

UCSF Federal Small Business Subcontracting Plan Standard Operating Procedure

This document describes cross-departmental collaboration and responsibilities between and among the Office of Sponsored Research (“OSR”), Principal Investigators (“PI”), Supply Chain Management (“SCM”), and Contracts & Grants Accounting (“CGA”) for Federal Small Business Subcontracting Plans (“Plans”). The goal is to streamline a process for all components of this work to enhance communication, quality of work, and utilization of spend with small and local businesses. Coordination between units is essential to ensuring orderly and timely execution to meet the requirements of successfully receiving federal funding.

A plan is a carefully enumerated list of anticipated project expenditures which should be made with small, local businesses. Once a Plan is in place, it is an active component of the Federal Contract for the duration. The official documentation, including progress and revisions must be submitted to the proper auspices, and a full archive must be accessible to OSR, PI, SCM, and CGA.

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Small Business Plan Creation Triggers

The current dollar threshold for federal contracts that require a Plan is \$750,000.00. This information is in the Federal Acquisition regulations at 19.702(a). FAR clause 52.219-9 provides that the threshold in place at the time of the contract execution determines the need for a Plan.

Federal sponsors may request a Plan at various stages of the contracting lifecycle: at the proposal stage; at the “Just-In-Time” stage; or at the award stage. The Plan is a requirement of the project and meeting the approved plan is a contractual obligation. Failure to meet the goals or demonstrate a good-faith commitment to achieve the goals may be considered a breach of contract and cause the sponsor to terminate the contract.

Situations that require a Plan may include but are not limited to:

- A PI submits a proposal in response to a federal solicitation that requires a Plan be included at the time of proposal submission.
- A federal agency directly awards a prime contract to the University. The agency requires a Plan be submitted at the time of notification of award or within a certain deadline after award acceptance.
- Another institution or company is a prime contractor to a federal agency and awards a subcontract exceeding the dollar threshold to UCSF. UCSF must submit and have a Plan approved by the federal agency before an award can be finalized between UCSF and the Pass-Through Entity.

When UCSF serves as the prime contractor and subcontracts out to another institution where the total to our subcontractor is greater than \$750k, the subcontractor must also submit a Plan and receive approval from the federal sponsor before the subcontract can be signed.

Pre-Award Roles and Responsibilities – OSR, PI, AND SCM

The Office of Sponsored Research

The OSR is responsible for alerting SCM that a contract opportunity requiring a Plan (or Plan applicability assessment) has been identified. The OSR will then oversee the establishment, organization and updating of materials in CACTAS.

- Receives a request from the PI to develop and submit a federal contract proposal in response to an RFP.
- Creates a new folder in CACTAS, notifies SCM and the PI that a Plan is required as an element of the proposal, provides the RFP, and calls out the sponsor hard deadline.
- If the RFP requires the Plan to be submitted along with the proposal, as opposed to in the SBCx system, OSR proposes an internal deadline for the final approved Plan

to be submitted to OSR by SCM for inclusion with the proposal, to be agreed-upon with SCM.

- Receives final Small Business Plan-eligible budget categories from SCM and the PI, adds to CACTAS repository.
- Provides the approved/agreed-to final budget to SCM for submission via the SBCx system.
- CACTAS updated and notification sent to SCM and CGA if a contract that includes a Plan is fully executed and sent to CGA to establish an Award Number in UCSF's award system of record, RAS.

The Principal Investigator

The PI is responsible for working with the cross-collaborative team to assess the need for a Plan, and to complete/submit/maintenance the Plan if the contract is awarded.

- Starts collaboration with SCM via email to develop and approve the Plan. Not all PIs have departmental support for this process. If the PI has support in the form of departmental administrators who can assist with developing and executing the Plan, they should be included in all email communications and meeting invitations.
- Provides to SCM, via email, a draft budget and a preliminary Statement of Work. The non-final summary budget should include sufficient information to allow SCM to begin working on the Plan, including the following line items which SCM must include on the Plan:
 - Materials and supplies
 - Equipment
 - Travel
 - Services from an outside supplier
- Completes all forms and documents required by SCM, provides signed copies to SCM and posts to folder in CACTAS by assigned deadlines.
- Coordinates with the SCM Small Business Officer, the department Research Administrator, and the project team, as applicable, to determine how the project can best meet the small business utilization goals. OSR is not a party to this process.

