



UNITED STATES MARINE CORPS
MARINE CORPS SYSTEMS COMMAND
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Marine Corps Systems Command
& Affiliated PEOs
Small Business Strategy

The Marine Corps Systems Command (MARCORSYSCOM) and its affiliated Program Executive Offices (PEOs) recognize the innovation, flexibility, affordability, and technology solutions that small businesses offer to meet the Marine Corps missions. Small Businesses have consistently offered products, services, and technology solutions in support of the Marine Warfighter.

MARCORSYSCOM and its affiliated PEOs have used the supplies, services, products, and technology solutions of small businesses to meet the missions of the Marine Corps for many years. For example, a small business at the time of the original Mine Resistant Ambush Protected (MRAP) contract designed, manufactured and delivered the original MRAP V-Shaped Hull vehicles to the Marine Corps.

Federal Acquisition Regulation (FAR) § 19.201(a), "General Policy," states *inter alia* that "is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. Such concerns must also have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by any executive agency, consistent with efficient contract performance. The Small Business Administration (SBA) counsels and assists small business concerns and assists contracting personnel to ensure that a fair proportion of contracts for supplies and services are placed with small business.

Heads of contracting activities (HCAs) are responsible for effectively implementing the small business programs within their activities. This includes utilizing small business as a strategic asset in mission performance to include encouraging innovation through programs such as Small Business Innovative Research (<https://www.navysbir.com/>) and the Rapid Innovation Fund (<https://defenseinnovationmarketplace.dtic.mil/business-opportunities/rapid-innovation-fund/>).

Further the policy includes achieving other small business program objectives such as strengthening the industrial base by encouraging the command to utilize small business through the establishment of command small business goals. HCAs are to ensure that contracting and technical personnel maintain knowledge of small business program requirements and take all reasonable action to increase participation in their activities' contracting processes by these businesses.

MARCORSYSCOM maintains an Office of Small Business Programs (OSBP). The office provides the following functions:

- (1) Carrying out the functions and duties in sections 8, 15, and 31 of the Small Business Act;

Subj: Marine Corps Systems Command & Affiliated PEOs
Small Business Strategy

(2) Work with the SBA procurement center representative (or, if a procurement center representative is not assigned, see FAR 19.402(a)) to-

- (i) Identify proposed solicitations that involve bundling;
- (ii) Facilitate small business participation as contractors including small business contract teams, where appropriate; and
- (iii) Facilitate small business participation as subcontractors and suppliers where participation by small business concerns as prime contractors is unlikely;

(3) Assist small business concerns in obtaining payments under their contracts, late payment, interest penalties, or information on contractual payment provisions;

(4) Have supervisory authority over agency personnel to the extent that their functions and duties relate to sections 8, 15, and 31 of the Small Business Act;

(5) Assign a small business technical advisor to each contracting activity within the agency to which the SBA has assigned a representative (see FAR 19.402) --

- (i) Who shall be a full-time employee of the contracting activity, well qualified, technically trained, and familiar with the supplies or services contracted for by the activity; and

- (ii) Whose principal duty is to assist the SBA's assigned representative in performing functions and duties relating to sections 8, 15 and 31 of the Small Business Act;

(6) Cooperate and consult on a regular basis with the SBA in carrying out the agency's functions and duties in sections 8, 15, and 31 of the Small Business Act;

(7) Make recommendations in accordance with agency procedures as to whether a particular acquisition should be awarded under FAR subpart 19.5 as a small business set-aside, under FAR subpart 19.8 as a section 8(a) award, under FAR subpart 19.13 as a HUBZone set-aside, under FAR subpart 19.14 as a service-disabled veteran-owned small business set-aside, or under FAR subpart 19.15 as a set-aside for economically disadvantaged women-owned small business (EDWOSB) concerns or women-owned small business (WOSB) concerns eligible under the WOSB Program.

(8) Conduct annual reviews to assess the-

- (i) Extent to which small businesses are receiving a fair share of Federal procurements, including contract opportunities under the programs administered under the Small Business Act;

Subj: Marine Corps Systems Command & Affiliated PEOs
Small Business Strategy

(ii) Adequacy of contract bundling documentation and justifications; and

(iii) Actions taken to mitigate the effects of necessary and justified contract bundling on small businesses.

This Small Business Strategy applies to all MARCORSSYSCOM and affiliated PEO acquisition professionals involved in Requirements Definition, Requirement Forecasting, Program Management, Budget and Finance, Contracting Officer Representatives, Procurement and Contracting, Invoice approval, etc. (i.e., participation within the acquisition process).

References: This Small Business Strategy is in compliance with Federal Acquisition Regulation (FAR) § 19.201(a), DOD Instruction 4205.01, SECNAV Instruction 4380.8C, DOD 5000.2, all of the Office of Secretary of Defense (OSD) AT&L Better Buying Power Initiatives, the ASN (RD&A) Memorandum entitled "Small Business Utilization for a Strategic Advantage" dated 6 August 2018; The ASN (RD&A) Memorandum entitled "Tapping Into Small Business in a Big Way" dated January 12, 2015, and the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS).

