate compliance with the Subcontracting Plan.

Procurement activity is monitored on a monthly basis and reports are provided based on various criteria. A monthly-published procurement activity report is distributed to Procurement Management. The utilization of this report allows Procurement to forecast requirements necessary to accomplish Sandia's goals.

Every effort is made to ensure that adequate funding is available for participation in the various small and small business concerns business trade fairs, conferences, board meetings and various outreach/in-reach activities. A separate annual budget is therefore established and approved during the beginning of the fiscal year, to be utilized strictly for socioeconomic outreach activities.

IV. SUBCONTRACTING PLAN FLOWDOWN

Sandia agrees that the Contract's Clause entitled "Utilization of Small Business Concerns" (FAR 52.219-8) will be included in all subcontracts that offer further subcontracting opportunities. All subcontractors except small business, affiliations, and foreign concerns who receive subcontracts in excess of $650,000 or "$1,500,000 for construction of a public facility" will be required to adopt and comply with a Subcontracting Plan similar to this one. Such Plans will be reviewed by comparing them with the provisions of the clause, "Small Business Subcontracting Plan" (FAR 52.219-9), thus assuring that all minimum requirements of an acceptable subcontracting plan have been satisfied. The acceptability of percentage and dollar goals shall be determined on a case-by-case basis depending on the supplies/services involved, the availability of potential SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT subcontractors, 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 subcontractors' facilities to review applicable records and subcontracting program progress.

V. REPORTS AND SURVEYS

Sandia shall submit reports to the NNSA, as requested, in a format agreed upon. Sandia shall submit electronically into the Electronic Subcontracting Reporting System (eSRS) the semi-annual Individual Subcontracting Reports (ISR) and annual Summary Subcontracting Reports (SSR) and cooperate in any studies or surveys as may be required by the Contracting Officer or the SBA in order to determine the extent of compliance by Sandia with the Subcontracting Plan and with the FAR 52.219-8 *Utilization of Small Business Concerns*, contained in the prime contract, DE-AC04-94AL85000. Sandia shall also ensure that its subcontractors agree to electronically submit Individual Subcontracting Reports (ISRs) and Summary Subcontracting Reports (SSRs).

VI. RECORDS AND PROCEDURES

Sandia shall maintain the following types of records to document compliance with this Subcontracting Plan:

- Procurement data, which is tracked by an automated system that provides historical data, related to each subcontract.
- Records to support other outreach efforts such as attendance at small and minority business procurement conferences and trade fairs.

- Records to support internal activities that guide and encourage buyers to support this Plan, such as workshops, seminars, training programs, award programs, as well as activities designed to evaluate compliance to the Plan.
- Records of organizations contacted in an attempt to locate SB, SDB WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT business concerns.
- Records on a contract-by-contract basis that support subcontract award data, which include name and address of subcontractors as well as the size and type of business that received the award.
- Records of SB, SDB, WOSB, HUBZone SB, VOSB, SDVOSB, ANC and IT business concerns.

Sandia will document in each contract award over $150,000 the following.

(1) Whether small business concerns were solicited and if not, why not.

(2) Whether veteran-owned small business concerns were solicited and, if not, why not;

(3) Whether service-disabled veteran-owned small business concerns were solicited and, if not, why not;

(4) Whether HUBZone SB small business concerns were solicited and, if not, why not

(5) Whether small disadvantaged business concerns were solicited and if not, why not;

(6) Whether women-owned small business concerns were solicited and if not, why not, and

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

Submitted By Sandia: Sandia Corporation

12-5-12

Donald J. Devoti Date
Manager of the Small Business Utilization Department

Plan Concurred By: NNSA Acquisition Management Division

12-6-12

Gregory F. Gonzales Date
Small Business Program Manager

Accepted by: NNSA Sandia Site Office

Sandra M. Maes 12-11-12

Sandra M. Maes Date
Contracting Officer