



**DEPARTMENT OF THE NAVY**  
OFFICE OF NAVAL RESEARCH  
CHICAGO REGIONAL OFFICE  
JOHN C. KLUCZYNSKI FEDERAL BUILDING  
230 SOUTH DEARBORN STREET SUITE 380  
CHICAGO IL 60604-1595

IN REPLY REFER TO

ONR-CHI/KMM  
SSIC 4330  
SER. 245/FY21-600  
15 June 2021

Tim Butala  
Executive Director, Procurement  
Carnegie Mellon University  
5000 Forbes Avenue  
UTDC Building, 4<sup>th</sup> Floor  
Pittsburgh, PA 15213-3890

Dear Mr. Butala:

This office has completed its review of Carnegie Mellon University's proposed Master Subcontracting Plan for DoD contracts and subcontracts that will be awarded during the period of July 8, 2021 through July 7, 2024.

In accordance with FAR 19.704 and 52.219-9, the attached Master Subcontracting Plan is approved for incorporation into individual plans contingent on the following conditions:

First, this approval does not relieve the University of its obligation to provide the Government with acceptable individual subcontracting goals under a basic contract award in accordance with FAR 52.219-9.

Second, the University agrees to ensure that the master plan is updated as required and provides copies of the approved master plan, including evidence of its approval, as required by the Government. Third, the goals and any deviations from the master plan deemed necessary by the Government to satisfy the requirements of the contract are set forth in the individual subcontracting plan.

Any deviations or changes required to update the master plan requires the approval of the assigned Administrative Contracting Officer. When required, the University may submit the first page of the Master Subcontracting Plan as documentation of the Government's approval of the master plan, a separate statement outlining the goals, and a brief description of the principal types or supplies or services to satisfy the statutory requirements under FAR 19.7 and FAR 52.219-9.

If you have any questions pertaining to the above, please contact me at (312) 886-2649.

Regards,

**MCCORMICK.KEYV** Digitally signed by  
MCCORMICK.KEVIN.M.139650384  
**IN.M.1396503847**  
Date: 2021.06.15 10:14:35 -05'00'

KEVIN McCORMICK  
Sr. Administrative Contracting Officer

CARNEGIE MELLON UNIVERSITY

MASTER SUBCONTRACTING PLAN



Carnegie Mellon University  
5000 Forbes Avenue  
Pittsburgh, PA 15213


This Master Subcontracting Plan is effective for a three year period  
after approval by the contracting officer / administrative contracting

SUBMITTED BY:

APPROVED BY:

CARNEGIE MELLON UNIVERSITY

OFFICE OF NAVAL RESEARCH

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Timothy A. Butala  
Executive Director, Procurement Services

Administrative Contracting Officer

Date: 2021 May 27

Date: \_\_\_\_\_

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
1. Understanding	1
2. Subcontracting Goals	2
3. Method Used to Develop Subcontracting Goals; Indirect Costs	2
4. Master Subcontracting Plan Administration and Description of Duties	3
5. Efforts to Assure Equitable Opportunities for Small Businesses to Compete	4
6. Flowdown of Clauses	6
7. Reports, Surveys and Assurances	6
8. Maintenance of Records	7
9. Training	8
10. Method Used to Identify Potential Sources for Solicitation Purposes	8

Attachment A - Subcontracting Plan Goals

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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This Master Subcontracting Plan is submitted to satisfy the applicable requirements of Public Law 95-507, 103-355, 105-135 and 106-50 as implemented by the Federal Acquisition Regulation, the Defense Supplement thereto, Public Law 100-180 and 103-337.

## 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:
  - i. Small Businesses ("SB"),
  - ii. Small Disadvantaged Businesses ("SDB") including Alaska Native Corporations (ANC) and Indian Tribes regardless of size or SBA certification status and Historically Black Colleges and Universities and Minority Institutions "HBCU/MI"),
  - iii. Women-Owned Small Businesses ("WOSB"),
  - iv. Veteran-Owned Small Business ("VOSB"),
  - v. Service- Disabled Veteran-Owned Small Business ("SDVOSB") and
  - vi. certain small business concerns located in "historically underutilized business zones" ("HUBZone")to participate in contract performance consistent with its efficient performance.
- 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

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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- 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 (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone. Any goals less than the desired minimum will contain a description of the effort 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 (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone 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 compete 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; Indirect Costs**

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.