Elements of the Small Business Strategy

The Office of Small Business Programs (OSBP) responsible for this Small Business Strategy recommends that the Small Business Strategy address the following *objectives* for all stages of the acquisition process:

1. Acquisition Planning
2. Solicitation and Evaluation
3. Contract Award
4. Post Award Contract Administration
5. Communication and Engagement with Industry
6. Communication and Education of the Acquisition Workforce to include Small Business Training, Market Research, DD Form 2579 Training
7. Leadership Involvement and Awareness of the importance of the Small Business Program

Objectives:

1. Acquisition Strategy and Planning
 - The Acquisition team will involve the OSBP early in the acquisition process to ensure a successful small business strategy.
 - Program Managers (PMs) shall promote and encourage small business utilization within the early stages of developing their acquisition strategies and include the Small Business Professionals early in the acquisition process.
 - All Acquisition professionals shall promote the importance of credible Market Research that demonstrates the "rule of two" at FAR 19.502-2(b) and the Small Business Subcontracting Program at FAR 19.7 when the rule of two cannot be applied.
 - All acquisition professionals will be encouraged to take and be presented with the opportunity to attend training to improve

Subj: Marine Corps Systems Command & Affiliated PEOs
Small Business Strategy

awareness of small business policies and regulations currently existing or proposed for the future.

- The Small Business Professionals within the Command encourage all Command and PEO acquisition professionals to utilize the small business office professionals to assist with market research.
- All PMs are encouraged to the transition as many of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) funded technologies into their programs of record (i.e., Phase III Commercialization).
- All acquisition professionals must document small business considerations within their market research reports, acquisition strategies, acquisition plans and business clearances to include the utilization of both small business participation, subcontracting opportunities and the incorporation of the SBIR/STTR funded technologies throughout the milestone decision process and sustainment.
- All acquisition professionals are encouraged to attend industry events to network with potential small business contractors.
- All acquisition professionals are encouraged to take part in the command monthly roundtables to allow for open discussion of how small businesses can fill capabilities gaps for the command.

2. Solicitation / Evaluation:¹

- All acquisition professionals shall ensure that Small Business prime contracting strategies for contracts, task and delivery orders under the Simplified Acquisition Threshold (SAT) IAW FAR 19.502-2(a), shall be "Total Small Business Set-Asides."
- All acquisition professionals shall ensure that Small Business prime contracting strategies consider the "rule of two." FAR 19.502-2(b) on contracts, task and delivery orders over the SAT.
- All acquisition professionals shall establish and include meaningful small business utilization objectives including source selection evaluation criteria that promote and encourage the use of small businesses as subcontractors, utilization of small business technologies such as SBIR and utilization of small business development programs such as mentor protégé to improve the industrial base when requirements cannot be set aside for small business concerns and must be competed under a full and open acquisition strategy exceeding \$700K or \$1.5M for constructions requirements inclusive of options. Also review subcontracting plans to ensure objectives set by contractors are inclusive of small businesses. (See FAR 19.7, "The Small Business Subcontracting Program").
- Contracting officer are encouraged to include FAR clause 52.219-10 "Incentive Subcontracting Program" to incentivize subcontracting through innovative methods.

¹ Note that the requirements of FAR 19 do not apply to acquisitions conducted under FAR Part 8 Federal Supply Schedule orders. FAR 8.405-5 entitled Small Business states *inter alia* that contracting officers may, at their discretion set-aside orders and BPAs for any small businesses listed under FAR 19.000(a) (3).

Subj: Marine Corps Systems Command & Affiliated PEOs
Small Business Strategy

- Contracting Officers shall include the liquidated damages clause FAR 52.219-16 for all solicitations that will result in subcontracting opportunities. The OSBP will be available to assist in developing the clause.

3. Contract or other transaction Award:

- Contracting Professionals shall ensure that the Contract File Checklists and Contract Files include appropriate market research documentation that demonstrates the inclusion of small businesses within the acquisition strategy.
- Contracting Professionals shall ensure that the Contract Action Report (CAR) documents whether the requirement was competed as a small business set-aside or other socio-economic set-aside.
- Contracting Professionals shall ensure that the Contract Action Report (CAR) documents whether the contract included a small business subcontracting plan.
- Contracting Professional shall notify the OSBP when significant OTSs are awarded to small businesses.

