

Utilization of Small Business Subcontracting Review in CPARS

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Assessing Contractor Performance

PCO or ACO (FAR Part 19 and Part 42)

- Monitor eSRS reports.
- Document performance.
- Provide advice and assistance to firms.
- Assess Liquidated Damages, FAR 19.705-7, 15 USC 637(d)(4)(F).
- Monitor other contract performance requirements related to SB utilization.
- Seek SB Specialist advice/assistance.
- Provide input for the CPARS ratings.



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Contractor Performance Assessment Rating System (CPARS)

- CPARS is the DoD system used to assess contractor performance IAW FAR 42.15.
- SB Utilization added to CPARS Feb 2009 (former CPARS coverage included small business subcontracting plan as part of overall subcontract management and only covered goal achievement).



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CPARS

- **The Assessing Official (AO) is responsible for completing CPARS**
 - The AO could be the PM, Perf. Evaluator, QA Evaluator, Requirements Indicator, COR/COTR, or equivalent.
- **As a best practice and as the SME, Small Business Specialists should assist with rating or provide relevant information for rating the “SB Utilization Element.”**



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CPARS – SB Utilization

- Evaluation more comprehensive assessment of contractor's utilization of SB – rather than just the achievement of goals.
- Meets the past performance evaluation requirements included in FAR 42.15 and 19.7 and DFARS 215.305.
- Assesses compliance with terms and conditions of the contract for Small Business participation.
- Assesses compliance with FAR 52.219-8.
- Assesses compliance with individual subcontracting plan IAW FAR 52.219-9.



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CPARS – SB Utilization, continued

- **Assess compliance with DoD Comprehensive Small Business Subcontracting Plan including submission of any required program specific data.**
- **May require DCMA/ACO/PCO input depending on who is administering the contract or Small Business Specialist can assist.**
- **Commercial plan assessment:**
 - **Individual contract performance is unknown because plan and reporting is based on commercial items sold by the entire company, division, plant or product line and may be approved by another PCO.**
 - **Rate contractor satisfactory as long as approved plan is in place and liquidated damages were not assessed.**



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CPARS – SB Utilization Ratings

- Ratings are same as other areas assessed but definitions of ratings differ:
 - **Dark Blue/Exceptional**
 - **Purple/Very Good**
 - **Green/Satisfactory**
 - **Yellow/Marginal**
 - **Red/Unsatisfactory**
- SB Utilization also added to ACASS and CCASS.
- For CPARS guide and other information go to:
<http://www.cpars.gov/cparsfiles/pdfs/DoD-CPARS-Guide.pdf>



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Excerpt from CPARS Guide (1 of 3 slides)

Evaluation Ratings Definitions (Utilization of Small Business)

Rating	Definition	Note
Dark Blue/ Exceptional	<p>Exceeded all negotiated subcontracting goals or exceeded at least one goal and met all of the other negotiated subcontracting goals for the current period. Had exceptional success with initiatives to assist, promote, and utilize small business (SB), small disadvantaged business (SDB), women-owned small business (WOSB), HUBZone small business, veteran-owned small business (VOSB) and service disabled veteran owned small business (SDVOSB). Complied with FAR 52.219-8, Utilization of Small Business Concerns. Exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program. Went above and beyond the required elements of the subcontracting plan and other small business requirements of the contract. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.</p>	<p>To justify an Exceptional rating, identify multiple significant events and state how they were a benefit to small business utilization. A singular benefit, however, could be of such magnitude that it constitutes an Exceptional rating. Ensure that small businesses are given meaningful, innovative work directly related to the project, rather than peripheral work, such as cleaning offices, supplies, landscaping, etc. Also, there should have been no significant weaknesses identified.</p>



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Excerpt from CPARS Guide (2 of 3 slides)

Green/ Satisfactory

Demonstrated a good faith effort to meet all of the negotiated subcontracting goals in the various socio-economic categories for the current period. Complied with FAR 52.219-8, Utilization of Small Business Concerns. Met any other small business participation requirements included in the contract. Fulfilled the requirements of the subcontracting plan included in the contract. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.

To justify a Satisfactory rating, there should have been only minor problems, or major problems the contractor has addressed or taken corrective action. There should have been no significant weaknesses identified. Per DoD policy, a fundamental principle of assigning ratings is that contractors will not be assessed a rating lower than Satisfactory solely for not performing beyond the requirements of the contract.



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Excerpt from CPARS Guide (3 of 3 slides)

Red/ Unsatisfactory

Noncompliant with FAR 52.219-8 and 52.219-9, DFARS 252.219-7003, and any other small business participation requirements in the contract. Did not submit Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate or timely manner. Showed little interest in bringing performance to a satisfactory level or is generally uncooperative. Required a corrective action plan.

To justify an Unsatisfactory rating, identify multiple significant events that the contractor had trouble overcoming and state how it impacted small business utilization. A singular problem, however, could be of such serious magnitude that it alone constitutes an Unsatisfactory rating. An Unsatisfactory rating should be supported by referencing the actions taken by the government to notify the contractor of the deficiencies. When an Unsatisfactory rating is justified, the contracting officer must consider whether the contractor made a good faith effort to comply with the requirements of the subcontracting plan required by FAR 52.219-9 and follow the procedures outlined in FAR 52.219-16, Liquidated Damages-Subcontracting Plan.



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Why is consistent, comprehensive SB ratings in CPARS important?

- Past Performance of Small Business Utilization is a required element in source selection evaluations:
 - DFARS 215-305(a)(2) states: "Past performance evaluation. When a past performance evaluation is required by FAR 15.304, and the solicitation includes the clause at FAR 52.219-8, Utilization of Small Business Concerns, the evaluation factors shall include the past performance of offerors in complying with requirements of that clause."

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