Indirect costs (e.g. facilities, administrative) will not be included in the University's goals.

#### 4. Master Subcontracting Plan Administration and Description of Duties

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

Name: Timothy A. Butala  
Title: Executive Director, Procurement Services  
Address: Carnegie Mellon University  
5000 Forbes Avenue, UTDC  
Pittsburgh, PA 15213-3890  
Phone: (412) 268-4309  
E-Mail: [tbutala@andrew.cmu.edu](mailto:tbutala@andrew.cmu.edu)

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.
  - v. Assures the Master Subcontracting plan is updated as necessary in accordance with FAR 52.219-9(f)(2).
- b. Principal Investigators:
  - i. Establish individual subcontracting plans.
  - ii. Ensure compliance with the individual subcontracting plan.
- c. Office of Sponsored Programs:
  - i. Submits individual subcontracting plan as part of a bid or proposal.
  - ii. Negotiates and executes federal contracts.
  - iii. Ensures inclusion of proper flow-down clauses in subcontracts.
  - iv. Addresses any non-compliance of which it becomes aware.

- d. Office of Sponsored Projects Accounting:
  - i. Identifies/Track reporting requirements.
  - ii. Collects the data for reporting purposes under federal contracts
  - iii. Prepares and reviews the SF 294 and SF 295 forms.
  - iv. Submits required reports (utilizing eSRS or other means, as required).
- e. Procurement Services
  - i. Develops and maintains bidder's lists of SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone concerns.
  - ii. Assists with the development of individual subcontract plan goals for small business concerns, as requested.
  - iii. Counsels faculty and staff regarding actual performance under each individual subcontract plan and proposes and/or implements corrective action(s) as necessary.

## **5. Efforts to Assure Equitable Opportunities for Small Businesses to Compete**

Carnegie Mellon University recognizes its responsibility to assure that SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone have maximum practicable opportunity to compete for its subcontracts consistent with the efficient performance of such subcontracts. To that end, the University has developed the following parameters to identify and increase opportunity for these types of small business concerns:

- a. Advise affected University personnel of the purpose and goals of individual subcontract plan and follows up periodically in an effort to ensure that the plan is being properly supported, promoted and administered,
- b. 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,
- c. 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,
- d. Establish, maintain and make available to University buyers 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. Sources will be identified primarily from the System for Award Management (SAM.gov) database,

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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- e. Confirm that a subcontractor representing itself as a HUBZone small business concern is identified as a certified HUBZone small business concern by accessing the System for Award Management (SAM.gov) database or by contacting SBA,
- f. Counsel representatives of SB concerns on how they can do business with the University and qualify to participate in the competitive bidding process,
- g. 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,
- h. 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,
- i. Where an adequate number of SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone 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,
- j. Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone 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,
- k. 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,
- l. Provide adequate and timely consideration of the potentialities of SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone in all "make-or-buy" decisions,
- m. Maintain records demonstrating the University's performance with regard to the



goals established for its federally required individual subcontract plans,

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

## 6. 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 the applicable threshold specified in FAR 19.702(a) on the date of the subcontract award, with further subcontracting possibilities, 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 in accordance with FAR 52.219-9(d)(9).

## 7. Reports, Surveys and Assurances

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 SB Concerns (including ANCs and Indian tribes that are not small businesses), SDB (including ANCs and Indian tribes that have not been certified by the Small Business Administration as SDB), WOSB, HBCU/MI, Hubzone, VOSB, and SDVOSB. Reporting shall be in accordance with this clause or as provided in agency regulations, in accordance with FAR 52.219-9(10)(iv),
- b. ensures that the University's subcontractors with subcontracting plans agree to submit the ISR and/or the SSR using eSRS,
- c. provide its prime contract number, its *unique entity identifier*, and the email

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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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,