Supply Chain Management

The responsibility of SCM is to provide expert sourcing support to the PI based on the needs of their project and the budget. SCM owns the drafting of the Plan and completion of any supplemental forms or documents, execution of revisions, and submission of a final plan into SBCx (or other specifically designated repository—which may vary by agency). SCM is also responsible for officially documenting a letter of non-applicability if a Plan is deemed unnecessary.

- Formulates a SCM-internal deadline for submitting the Plan into the SBCx system and into CACTAS folder. Posting deadline is based on the sponsor deadline and allows time for rework and other minor delays. Deadline is exhibited in CACTAS folder and shared with collaborative team.

- Creates and shares with PI a new folder in BOX. All Plan budgets, documents, letters, and draft materials are held in this BOX repository. BOX folder naming convention is Proposal Number PI Name MM.YY Status.
- Uses the PI's draft supply and equipment budget to develop a draft Plan to refine collaboratively. SCM will create a budget file to help organize the PI's materials and team efforts. A final budget will not be available until this process has been iterated between the PI and SCM to conclusion. Iterations will be posted and referenced in BOX, with Outlook email notifications.
- After collaboration and sign-off with PI, the SCM Small Business Officer posts the final eligible budget line items to CACTAS 24 hours prior to the agreed-upon internal deadline for submission if OSR will be responsible for submitting the Plan as part of a proposal, Just in Time, or Award.
- Dedicates adequate staffing and resources so that the Plan is prioritized on short notice and can be submitted by the posted deadline. Holds adequate time for meetings with the PI during the time the Plan is being developed and refined.
- Submits the final approved Plan in BOX, CACTAS, SBCx, and/or any other agency specified system if required.
- Utilizes Outlook email to update or query OSR during plan workflow with PI.

Form Title	Use	Threshold	Federal Regulation
<u>Federal Funds Checklist</u>	All Federally-funded transactions	≥ \$10,000	UC Systemwide
<u>Source Selection & Price Reasonableness (SSPR)</u>	All Federally-funded transactions	≥ \$10,000	Uniform Guidance (UG)
<u>Debarment & Anti-Lobby Certification Form</u>	All Federal Grants & Cooperative Agreements	All Orders (Debarment) ≥\$100,000 (Anti-Lobby)	Uniform Guidance Federal Acquisition Regulations (FAR)
<u>Debarment & Anti-Lobby Certification Form</u>	Federal Contracts	≥ \$35,000 (Debarment) ≥150,000 (Anti-Lobby)	Uniform Guidance Federal Acquisition Regulations (FAR)
<u>Federal Funding Accountability & Transparency (FFATA)</u>	Federal Contracts	≥ \$30,000 (Suppliers must be 'active' status in SAM.gov system)	Federal Acquisition Regulations (FAR)
<u>Small Business Solicitation Documentation</u>	Federal Contracts	≥ \$250,000	Federal Acquisition Regulations (FAR)
<u>Certificate of Current Cost or Pricing Data</u>	Federal Contracts	≥ \$750,000	Federal Acquisition Regulations (FAR)
<u>Certificate of Current Cost or Pricing Data for CHANGE ORDERS</u>	Required for change orders where original TINA was certified for different amount	≥ \$750,000	Federal Acquisition Regulations (FAR)

Drafting the Small Business Plan

SCM and the PI will work in close collaboration to draft the Plan.

When OSR creates a new folder in CACTAS and sends an email to the Small Business Procurement Officer (PI and CGA cc-ed) that there is a proposal for a federal contract which requires a small business plan, the following is triggered:

Step 1: Acknowledge email to confirm receipt and ask for supporting documents. Supporting documents include:

- Budget (as current, final, and detailed as possible)
- Budget Justification Form that explains why those proposed amounts are there.
- Contracting Officer at the Government Agency (NIH, CDC, FDA) contact information.
- A copy of the PI's proposal with as much detail on project work as possible.
- A supply list of items intended for use in the Contract.
- Any templates and contacts required in a scenario where UCSF is a sub-contractor

Step 2: Email the Contracting Officer to validate the submission deadlines, protocols, and template. Determine if any components need to be sent directly from SCM to SBCx (or other repository), otherwise all final materials will be compiled in CACTAS in a unique contract folder.