4. Post Award Contract Administration:

- Contracting Officers shall ensure that the Contracting Officer's Representative (COR) provides appropriate oversight and monitoring of contractor performance and reports performance within the Contractor Performance Assessment Reporting System (CPARS) and Past Performance Information Retrieval System (PPIRS) as appropriate.
- The Contracting Officer shall monitor the small business subcontracting plan performance every six months and invoke the liquidated damages clause within the FAR when the prime contractor is not making best efforts to meet proposed small business subcontracting goals. Subcontracting shall be tracked through eSRS and regular command surveillance reviews in coordination with other agencies to include SBA and DCMA as applicable.
- Contracting Officers shall monitor Set-Aside contracts to ensure compliance with limitations in subcontracting on a regular basis. Any concerns shall be communicated with both the local small business office and SBA assigned PCR accordingly.

5. Communication and Engagement with Industry

- The HCA will prepare the Command Annual Procurement Forecast in accordance with the Department of Defense Annual Forecasting requirements. The Command Annual Procurement Forecast shall be advertised on the Command Small Business Website and updated on a regular basis.
- Acquisition professionals especially Deputy Program Managers shall actively participate at small business events to include the Sea Air and Space Expo (May), the Navy Gold Coast (August), and the Small Business Pavilion hosted during the Modern Day Marine Expo (September) as part of the ASN RD&A memorandum entitled "Tapping Into Small Business in a Big Way."
- Program managers are encouraged to push for innovative ways to utilize small business to create innovation for the force such as

Subj: Marine Corps Systems Command & Affiliated PEOs
Small Business Strategy

encouraging participation in Other Transaction Authorities(OTAs), encouraging interaction with the Marine Corps Innovation Cell Gruntworks, and other innovative acquisition methods.

- The Command Office of Small Business Programs shall host regular small business outreach events to provide industry awareness, training and discussions to improve the acquisition environment for industry.
- The Command Office of Small Business Programs will work with the Command Public Affairs Office to ensure small businesses are engaged using social media when applicable such as issuing good news stories, posting hard to source RFIs and other methods of virtual communication.
- Contracting Officers shall make sure that solicitations are posted for the Government's minimum requirements to ensure that the solicitations are not restrictive or prohibit the participation of small business concerns.
- The Command Office of Small Business Programs Office shall host one-on-one small business counseling sessions.
- The Command Leadership shall encourage the participation of acquisition professionals (i.e. Deputy Program Managers and contracts personnel) at Business Matchmaking events².
- The Command Office of Small Business programs will provide a list of prime contractors and work with Small Business Liaison counter parts in industry to enhance subcontracting opportunities.

6. Communication and Education of the Acquisition Workforce regarding the importance of the small business program

- The Command Office of Small Business Programs will provide training to include Small Business Advocacy Training for PMs, Market Research training, Subcontract management training, and DD Form 2579 Small Business Coordination Record Training to Program Management and Contracting Personnel.
- The Command Leadership shall encourage that the Acquisition Professionals within the Command attend Contracting and Contracting Officers' Representative (COR) Kapstone Courses offered by the Command. These include Source Selection Evaluation Board, Market Research, Contract Documentation and Acquisition Planning to name a few.
- The Command Leadership shall encourage that Acquisition Professionals within the Command attend the following courses:
 - SBP 101 Introduction to Small Business Programs, Part A, DAU
 - SBP 102 Introduction to Small Business Programs, Part B, DAU
 - Contracting with Small Business Concerns, Management Concepts

² Business Matchmaking Events are held at most small business or industry events (e.g., Sea, Air, and Space and Modern Day Marine Expo). Business Matchmaking consists of 15 minute one-on-one sessions with interested industry representatives to include small businesses.

Subj: Marine Corps Systems Command & Affiliated PEOs
Small Business Strategy

7. Leadership Involvement and Awareness of the importance of the Small Business Program

- Command leadership should include the Command Small Business Professionals participation in key business, competency, and acquisition meetings.
- The Office of Small Business Programs will continue close collaboration with the Contracting Competency in establishing, maintaining, and providing training on key small business related policies and procedures to include Market Research, Small Business Subcontracting, and the DD Form 2579 Small Business Coordination Record.
- OSBP representatives should participate during the Service Requirement Review Boards (SRRB).
- The ASN (RD&A) Memorandum entitled "Tapping Into Small Business in a Big Way" dated January 12, 2015 assigned each Deputy Program Manager (DPM) as the Small Business Advocate within their PM/PEO for identifying opportunities for small business participation (prime and subcontracting).
- The Small Business Office will continue its communication with Command Leadership regarding Small Business Program Management and accomplishments.

This Small Business Strategy is a living document that incorporates acquisition policy references so that any acquisition professional within the Command and affiliated PEO will be able use the small business policy information in order to incorporate effective small business strategies within their acquisition programs.

CONCLUSION

The leadership of MARCORSSYSCOM and its affiliated PEOs is committed to the use of small business capabilities and technology solutions. We believe that this small business strategy provides a solid baseline for the incorporation of small business strategies within all of our acquisition programs, ultimately providing prime and subcontracting opportunities to small business concerns through the acquisition of our Warfighting requirements.



William S. Williford
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Enclosures

- (1) HCA Addendum
- (2) PEO LS Addendum
- (3) Acquisition Forecast