



U.S. Small Business
Administration



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SBA's Surveillance Review Program

Not intended for public distribution

Hosts

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Welcome to “SBA Virtual Learning 2023”

1. Questions answered during the final 10 minutes.
2. Technical problems: Contact your IT admin who manages Teams settings for your organization.
3. Captioning available for this presentation.
4. We cover the “**SBA Quick Reference**” as time allows.
5. For more SBA training visit the SBA Learning Center website <https://www.sba.gov/tools/sba-learning-center/search/training>

Association of Procurement Technical Assistance Centers (APTAC)

Procurement Technical Assistance Centers are a vital resource partner.

- APTAC posts past “First Wednesday” programming at this link: <http://www.aptac-us.org/for-contracting-officers-sba-webinar-library/>
- Contracting officer resources: “How PTACs partner with federal agencies”: <http://www.aptac-us.org/federal-partners/>
- Find your nearest Procurement Technical Assistance Center at <http://www.aptac-us.org>

Small Business Administration YouTube Page

SBA YouTube page posts past “First Wednesday” programming at links below.

- October 5, 2022 – 8(a) Business Development Program Updates: <https://youtu.be/Yl5Sp0dP1aE>
- November 2, 2022 – Surety Bond Guarantee Program: <https://youtu.be/QlZJiMLcc5o>
- December 7, 2022 – Subcontracting Program: <https://youtu.be/gMaaeGl8CBs>
- January 4, 2023 – Surveillance Review Program:
- February 1, 2023 – HUBZone Program:
- March 1, 2023 – All Small Mentor Protégé Program (ASMPP):
- April 5, 2023 – Non-Manufacture Rule (NMR):
- May 3, 2023 – Size Program:
- Jun 7, 2023 – Legislature and Regulatory Updates:
- July 5, 2023 – Market Research:
- August 2, 2023 – Service-Disabled Veteran Owned Program (SDVOSB):

FIRST WEDNESDAY VIRTUAL LEARNING SERIES

FY 2023 SCHEDULE

1:00 to 2:00 PM Central Time

FY 2023	Date	Topic
1	October 5, 2022	8(a) Business Development Program Updates
2	November 2, 2022	Surety Bond Guarantee Program
3	December 7, 2022	Subcontracting Program
4	January 4, 2023	Surveillance Review Program
5	February 1, 2023	HUBZone Program
6	March 1, 2023	All Small Mentor Protégé Program (ASMPP)
7	April 5, 2023	Non-Manufacture Rule (NMR)
8	May 3, 2023	Size Program
9	June 7, 2023	Legislature and Regulatory Updates
10	July 5, 2023	Market Research
11	August 2, 2023	Service-Disabled Veteran Owned Program (SDVOSB)

The program schedule is for information only and is subject to change.

One Continuous Learning Point

- Self-service process for one CLP of credit for SBA employees only: Complete the survey contained in the link below. A new link will be provided every month. The link is activated on the day of the training and will be deactivated two weeks after the training event. <https://forms.office.com/g/KtyEeKZLda>
- Those SBA employees that do not complete the survey within two weeks, can manually upload the certificate included in the presentation.
- If you listen in groups and you want all attendees to be included on the future mailing list, send email addresses of participants in an excel document to sbalearning@sba.gov.

“SBA 1st Wednesday Virtual Learning Series 2023”

This Certificate is awarded to

Insert Your Name Here

For completion of

Surveillance Review Program

This training seminar may be credited towards “Continuous Learning Points” as described in OFPP Policy Letter 05-01. Recommendation of One CLP.



Pamela J. Beavers

Director, Area IV
SBA Office of Government Contracting

01/04/2023

DATE

Today's Speaker(s)

Valerie Coleman
National Prime Contracts and CoC Program Manager
Office of Government Contracting
U.S. Small Business Administration

What is a Surveillance Review (SR)?

- Assessment of a Procurement Center's (PC) compliance in executing its Small Business (SB) program.
- Authority
 - Small Business Act
 - FAR 19.402(c)(5) - "Conducting periodic reviews of the contracting activity to which assigned to ascertain whether it is complying with the small business policies in this regulation."

Purpose of a SR

- Evaluate the PC's performance on attaining its assigned goals
- Evaluate the compliance with FAR requirements and agency supplements affecting the small business program
- Evaluate agency or local policy impacting small business opportunities
- Evaluate compliance with requirements and authorities for award of 8(a) contracts
- Evaluate compliance with any other relevant agreements between SBA and the PC
- Identify improvements to support SB participation in the PC's acquisition process
- Identify training, and/or technical assistance to the PC to enable it to improve its ability to provide opportunity with small business concerns
- Identify best practices that the PC is using that could be used with other agencies

Selection of Sites

- Any PC who received a marginally satisfactory in a previous SR
- PC who has not made goals
- Request of OSDDBU/Director OSBP, other agency official, SBA official (PCR, Area Director)
- Top 300
- Change in Small Business Office leadership
- Has not had a review in the last 5 years

Pre-SR Process

- Letter to OSDBU or Director, Small Business Program
- Copy to Area Director where SR is to be conducted
- Area Director assigns Team Lead and Team members
 - BOS from District Office
- Team Lead negotiates dates for review & discusses how files will be retrieved
- Program Manager, Prime Contracts conducts a pre-SR training for all PCs involved in a SR.
- Area Director sends formal notification of SR
 - Preparation Checklist and Request for Information
 - 45-60 days in advance of date negotiated
- Other issues

Checklist & RFI

Instructions

Please submit the following information and documentation requested in electronic form with a hard copy to the SR Team Leader's email address: _____

Information should be submitted in the same order as it appears on this checklist.

