

PEO Land Systems Small Business Strategy Addendum

PEO: Land Systems (LS)

Date: 1 August 2018

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Summary: The PEO LS Small Business Strategy supports the DoD Better Buying Power 3.0 initiative, “Tapping into Small Business in a Big Way.” PEO LS participates with the MARCORSYSCOM Small Business Office to leverage plans, processes and procedures in order to attain small business goals. This addendum is intended to document PEO LS individual small business performance and our implementation of MARCORSYSCOM’s processes.

Part I – Small Business Performance

A. Historical Small Business Obligations by Fiscal Year (FY) (\$K)

PEO LS supports the attainment of MARCORSYSCOM’s Small Business Goals.

Fiscal Year	Actuals		
	SB Dollars	SB Eligible Dollars	SB (%)
FY15	\$66,817,671	\$160,699,204	41.58%
FY16	\$40,572,491	\$436,808,063	9.3%
FY17	\$63,606,813	\$510,560,357	12.46%

NOTE: The above small business dollars, eligible dollars and small business percentage are included under the HCA Totals since all PEO LS awards are awarded by MARCORSYSCOM under M67854.

B. Projected Small Business Obligations by Fiscal Year (\$K)

Fiscal Year	Projected		
	SB Dollars	SB Eligible Dollars	SB (%)
FY18	\$59,246,092	\$696,400,000	8.5%
FY19	\$67,975,066	\$710,328,000	9.56%
FY20	\$67,360,066	\$724,534,560	9.29%

1. PEO LS methodology for the above projections:

The PEO LS projections are derived from budgetary estimates for the 2019 President’s Budget, Service Requirement Review Boards (SRRB) assessing future required program support, and anticipated future option years on existing contracts.

2. Rationale for decreased small business spending:

There is no decrease in projected spending.

Part II – Execution

A. Planned Acquisitions

1. Prime Contracts: The table below highlights PEO LS targeted small business opportunities for FY19-FY21.

FY19 – FY21 Procurements to Small Businesses					
Program	Contract Type	Total Estimated Contract Value / Planned Annual Obligation	FY of Award	Awarding Activity	Set-Aside / Sole Source
PEO LS Program Support Services	FFP	<\$20M Total Contract Value	FY19	MARCORSYSCOM/ PEO LS	8(a) Set Aside
PEO LS S&T Support Services	FFP	\$12.2M/\$2M	FY19*	MARCORSYSCOM/ PEO LS	8(a) Set Aside
GATOR PMO Contractor Support Service (PM, Acq, Log, Fin, Cost)	FFP	\$55.2M/\$10.1M	FY19*	MARCORSYSCOM/ PEO LS	SB Set Aside
PM AAA Support Services	FFP	<\$100M Total Contract Value	FY19	MARCORSYSCOM/ PEO LS	SB Set Aside
PM LTV Support Contract	FFP	\$10.2/\$3.4M	FY19*	MARCORSYSCOM/ PEO LS	SB Set Aside
AAA/LTV Field Support Services	FFP	\$14.8/\$2.3M	FY19*	MARCORSYSCOM/ PEO LS	SB Set Aside
AC2SN PMO Support	FFP	\$22.5M/\$4.7M	FY19*	MARCORSYSCOM/ PEO LS	SB Set Aside
PM MHTV Program Engineering and Prototype Manufacturing	FFP	\$25M / \$5M	FY17	MARCORSYSCOM/ PEO LS	SB Set Aside
JLTV LNOs	FFP	\$4M / \$1M	FY19*	MARCORSYSCOM/ PEO LS	8(a) Set Aside
MHTV Engineering Spt	CPFF	\$9.5M / \$1.4M	FY19	MARCORSYSCOM/ PEO LS	SB Set Aside

FY19 – FY21 Procurements to Small Businesses					
Program	Contract Type	Total Estimated Contract Value / Planned Annual Obligation	FY of Award	Awarding Activity	Set-Aside / Sole Source
GBAD CUAS Testing	FFP	\$8M / \$2M	FY19*	MARCORSYSCOM/ PEO LS	8(a) Set Aside
GBAD PMO Support	FFP	\$8.7M / \$2.6M	FY20	MARCORSYSCOM/ PEO LS	SB Set Aside

* Task Order Award

- a) Identify and explain your process for reviewing historically unrestricted procurements to determine if there are opportunities for small business participation as prime contractors.