Step 3: Build the Plan and narrative in conjunction with the PI or their designee(s). Overall aim is to assign as much of the spending as possible to the identified goals of the Contract. The goals are outlined on the template provided by the Contracting Officer. The goals are typically a table with certifications and percentages expected. Use the Excel template and Word document for initial drafts that can be held in BOX and iterated/edited/reviewed/approved before final submission. Small and local suppliers can be identified using BearBuy, Supplier.IO, referrals, or CalUSource. PIs or their designee may have specific recommendations for the suppliers they intend to use.

Step 4: The narrative is a template letter used to explain the overall efforts of UCSF to meet small business requirements. A brief Word document will be drafted to describe the UCSF/UC small business programs and emphasize that spending alignment is critical.

Step 5: Submission of the Plan and narrative. Once SCM and the PI agree that the Plan is in final state, the Small Business Procurement Officer will copy the Plan and supporting documentation from BOX to SBCx (and any other specified repository) and enter the percentages and dollar amounts that UCSF can commit to achieving.

Step 6: Prepare a PDF of the submitted plan and any supplemental forms or documents posted to SBCx (or other repositories) and post to designated folder in CACTAS, alerting OSR via email that final materials are posted.

Step 7: Provide the PI with the letter that turns the project over to them and describes their responsibilities in the process going forward.

Step 8: Monitor the plan (in conjunction with the PI and CGA) for additional needs.

- Frequently, the Contracting Officer will require additional documentation, clarification, or updates about the plan. Additional requirements are posted in SBCx, sometimes without email notification—any alerts or additional requirements should be shared with all stakeholders when discovered.
- SCM will undertake all small modifications and updates and will alert all collaborators in the event a complete Plan re-do is required.
- SCM and the Small Business Procurement Officer will ensure CACTAS documentation is aligned with any rework posted to SBCx, and ensure a copy is kept at-hand in BOX.

Step 9: Collaborate with PI, OSR, CGA on prescribed semi-annual small business plan review/reconciliation. SCM will work in conjunction with CGA and the PI to review and update all impacted documentation in CACTAS, and ensure a copy is kept at-hand in BOX.

(Alternative Process) UCSF is a Sub-Contractor

If UCSF is a sub-contractor on an award administered by another entity, OSR will serve as a conduit for process exceptions. Additional stakeholder contact information and documentation must be supplied by OSR to SCM in order for appropriate and timely collaboration to occur. All sub-contractor documents will be iterated, stored and posted in BOX, CACTAS, and SBCx (or other repository) as required.

(Alternative Process) Letter of Non-Applicability

There is an opportunity to get a waiver (aka Letter of Non-Applicability) if the entire plan or most of the spending does not include the procurement of goods or services. For example, if the contract is 100% salaries. In these cases, a waiver of non-applicability will be developed by SCM, acknowledged by the PI and OSAR, then posted to BOX and CACTAS.

Posting and Archiving the Small Business Plan

The Plan may be submitted by OSR along with the proposal via email or in a sponsor system such as SBCx, or it may be submitted by SCM separately from the rest of the proposal in SBCx.

Potential Missed Deadline Escalation Process

Missing a Government Contract proposal deadline has the potential to be catastrophic for the PI and for UC San Francisco. Ensuring timely submission of all proposal elements is of paramount importance and should not be put at risk due to a central office or the PI waiting too long to escalate the matter. If the PI, SCM, or OSR believes that the sponsor deadline or an agreed-upon internal deadline may be missed due to any late component of the proposal, including a Small Business Subcontracting Plan, the matter should be immediately escalated to the attention of the Assistant Vice Chancellor for OSR and the Associate VCR and Chief Procurement Officer for SCM so that they may step in to provide the necessary support. Those parties may be granted access to CACTAS for purposes of reviewing documentation and engaging on revised plan of action.

Award Notification

Once a contract has been awarded and assigned an active contract identification number (which differs from pre-award ID), OSR will notify SCM and CGA in conjunction with the PI. Going forward, the contract ID will be utilized in documentation and communications concerning the Plan. SCM will move prior drafts and related pre-award documents in the BOX repository into a folder labeled with the active contract ID.