Information required for the following periods: FY 2021 through FY 2023 year-to-date.

1. **Contract Action Reports (CAR) submitted to Federal Procurement Data System – New Generation (FPDS-NG) over the SAT to include the following (can be formatted into an electronic format):**
 - a. **Contractor Name**
 - b. **Contract Number**
 - c. **Solicitation Number**
 - d. **Award Amount**
 - e. **Award Date**
 - f. **Business Size**
 - g. **Type of Contract**
 - h. **Item Description**
 - i. **NAICS Code**
 - j. **Synopsis Code**
 - k. **Type of Set-Aside**
 - l. **Subcontracting Plan Information**

2. Supply the following information for the same FYs as noted above:

- a. A list of contracts terminated for default or convenience.**
- b. A list of contracts for which contract administration functions has been retained in-house.**
- c. A list of GAO, Board of Contract Appeals, and direct protests to the agency/command, noting the name of the protesting firm, the solicitation/contract number, the reference number (GAO file number), and the status of the protest (dismissed, denied in whole or part, open).**

3. General Information

Name of Procurement Center (PC):

Department/Agency/Office Code:

Mailing Address:

Physical Address (if different):

City, State, Zip:

PC Website:

Mission:

Typical Products/Services Acquired:

Head of PC:

Address (if different from above):

Phone:

Email:

Director of Contracting:

Address (if different from above):

Phone:

Email:

Small Business Specialist (SBS):

Address (if different from above):

Phone:

Email:

Small Business Technical Advisor:

Address (if different from above):

Phone:

Email:

Credit Card Coordinator:

Address (if different from above):

Phone:

Email:

4. **Overview of Small Business Awards – If procurement center goals are assigned, please complete the below with those goals and achievements. However, if no goals have been assigned to the procurement center, please complete the below with agency goals and achievements.**

Are the below your procurement center goals and achievements? Please confirm.

FY 2019	Total (\$M)	SB	SDB	WOSB	HUBZone	SDVOSB
% Goals						
\$ Achieved						
% Achieved						

5. **Background & Management of the Small Business Program**

- a. Provide an organizational chart.
- b. Does the PC have a Small Business Professional or Specialist formally appointed by an appropriate authority, such as the Office of Small Business Programs, Office of Small & Disadvantaged Business Utilization (OSDBU), or Head of PC? Provide a copy of the appointment document. **FAR 19.201(d)**
- c. Who does the SBS report directly to? List full name and title.
- d. How is the head of the PC active in implementing an effective small business program? Please describe. **FAR 19.201(b)**
- e. Discuss engagement with the PCR to include all reasonably obtainable contract information within their security clearance. **FAR 19.402(b)**

6. **Regulatory Compliance**

- a. **Acquisition Planning**
 - 1) Are all pre-solicitation documents available to your SBS to assist you in procurement planning? Discuss the method and effectiveness of any advance procurement planning as it relates to small business. If applicable, DFARS PGI 253.219-70 (the instructions for the DD 2579 state they need to see these documents).
 - 2) Describe your Contracting Officers (COs) methodology for market research to make every reasonable effort to solicit small business concerns. **FAR 19.202-2**

Selection of Files

- a. Awards to other than small businesses (OTSB) over and under the Simplified Acquisition Threshold;
 - b. Contracts awarded as small business set-asides over the Simplified Acquisition Threshold;
 - c. Contracts for mission and base support operations, construction, supplies, research and development and services of varying complexity;
 - d. Contracts of various types, including fixed price, time and material, cost-reimbursement and indefinite delivery;
 - e. Awards to OTSB over the subcontracting plan thresholds, including those where contract administration functions are retained by the PC;
 - f. Awards subject to special regulations or procedures; and
 - g. Contracts for bundled/consolidated services
-
- With respect to the 8(a) program awards, enough files will be selected to permit detection of significant trends and to establish valid findings.
 - Taking into account the number of SR team members, a sample size of a minimum of 25 contracts will be requested (does not include 8(a) contracts).
 - Notification to the PC, of the contract files required for review, will be made at least 7 business days prior to the SR review.