PEO LS conducts Market Research and Industry Days to evaluate Small Business capabilities. Program Managers conduct interchange meetings or hold industry days to involve potential small business offerors early in the acquisition process. The outcome is a review of recent history and results of market research undertaken to meet similar requirements. Every action is then reviewed for small business set-aside possibilities during the acquisition planning phase and preparation of the DD 2579 (Small Business Coordination Record). Small Business are allowed to submit proposals stating their own participation as the prime which allows the PEO to achieve goals through small business performance/participation as a prime without having to subcontract. PEO pursues small business participation as prime contractors via competitive and sole source set-asides. Small business set-asides are used to increase awards under small business programs such as 8(a), Service Disabled Veteran Owned (SDVOSB), and Historically Underutilized Business Zone (HUBZone) small business programs.

2. Subcontracts: Methods that the PEO plans to use to incorporate and promote small business participation as subcontractors include:

The PEO acquisition teams formulate small business strategies to promote small business participation as both the prime and subcontractor. The PEO coordinates with its OSBP to include monitoring subcontracting performance through the electronic subcontract reporting system (e-SRS) and COR representative surveillance, and, where necessary, utilizing the Contractor Performance Assessment Reports (CPARs) to rate a prime contractor's subcontracting performance.

The PEO plans to improve communication regarding subcontracting during the market research process and Industry Days. The results from these interchanges will improve the sources sought/market research processes and will advance the PEO's commitment to provide competitive opportunities where subcontracting can provide products, services, and solutions to support the warfighter.

B. Program Specific Processes and Procedures

1. Describe your organization’s process or steps that have been taken to involve the OSBP team in acquisition planning.

DD2579s are provided in accordance with DFAR 219.201(c)(10). In addition, contracting personnel engage OSBP to assist in identifying opportunities and potential vendors for set-asides for specific SB Programs (e.g., SDVOSB, HUBZone, etc.).

2. Describe how your organization has integrated the role of the Deputy Program Manager's as a Small Business advocate to promote a united and/or collaborative environment on small business initiatives.

The PEO organization has integrated the role of the Deputy Program Manager's as a Small Business advocate predominantly through the SRRB process. It is in this forum where the majority of small business opportunities exist.

C. Outreach/Communication with Industry

1. Small Business outreach events are listed in this section.

- a. Below is a list of annual small business events that PEO LS will participate in the upcoming years.

Date	Event	Description
Feb 2019	NDIA Tactical Wheeled Vehicle Conference	Annual award conference to a government organization, industry organization, or individual that has made significant contributions.
6-8 May 2019	Sea Air and Space	Annual maritime based event in Washington, DC U.S. where the defense industrial base, private-sector U.S. companies and key military decision makers come together to provide education and professional development as well as display current technology.
25-28 Sept 2019	Modern Day Marine	Annual Marine Military Exposition in Quantico highlighting the latest innovations in military equipment and systems, designed specifically to address the evolving, expeditionary needs of the Marine Corps.
Oct 19	S&T Funding Programs	Yearly ONR Navy/USMC BAA

Date	Event	Description
4QFY19	GBAD Industry Day	GBAD PMO Support Services Small Business (8a) competition
FY20 Annual Cycle	National Advanced Mobility Consortium Initiatives	NAMC conducts research, development, prototyping and production for manned and unmanned autonomy-enabled military ground vehicle systems and related technologies in the United States

D. SBIR/STTR Program

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, will be extensively utilized in the coming year by PEO LS as depicted in the table below.

Date	Event	Description
Continuous	SBIR Phase III	SBIR Phase III are always open
Jan 19	SBIR Topic Call	19.1 SBIR Topic Call
Jan 19	STTR Topic Call	19.A DoD STTR Topic Call
May 19	SBIR Topic Call	19.2 SBIR Topic Call
May 19	STTR Topic Call	19.B DoD STTR Topic Call
FY19	SBIR Phase III	Vehicle Mod and Simulation AutoCell

E. Accountability

1. How will your organization's leadership be actively engaged with key stakeholders in the acquisition planning process to ensure the maximum use of small businesses either at the prime or subcontractor level?

Contracting personnel conduct thorough Market Research, to include RFIs, use of SB Dynamic Search Engine, and Industry days. In addition, acquisition planning documents, including market research reports, are reviewed by PEO leadership prior to approval.

2. How will your organization's Senior Executives work with Small Business staff to further enhance the acquisition workforce cultural attitude in developing small business opportunities and address small business concerns?

The PEO works with the PEO executive staff to ensure that small businesses are accessible to procurements. This is done in coordination with the SRRB process and the major procurements from program offices' acquisition strategies, which evolve into published forecasts of future procurement opportunities and notice of Industry Day events.

Additional Measurable Performance Objectives

	Actuals			Projections		
	FY15	FY16	FY17	FY18	FY19	FY20
Set-Aside Rate (%)	41.58%	9.3%	12.46%	8.5%	9.56%	9.29%

Barriers & Challenges

1. Identify any barriers or challenges to achieving small business targets.

PEO LS has not encountered any difficulties in regard to optimizing the use of small businesses where appropriate.