

### Administrative Change

An administrative change to this Business Operating Procedure (BOP) was approved on 09-04-12. In accordance with the Departmental Directives System:

Administrative Changes are simple changes that do not substantively affect the BOP. Examples of such changes are nomenclature, changes to organization names or titles of officials, changes to legal citations, and minor reductions in requirements and responsibilities.

# BUSINESS OPERATING PROCEDURE

**BOP-003.0305**

Approved: 06-05-07  
Admin Change 1: 09-04-12

## **SMALL BUSINESS POLICY**

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**NATIONAL NUCLEAR SECURITY ADMINISTRATION  
Office of Acquisition and Project Management**

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**AVAILABLE ONLINE AT:**  
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**INITIATED BY:**  
Office of Acquisition Management

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## **SMALL BUSINESS POLICY**

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1. **OBJECTIVE:** Formally promulgate NNSA's policies and approaches to providing America's Small Businesses including small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business (includes Native Americans), and women-owned small business concerns the maximum practicable opportunity to participate in its acquisitions that support all of NNSA's program and mission accomplishments.
2. **CANCELLATION:** None
3. **APPLICABILITY.**
  - a. This Policy Letter applies to all Federal organizations and elements of the Administration having contracting authority and to contract actions taken by NNSA Contracting Officers obligating NNSA or non-NNSA funds.
  - b. For the purposes of this Policy Letter, the term "contract actions" includes actions relating to solicitations, contract awards, orders placed under Federal Supply Schedules, orders placed under Government-wide Acquisition Contracts, Blanket Purchase Agreements, Blanket Ordering Agreements, Basic Agreements, Interagency Agreements, letter contracts, bilateral modifications for new work, and other procurement actions.
4. **POLICIES.**
  - a. The NNSA is committed to providing maximum practicable contracting opportunities to small businesses (as defined in the Federal Acquisition Regulation (FAR) Part 19.201) for goods and services needed to support program and mission accomplishment.
  - b. All NNSA non-Management & Operating (M&O) contract actions shall be reserved for small businesses. Non-M&O contract awards to large business require an approved Small Business Waiver prior to making award as defined in BOP-003.0701.
  - c. All small business subcontracting plans as identified in the FAR Part 19.7 and the Department of Energy Acquisition Regulation (DEAR) Part 970.19 shall include goals that will challenge contractors to expand small business use.
5. **REQUIREMENTS.**
  - a. Deputy or Associate Administrators, and the NNSA Heads of the Contracting Activity (HCA) shall ensure that the Secretary's and NNSA Administrator's small business contracting objectives are supported to the maximum practical extent.

- b. Deputy or Associate Administrators shall provide the Administrator, through the Office of Acquisition Management (NA-APM-10), an annual prime small and small disadvantaged business goaling forecast that supports the Department of Energy's planning processes as directed by the Office of Small and Disadvantaged Business Utilization (OSDBU).
  - c. Site Office Managers shall ensure that subcontracting plan goals are negotiated in their M&O contracts in accordance with the contract terms and conditions in consultation with the designated NNSA Small Business Program Manager (SBPM) and with the concurrence of the NNSA Senior Procurement Executive (SPE).
  - d. The NNSA HCAs shall provide guidance to their contracting officers to ensure that all non-M&O contracts awarded by NA-APM-10 that require a small business subcontracting plan, include goals reflecting appropriate participation by small businesses.
  - e. Site Office Managers and site contracting officers shall encourage M&O contractors to seek every reasonable and realistic prospect to broaden and increase small business subcontracting opportunities.
6. EXCEPTION. An exception to the policy in paragraph 3.b., may occur if there exists compelling programmatic reasons e.g., unusual and compelling urgency, not to reserve the requirement for small businesses in accordance with paragraph 4.c.
7. RESPONSIBILITIES.
- a. The Administrator is responsible for establishing small business strategic direction and policy to meet NNSA's commitments to the Secretary on small business contracting goals.
  - b. The Deputy and Associate Administrators, Site Offices Managers, and the NNSA HCAs will ensure that this policy is implemented and plans are established to meet small business goals.
  - c. For Federal contract actions exceeding \$3,000,000, the Deputy or Associate Administrators, in consultation with the SPE, are the only individuals who may make the determination to exempt a requirement from NNSA's small business policies. For transactions below this threshold, the requirements of the FAR Parts 13 and 19 are to be followed as dictated by local procedures.
  - d. NNSA Contracting Officers shall:
    - (1) Conduct market research to locate businesses that are capable of fulfilling NNSA requirements with an emphasis on small business sources as prescribed in FAR Part 10.