Files to SBA

- a. TL discusses with PC on how the contract files will be sent to SBA or for SBA to access their file system to review the files
 - Suggest a trial run of one file to see if it can be accomplished
- b. If trial run works, the files will be sent or access will be given to those needing it
- c. If the trial does not work, discussion follows on ways the files can be sent, i.e. via box.com
 - A trial run of one file to see if it can be accomplished
- d. If trial run works on box.com, the files will be sent
- e. If the trial does not work, discussion follows on other ways the files can be sent
- f. If it appears that the files cannot be sent due to software issues, the SR TL will discuss with the Area Director to proceed with a hybrid SR.
 - In-person for review of files
 - Virtual - Entrance & exit briefings and possibly interviews of PC staff

SR Process

- **Entrance briefing** – not more than 1 week before beginning of review - virtual
- **Review of Files – General Files & 8(a) awards – virtual/in person/hybrid**
 - Interviews of Contracting Officers/Specialist, SBS (virtual/in-person)
 - Acquisition Planning
 - Acquisition Review & SB Program – long section
 - Publicizing Contract Actions
 - Subcontracting
 - Other Small Business program issues – which includes COC, Size, Protest, Misc.
 - Clauses
- **Exit Briefing** – within 1 week of completion of review of files - virtual

Post SR Process

- **Report written along with a cover letter**
 - Findings vs. Recommendations
 - Best Practices
 - Proposed rating
 - Outstanding
 - Highly Satisfactory
 - Satisfactory
 - Marginally Satisfactory
 - Unsatisfactory
- **Sent to Program Manager, Prime Contracts Program for review**
- **Director, Government Contracting signs**
- **Letter and report sent to OSDBU/Director of Small Business Programs**
 - “cc” PC individuals
- **Corrective Action Plan - 45 days after SR report received**

Follow-up SRs (FuSR)

➤ **1st FuSR**

- Conducted in the 2nd FY following full review
- PCs that received a marginally satisfactory
- Led by the Area Director where the PC is located and includes PCR that covers the PC
- 1 day review
- Corrective Action Plan
- Letter and report to OSDBU/Director of Small Business Programs

➤ **2nd FuSR**

- PC received another marginally satisfactory during the FuSR
- Led by Director, Government Contracting or his designee
- 1 day review
- Letter and report to OSDBU/Director of Small Business programs if Satisfactory. If still marginally satisfactory, letter and report goes to Secretary/Administrator of Agency

2022 SR Stats

2022 SRs

➤ 14 Different Agencies

- DOD (19)
 - Air Force (4)
 - Army (5)
 - Defense Logistics Agency (3)
 - Navy (4)
 - 4th Estate (3)
- GSA (2)
- HHS
- HUD
- Interior
- Justice
- NASA (2)
- VA (3)

FY 2022 SRs

- **All SRs completed, signed and sent to OSDBU/Director, Small Business Programs by October 24**
- **Cover letter requested acknowledgement of report**
- **Corrective Action Plans due within 45-90 days of letter & report**

Trends

- **8(a) program** –offer and acceptance letters; clauses not being included; contracts/mods not being forwarded to SBA
- **Subcontracting** – Plans not received from prime contractor; waivers not in file if no subcontracting opportunities; not being reviewed by SBS and PCR; not becoming a material part of the contract; not forwarded to SBA; eSRS reports not being submitted and/or accepted/rejected by PC
- **Limitations on Subcontracting** – Not being done
- **Small Business Coordination Forms** – PCRs not seeing these forms as required; not being forwarded to PCR if an acquisition strategy changes after they have signed
- **Clauses** – Required SB clauses missing
- **Goals** – PCs get the same goals from their HQ even though for the past 5 years they have exceeded them by 3 to 4 times (As an example – a PC achieves 20% on SDB for several years in a row, but their goal never changes).

Recommended Practices for Small Business Program (SBP) Performance Optimization

General

1. Engagement of the SBS early and throughout the procurement lifecycle by the contracting team (goaling, reporting, SB outreach, strategy, etc...)
2. Regular formal and informal training (courses, workshops, etc.. of procurement personnel, to include use of SBA training opportunities
3. Involvement of procurement professionals at outreach events (Industry days, program information presentations, etc...)
4. Transparent requirements forecasting and planning within all the procurement professionals at a PC/Agency
5. SBP goal establishment includes both OSDDBU leadership and local procurement professionals' engagement and collaborative communication
6. Consultative services to SB on how best to use an Agency procurement vehicles
7. Pre-Briefing between SBA SRT and the Agency SBP officials to enable understanding of the review and the local SBP administration
8. Set up shared folder contracting Data analytics and information sets (contract performance data, market demographics and capabilities, etc..) for use between procurement professionals
9. Expanded use of market research to ensure SB contracting opportunities are optimized for set-asides

Subcontracting

1. Creation of a standardize checklist for the review of Subcontracting Plans (DOD's checklist can used as an example)
2. Written communication, post award, with prime contractors on eSRS reporting requirements
3. Standardized operating procedures, policy, practices captured and published in Subcontracting Plan SOP

FY 2023 SRs

➤ **Items to be worked on**

- Ability to access contract files – electronic
- Security clearances

➤ **Items completed**

- Updated individual contract file & 8(a) checklists
- Updated SR report template along with RFI/Checklist
- List of Recommended Practices

➤ **Selection of 2023 SRs has been completed.**

➤ **Notification Letters to OSDBU/Director, OSBP within the next week.**

Questions?

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