Post-Award Plan Maintenance – PI, SCM, AND CGA

All parties will help one another stay current on federal information and agree to consistent use of CACTAS as the universal repository with BOX folder as an accessible back-up. Strong messaging needs to be shared across the organization. OSR, CGA and SCM will execute updates to their webpages as follows:

- Update our websites with the current final process
- Include information in our newsletters for education purposes
- Provide training as needed

Funds Award Management

PIs are responsible for fulfilling the obligations associated with all monies from the award including the federal small business subcontracting plans.

It is the PI's responsibility to ensure CACTAS documents are updated and notify the Small Business Officer and CGA if funding is reduced, increased, or denied.

In the event a federally funded project, at any point, is not able to meet spend commitments with a small business for which it included goals in a Plan, the PI/project team must proceed with one of the following actions:

- a) Explain in writing the reason spend could not occur during a federal reporting period and describe what efforts will be made to purchase from that business in the future. The Principal Investigator must notify the funder of these circumstances. This information also needs to be shared with the Supplier Economic Impact Program Manager via email and posted in CACTAS folder, and by filing Individual Subcontracting Reports (ISR) in the Electronic Subcontracting Reporting System.
- b) If spend will not occur at all with the business, explain the reason why in writing and work with the Small Business Officer in SCM to document the name of an alternate small business to provide the goods or services. If another small business cannot be used, document why, and the name of the large business from which the goods or services will be purchased. Update and/or add documentation in CACTAS. The PI/Project Team must then contact the

government Contracting Officer to explain the situation and receive written approval for the new proposed provider.

Post Award Management

Principal Investigators and Lab Managers (in consultation with SCM Procurement staff) are in charge of fulfilling the obligations associated with all monies from the grant award. Per the documentation supplied at the time of award, spending must align with the Plan and spend activity will be scrutinized periodically throughout the entire contract.

Audit Preparedness

Federal funding can change anytime throughout the life cycle of the contract or with each budget year. Therefore, it is important to organize and maintain audit plans and track documentation. The Small Business Subcontracting Plans will be organized by proposal ID, award number, PI name, and current CACTAS record number, with documents saved by the PI name. All documents will be uploaded to the shared Supplier Economic Impact Program – Federal Contracts BOX folder for iteration and as an accessible back-up repository. This process will allow information of reduced, increased or revoked funding to be readily available and revisions to the Plan to be accessed readily.

Record Management

CGA tracks the sponsored awards that required federal reporting—for the duration of the project. There are two required reports with one due semi-annually (April/October) and the other annually (October).

- CGA will review the reporting population the first week of the month due (April/October)
- If a plan cannot be found in CACTAS, CGA will provide the list of awards missing small business plans to SCM on or before the 10th of the month due (April/October)
- SCM to provide the small business plans to CGA on or before the 24th of the month due (April/October)
- CGA then completes reports regarding the execution of the plan to the federal government 2x times per year.
- CGA will provide the final reporting data to SCM via CACTAS.

Frequently Asked Questions (FAQ)

Q: Who is responsible for supplier selection, and what are the criteria we're looking for?

A: Ultimately, SCM proposes suppliers who are in the category of spend and who have the necessary certifications. The PI and their team should validate the suppliers they are going to use because they are contractually required to adhere to the plan.

Q: Who makes the determination to use a waiver of non-applicability?

A: The Contracting officer, PI, or SCM can suggest using a waiver. Ultimately the Contracting Officer is responsible for collecting signatures and posting this document to CACTAS. SCM is responsible for posting a copy of the waiver to SBCx and retaining a copy in BOX, for archival access.

Q: What is the repository of record for Federal Contracts Small Business Plans?

A: For all UCSF constituencies, CACTAS is the official repository for final Plan documents. The BOX folder, administered by SCM and accessible to all, serves as a secondary repository for final documentation as well as drafts and any related collateral.

Q: Who is responsible for monitoring SBCx for alerts and communications on existing Plans?

A: Supply Chain Management will routinely monitor SBCx (and any other relevant federal agency channels) for communications related to Plans. Any stakeholder presented with or discovering communications from the federal agency in relation to a Plan, is obliged to email all other collaborators to ensure that nothing critical is missed.

Q: Where can PIs and their teams get support for budget creation?

A: Budget creation and delivery is the responsibility of the research team under the authority of the PI. Internal resources such as the departmental Chief Administrative Officer and/or Financial Analyst can assist with the budgeting process.