- d. require that each subcontractor with a subcontracting plan provide the prime contract number, its *unique entity identifier*, and the email address of the subcontractor's official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans,
- e. include subcontracting data for each order when reporting achievements for indefinite-delivery, indefinite-quantity contracts with individual subcontracting plans where the contract is intended for use by multiple agencies, in accordance with FAR 52.219-9(d)(10)(iii),
- f. The University will make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns that it used in preparing the bid or proposal, in the same or greater scope, amount, and quality used in preparing and submitting the bid or proposal in accordance to FAR 52.219-9(d)(12),
- g. The University agrees to provide to the contracting officer, within 30 days of contract completion, a written explanation if University fails to acquire articles, equipment, supplies, services or materials, or obtain the performance of construction work as described in the bid or proposal, in accordance with FAR 52.219-9(d)(13),
- h. The University will not prohibit a subcontractor from discussing with the contracting officer any material matter pertaining to payment to or utilization of a subcontractor, in accordance with FAR 53.219-9(d)(14),
- i. The University will pay its small business subcontractors on time and in accordance with terms and conditions of the underlying subcontract, and notify the contracting officer when University makes either a reduced or an untimely payment to a small business subcontractor, in accordance with FAR 52.219-9(d)(15).

## 8. 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, in accordance with FAR 52.219-9(d)(11):

- a. Source lists (e.g. SAM), guides, and other data identifying SB, SDB, WOSB, HBCU/MI,

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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HUBZone, VOSB and SDVOSB concerns,

- b. Organizations contacted to locate sources that are SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone,
- c. On a contract-by-contract basis, records on all subcontract solicitations resulting in an award over the simplified acquisition threshold as defined in FAR 2.101 on the date of subcontract award, indicating for each solicitation if SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone were solicited, and if not, why not. Additionally, reasons for the failure of solicited SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone 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, SDB, WOSB, VOSB, SDVOSD, and HUBZone sources,
- 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 by the University to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement.

## 9. Training

The University will conduct or arrange for conduct of motivational training for purchasing personnel pursuant to the intent of PL 95-507.

## 10. Method Used to Identify Potential Sources for Solicitation Purposes

- a. The Cognizant SBA Office will be contacted to identify sources of potential SB, SDB (HBCU/MI), WOSB, VOSB, SDVOSD, and HUBZone for solicitation purposes. It is anticipated that good use will be made of the government's System for Award Management database.

U.S. Small Business Administration  
**Pittsburgh District Office**  
411 Seventh Avenue  
Suite 1450  
Pittsburgh, PA 15219

CARNEGIE MELLON UNIVERSITY  
MASTER SUBCONTRACTING PLAN

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(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:

**System for Award Management Database**

<https://www.sam.gov>

**African American Chamber of Commerce of Western PA**

<http://www.aaccwp.com>

**Allegheny County Minority, Women & Disadvantaged Business Enterprises (Certified Firms)**

<http://www.alleghenycounty.us/equity-inclusion/index.aspx>

**American Indian Development Associates**

[watermark](#)

**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 Naval Research, Chicago Regional Office Administrative Contracting Office Contact**

<https://www.onr.navy.mil/>

**Small Business Administration - Pittsburgh District Office**

<http://www.sba.gov/>

**SMC Business Council**

<https://www.mbausa.org/>

**State of Pennsylvania - Bureau of Diversity, Inclusion and Small Business Opportunities**

<https://www.dgs.pa.gov/Small%20Diverse%20Business%20Program/Pages/default.aspx>

**Pittsburgh Metropolitan Area Hispanic Chamber of Commerce**

<http://www.pmahcc.org/>

**Urban Redevelopment Authority (URA) of Pittsburgh - M/WBE Certification Directory**

<http://www.ura.org/>

**Veteran's Corporation**

<http://veteranscorp.org/>

**Western Pennsylvania Minority Supplier Diversity Development Council**

<http://www.emsdc.org/>

**Women's Business Network, Inc.**

<http://www.wbninc.com/>

**Carnegie Mellon University**  
**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.

<u>ENTITIES</u>	<u>Percentage</u>	<u>Dollars</u>
Small Business	_____ %	\$ _____
Veteran-Owned Small Business	_____ %	\$ _____
Service-Disabled Veteran-Owned SB	_____ %	\$ _____
HUBZone Small Business Small	_____ %	\$ _____
Disadvantaged Business	_____ %	\$ _____
HBCU/MI (subset of SDB goal)		
Women-Owned Small Business	_____ %	\$ _____

PRODUCTS & SERVICES

SB VOSB SDVO HUBZ SDB WOSB  
*Indicate entities providing each item)*

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Solicitation or Contract Number: \_\_\_\_\_

Principal Investigator Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_