CARNEGIE MELLON UNIVERSITY
MASTER SUBCONTRACTING PLAN
(JULY 2012)

(Submitted in accordance with Public Law 95-507)

Carnegie Mellon University
5000 Forbes Avenue
Pittsburgh, PA 15213

THIS MASTER PLAN IS APPROVED
FOR THE PERIOD JULY 8, 2012 TO JULY 7, 2015

SUBMITTED BY:
CARNEGIE MELLON UNIVERSITY

APPROVED BY:
OFFICE OF NAVAL RESEARCH

Elizabeth A. Milavec
Assoc. Vice President and University Controller
Date: 7/20/2012

Administrative Contracting Officer
Date: 7/20/2012
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Attachment A – Subcontracting Plan Goals
1. Understanding

Carnegie Mellon University ("University") understands that:

a. An acceptable master subcontracting plan must, in the determination of the Contracting Officer, provide the maximum practicable opportunity for Small Businesses ("SB"), Small Disadvantaged Businesses including Alaska Native Corporations (ANC) and Indian Tribes regardless of size or SBA certification status ("SDB"), Women-Owned Small Businesses ("WOSB"), Historically Black Colleges and Universities and Minority Institutions ("HBCU/MI"), certain small business concerns located in "historically underutilized business zones" ("HUBZone"), Veteran-Owned Small Business ("VOSB") and Service-Disabled Veteran-Owned Small Business ("SDVOSB") to participate in the performance of the contract.

b. The Contracting Officer shall notify University in writing of any reasons for determining a subcontracting plan to be unacceptable. Such notice shall be given early enough in the negotiation process to allow University sufficient time to modify the plan within the time limits prescribed.

c. Prior compliance of University with other such subcontracting plans under previous contracts may be considered by the Contracting Officer in determining the responsibility of University for award of the contract.

d. The failure of University to comply in good faith with FAR 19.7 entitled, "Small Business Subcontracting Program" may be a material breach of such contract or subcontract.

e. This Master Subcontracting Plan, which contains all the elements required by FAR 52.219-9 except goals, shall be incorporated by reference as a part of each individual subcontract plan required of University, provided:

   i. the master subcontracting plan has been approved by the University’s cognizant Administrative Contracting Office;

   ii. University provides copies of the approved master subcontracting plan and evidence of its approval to the Contracting Officer;

   iii. separate goals for the basic contract and, if necessary, each option have been established, and

   iv. any deviations from the master subcontracting plan, deemed necessary by the Contracting Officer to satisfy the requirements of the relevant contract, are set forth in the individual subcontract plan for the contract.

Each individual subcontract plan shall contain a description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB. Any goals less
than the desired minimum will contain a description of the efforts to find sources and an explanation as to why those efforts have been unsuccessful.

2. Subcontracting Goals

The University views the support of small business (and all the categories identified in Section 1 above) under the requirements of FAR 19.7 (DFARS 219.7), 52.219-8, 52.219-9 (DFARS 52.219-7003), 52.219-16 and DFARS 252.219-7004, as an extension of the University’s published social and economic responsibilities to the general public. It is the intent of Carnegie Mellon University to assist SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB to the maximum extent practicable consistent with sound business practices and with the efficient performance of the University’s contract requirements and obligations. Individual subcontracting goals, which will include percentages, dollars and a description of products and/or services to be obtained, will be established for each federal contract requiring the submission of an individual subcontract plan as exemplified by Attachment A.

It is also the University’s intent to give such small business concerns a fair and equitable opportunity to complete for business, consistent with the efficient performance of the University’s contractual obligations. The University pledges to make a concerted effort to locate small business, and each of the categories of small business mentioned above, to provide an equitable opportunity in competing for subcontract requirements.

3. Method Used to Develop Subcontracting Goals

Carnegie Mellon University will identify small business subcontracting opportunities based upon an analysis of the statement of work and the products and/or services that will support the successful performance of each federal contract.

Facilities and administrative costs will not be included in the University’s goals.

4. Master Subcontracting Plan

Carnegie Mellon University recognizes its responsibility to assure that SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB have maximum practicable opportunity to compete for its subcontracts. To that end, the University has developed the following process to identify and increase opportunity for these types of small business concerns:

a. Seek, facilitate, communicate and encourage the submission of bids of qualified small business of all types with the University, and administer each individual subcontract plan accordingly.
b. Establish and maintain source lists of potential small businesses which are capable or potentially capable of providing the goods and services required by the University and its customers.

c. Counsel representatives of such concerns on how they can do business with the University and qualify to participate in the competitive bidding process.

d. Maintain regular liaison with the local representatives of the Small Business Administration, other government agencies, and minority business organizations in order to obtain assistance in finding competent small business concerns.

e. Advise affected University personnel of the purpose and goals of each individual subcontract plan and follow up periodically in an effort to ensure that the plan is being properly supported, promoted and administered.

f. Maintain records demonstrating the University’s performance with regard to the goals established for its federally required individual subcontract plans.

g. Develop and provide reports to appropriate University management, and where required by federal law, government agencies concerning subcontract awards made to small business concerns.