- (2) Partner with Site Office Contracting Officers and M&O contractors to identify opportunities for strategic purchases from small business.
  - (3) Facilitate and promote small business teaming arrangements that will increase opportunities for small business participation in NNSA's procurements and subcontracts.
  - (4) Obtain approval determinations required by this Policy Letter (3.b.) before initiating contract award actions.
- e. Site Office Contracting Officers shall:
- (1) Include a clause in M&O contracts that requires M&O contractor participation in strategic and enterprise purchasing initiatives.
  - (2) Approve contract modifications to subcontracting plans with the concurrence of an NNSA SBPM after award.
  - (3) Conduct annual subcontracting goal negotiations.
- f. NNSA Small Business Program Managers, designated by the HQ Head of Contracting Activity (HCA), shall perform the following functions:
- (1) Participate in contract strategy planning and requirement reviews. Provide set-aside recommendations and concurrence on strategy. Retain copies for small business files.
  - (2) Manage the forecast of NNSA contracting and subcontracting opportunities.
  - (3) Provide guidance to contracting staff and Contracting Officers on development of Small Business Waivers. Provide coordination and liaison with HQ to obtain waiver approval. Retain copies of all waivers.
  - (4) Provide guidance, review, and concurrence on all subcontracting plans prior to acceptance by the Contracting Officer.
  - (5) Provide guidance, review, and administration of the overall electronic Subcontract Reporting System (eSRS) submittals and other external government reporting systems.
  - (6) Assist NNSA Headquarters (HQ) SBPM in developing enterprise-wide policies, programs, and procedures furthering small business utilization.
  - (7) Ensure NNSA program offices and field sites are informed of and aligned with HQ's policy and procedural guidance.

- (8) Provide day-to-day operational management of NNSA's Small business Program on a nationwide basis, including NNSA HQ, Federal site offices, and its major prime contractors.
  - (9) Interface with assigned NNSA M&O contractors, providing assistance to site management for annual subcontracting goals.
  - (10) Represent NNSA through interface with small businesses; other Federal Agencies State/Local Governments, and small business professional organizations.
- g. Office of Small and Disadvantaged Business Utilization (OSDBU), Headquarters, is responsible for the administration of small business programs for the Department in accordance with the Department of Energy Acquisition Regulation Part 919.

8. SPECIAL PROCEDURES.

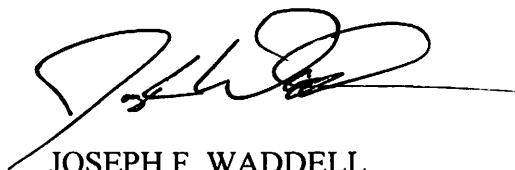
- a. Bundling Determinations – The OSDBU is the Department's focal point for the review of bundled acquisitions (see FAR 2.101). NNSA Program Offices intending to proceed with a bundled procurement must forward the acquisition through the NNSA Competition Advocate and SPE before submission to the OSDBU. The OSDBU review is designed to ensure conformance with the statutory requirements regarding bundling and to identify ways to maximize the participation of small businesses in the procurement. If the OSDBU determines that the proposed bundling of a contract is not necessary and the Program Office disagrees, the matter will be referred to the Deputy Secretary through the NNSA SPE and the Administrator. The Deputy Secretary, without power of delegation, may determine that bundling is necessary and justified if: (1) the expected benefits do not meet the thresholds identified in FAR 7.107(b)(1) and (b)(2), but are critical to mission success; and (2) the acquisition strategy provides for maximum practicable participation by small business concerns.
- b. Subcontracting Plans and Annual Subcontracting Goals - The Site Office Manager or designee shall coordinate M&O Subcontracting Plans and Annual Subcontracting Goal Forecasts with the designated NNSA SBPM and the SPE prior to approval by the designated site official. M&O Subcontracting Plan or Annual Forecast modifications shall also be coordinated with the designated NNSA SBPM and the SPE prior to approval by the designated site official. Approved plans shall be sent through the appropriate line organization for concurrence prior to transmission to OSDBU.

9. REFERENCES.

- a. Department of Energy Acquisition Guide, Chapter 19, *Small Business Programs—An Overview*
- b. Acting Administrator Linton F. Brooks memorandum of August 29, 2002, *NNSA Commitment to Small Business Programs*
- c. Federal Acquisition Regulation Part 10, *Market Research*, Part 13, *Simplified Acquisition Procedures*, and Part 19, *Small Business Programs*
- d. Department of Energy Acquisition Regulation Part 919, *Small Business Programs*

10. CONTACT. Headquarters Small Business Program Manager, Office of Acquisition Management (NA-APM-10) 202-586-8304.

BY ORDER OF THE ADMINISTRATOR:



JOSEPH F. WADDELL  
Senior Procurement Executive