In order to effectively implement this plan to the extent consistent with efficient contract performance, Carnegie Mellon University shall perform the following functions:

a. Assist small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Reasonable effort shall be made (taking into consideration the length of the lists of potential small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business subcontractors) to give all such small business concerns an opportunity to compete over a period of time.

b. Provide adequate and timely consideration of the potentialities of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in all “make-or-buy” decisions.
c. Counsel and discuss subcontracting opportunities with representatives of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business firms.

d. Confirm that a subcontractor representing itself as a HUBZone small business concern is identified as a certified HUBZone small business concern by accessing the Central Contractor Registration (CCR) database or by contacting SBA.

e. Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, veteran-owned small business, HUBZone small, small disadvantaged, or women-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the relevant contract plan.

f. For all competitive subcontracts over the simplified acquisition threshold in which a small business concern received a small business preference, upon determination of the successful subcontract offeror, inform each unsuccessful small business subcontract offeror in writing of the name and location of the apparent successful offeror prior to award of the contract.

5. Master Subcontracting Plan Administration

The designated individual assigned overall responsibility for administering the master subcontracting plan for the University (the University Small Business Liaison Officer) is:

Name: Elizabeth A. Milavec  
Title: Associate Vice President for Finance & Controller and SBLO  
Address: Carnegie Mellon University  
5000 Forbes Avenue, UTDC  
Pittsburgh, PA 15213  
Phone: (412) 268-5904  
E-mail: emilavec@andrew.cmu.edu

Duties Under the Master Subcontracting Plan

The University has established a “shared responsibility” methodology for administration of the master subcontracting plan and individual subcontract plans. It is the intent of the University to have the duties performed as outlined below; however duties may be delegated to other parties on an as needed basis.
a. Small Business Liaison Officer:
   i. Assures that the University’s intent to give small business concerns maximum practicable opportunity to compete for subcontracts is carried out consistent with the efficient performance of prime contracts and the University’s published policies and procedures.
   ii. Establishes University-wide small business participation goals.
   iii. Collects and issues University-wide statistical data related to small business performance.
   iv. Verifies data and signs all reports for submittal to appropriate agencies.

b. Office of Sponsored Programs:
   i. Negotiates the specific terms and conditions of subcontracts which may include individual subcontract plan(s) required by Public Law and agency regulations.
   ii. Ensures inclusion of proper flow-down clauses in subcontracts.
   iii. Addresses any non-compliance with negotiated clauses and goals of which it becomes aware.

c. Office of Sponsored Projects Accounting:
   i. Collects the data for reporting purposes under federal contracts.
   ii. Prepares the SF 294 and SF 295 forms.

d. Procurement Services
   i. Develops and maintains bidders lists of SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB concerns.
   ii. Assists with the development of individual subcontract plan goals for small business concerns.
   iii. Counsels’ faculty and staff regarding actual performance under each individual subcontract plan and proposes and/or implements corrective action(s) as necessary.

6. Opportunities for Small Businesses to Compete

The University will make a concerted effort to ensure that small business concerns of all types will have an equitable opportunity to compete for subcontracts under each individual subcontract plan. This will be accomplished in the following manner:

a. Source lists will be annotated to indicate the category of each prospective supplier and made available to the University community.
b. Where an adequate number of SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB are not available, the University will make a special effort, through liaison with the local Small Business Administration, minority business organizations, and other governmental trade and professional associations and industry groups, to increase the number of such prospective small business contractors.

c. Sources will be identified primarily from the Central Contractor Registration (CCR), Dynamic Small Business Search (www.ccr.gov).

d. Specific performance responsibilities will be assigned to appropriate University offices charged with insuring that the University meets the established goals of each individual subcontract plan.

e. Reasonable effort will be made, consistent with the University’s, contract obligations, customer requirements, and internal policies and procedures to assist small business concerns of all types by tailoring solicitation requirements, such as allowing reasonable time for such small business concerns to prepare quotations; reasonable quantities (where feasible) for small businesses to handle; specifications and delivery schedules that small businesses can meet (unless such will impact the contract requirements); etc., in order to facilitate the participation of such small business concerns.

f. Efforts will be made to identify and use SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB on University contracts, so that they may be in a better position to compete for subcontracts under future contract opportunities.

7. Flowdown of Clauses

The University agrees that Federal Acquisition Regulation clause 52.219-8 entitled “Utilization of Small Business Concerns” will be included in all subcontracts which offer further subcontracting opportunities, and all subcontractors, except SB concerns, who receive subcontracts in excess of $650,000 ($1.5 million for construction of any public facility) will be required to adopt and comply with a subcontracting plan that complies with the requirements of Federal Acquisition Regulation 52.219-9, entitled “Small, Business Subcontracting Plan.”

8. Reports and Surveys

The University agrees to submit such periodic reports and cooperate in any studies or surveys as may be required by the contracting agency or the Small Business Administration in order to determine the extent of compliance by the contractor with the subcontracting
plan and with the clause entitled “Utilization of Small Business Concerns” contained in the applicable contract.

The University further agrees that it will:

(a) Submit the Individual Subcontract Report (ISR) and/or the Summary Subcontract Report (SSR), in accordance with paragraph (l) of 52.219-9 Small Business Subcontracting Plan using the Electronic Subcontracting Reporting System (eSRS) at http://www.esrs.gov. The reports shall provide information on subcontract awards to small business concerns (including ANCs and Indian tribes that are not small businesses), veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns (including ANCs and Indian tribes that have not been certified by the Small Business Administration as small disadvantaged businesses), women-owned small business concerns, and Historically Black Colleges and Universities and Minority Institutions. Reporting shall be in accordance with this clause or as provided in agency regulations;

(b) require its subcontractors with subcontracting plans to agree to submit the ISR and/or the SSR using eSRS;

(c) provide its prime contract number, its DUNS number, and the email address of the University’s official responsible for acknowledging receipt of or rejecting the ISRs, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their ISRs; and

(d) require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the email address of the subcontractor’s official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans.

9. Maintenance of Records

Carnegie Mellon University agrees that it will maintain at least the following types of records to document compliance with this subcontracting plan.

a. Source list, guides, and other data identifying SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB concerns.

b. Organizations contacted to locate SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB concerns.
c. On a contract-by-contract basis, records on all subcontract solicitations resulting in an award over $100,000, indicating for each solicitation if SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB were solicited, and if not, why not. Additionally, reasons for the failure of solicited SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB concerns to receive the subcontract award.

d. Records of any outreach efforts to contact: (i) trade associations; (ii) business development organizations; (iii) conferences and trade fairs to locate SB, HUBZone SB, SDB and WOSB sources; and (iv) veterans service organizations.

e. Records of internal guidance and encouragement provided to buyers through: (i) workshops, seminars, training, etc.; and (ii) monitoring performance to evaluate compliance with the program’s requirements.

f. On a contract by contract basis, records to support award data submitted to the Government, including the name, address, and business size of each subcontractor.

10. Training

The University provides periodic training and awareness programs relative to FAR 19.7. Training is conducted by University representatives, as well as government representatives associated with small business efforts.

11. Method Used to Identify Potential Sources for Solicitation Purposes

a. The Cognizant SBA Office will be contacted to identify sources of potential SB, SDB, WOSB, HBCU/MI, HUBZone, VOSB and SDVOSB for solicitation purposes. It is anticipated that good use will be made of the government’s “CCR Program” (Central Contractor Registration).

U.S. Small Business Administration
Pittsburgh District Office
411 Seventh Avenue
Suite 1450
Pittsburgh, PA 15219
(412) 395-6560
(412) 395-6562 (Fax)

b. The University’s accumulation of “Resource Directories”, a product of the University’s outreach efforts to assist new small business concerns, is published on the University’s Procurement Services web site for principal investigators, buyers and various campus end users to use in locating potential small business concerns.
c. Potential subcontractors and resources will be sought from such sources as:

African American Chamber of Commerce (Pgh) – Membership Directory
http://www.aaccwp.com/membership_directory.php

American Indian Development Associates
http://www.aidainc.net/

Central Contractor Registry – Federal Government Vendor Database

Institute for Supply Management – Pittsburgh, Inc.
http://www.ism-pittsburgh.org/

National Association of Educational Procurement
http://www.naepnet.org/

National Contract Management Association
http://www.ncmahq.org/

Office of Minority, Women & Disadvantaged Business Enterprises – M/W/DBE Certified Firms (Allegheny County)
http://www.alleghenycounty.us/mwdbe/

Office of Naval Research, Chicago Regional Office
Administrative Contracting Office
ONR_Chicago@onr.navy.mil

Small Business Administration – Pittsburgh District Office
http://www.sba.gov

SMC Business Council
http://www.smc.org/

State of Pennsylvania – Minority/Woman Business Database Search
http://www.portal.state.pa.us/portal/server.pt/community/mbe_wbe__certification/1359

The Pittsburgh Metropolitan Area Hispanic Chamber of Commerce
http://www.pmahcc.org/

The Veteran’s Corporation
http://veteranscorp.org/

Urban Redevelopment Authority (URA) of Pittsburgh – M/WBE Certification Directory
http://www.ura.org

Western Pennsylvania Minority Supplier Diversity Development Council
http://www.wpmsdc.org/

Women’s Business Network, Inc.
http://www.wbninc.com/
INDIVIDUAL SUBCONTRACT PLAN GOALS

As described by Carnegie Mellon University’s Master Subcontracting Plan, individual goals for this solicitation/contract are indicated below. The total percentage of planned subcontracting with small business concerns includes total dollars planned to be subcontracted with small, veteran owned small business, service disabled veteran-owned, HUBZone small business, small disadvantaged and women-owned small business concerns. The small disadvantaged business goal includes participation of historically black colleges and universities and minority institutions.

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<td>Small Business</td>
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Products and Services

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(Indicate entities providing each item)

Signed: __________________________ Date: __________________________

Title: __________________________