

2. AMENDMENT/MODIFICATION NO. 0073	3. EFFECTIVE DATE See Block 16c.	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
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6. ISSUED BY U.S. Department of Energy National Nuclear Security Administration Sandia Field Office P.O. Box 5400, MS 0184 Albuquerque, NM 87185-5400	7. ADMINISTERED BY (If other than Item 6) CODE
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, state, ZIP Code) National Technology & Engineering Solutions of Sandia, LLC 1515 Eubank Blvd SE Albuquerque, New Mexico 87123-3453	9A. AMENDMENT OF SOLICITATION NO.
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-NA0003525
	10B. DATED (SEE ITEM 13) 12/16/2016

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation as amended, by one of the following methods:
 (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO (Specify authority): THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE-NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (Such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: DOE Organization Act, 42 USC §7101 et seq.; NNSA Act, 50 USC § 2401 et seq.; DEAR 970.5204-2 Laws, Regulations and DOE Directives (Dec 2000) (Deviation); and DEAR 952.215-70 Key Personnel
	D. OTHER (Specify type of modification and authority):

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The purpose of this modification is to: modify the FY2019 and FY2020 Board of Managers cost ceiling in H-33(a)(2); revise Section I clause I-5, FAR 52.219-10; replace Appendix D, Key Personnel (Attachment 1); and replace Appendix E, Small Business Subcontracting Plan (Attachment 2). See details on the continuation page.

15A. NAME AND TITLE OF SIGNER (Type or print) KELLY WESTLAKE, SENIOR MANAGER PRIME CONTRACT National Technology & Engineering Solutions of Sandia	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Lindsey VanNess, Contracting Officer Sandia Field Office, NNSA
15B. CONTRACTOR/OFFEROR BY (Signature of person authorized to sign)	15C. DATE SIGNED 9/17/19
16B. UNITED STATES OF AMERICA BY (Signature of Contracting Officer)	16C. DATE 2019.09.17 08:34:41 -06'00'

- 1- Replace the table in Section H, clause H-33, paragraph (a)(2) in its entirety. This table has been revised to remove the cost ceiling for the FY2019 Board of Managers (BOM) planning meeting and training and to add the FY2020 cost ceiling for the FY2020 BOM meetings.

Contract Period	Cost Ceiling	Mod #
May 1, 2017 – September 30, 2017	\$ 38,500	M0018
FY2018	\$ 390,000	M0026
FY2019	\$ 390,000	M0050
FY2020	\$ 390,000	M0073
FY2021		
FY2022		

- 2- Administratively correct Section I clause I-5, FAR 52.219-10, *Incentive Subcontracting Program*, paragraph (b) to correct the error by removing the closed parenthesis in the middle of the sentence and replacing it with 0%, and removing the dash as follows:

From:

(Contracting Officer to insert the appropriate number between) and up to- 7%)

To:

(Contracting Officer to insert the appropriate number between 0% and up to 7%)

- 3- Replace Appendix D, *Key Personnel*, with attachment 1 in its entirety to reflect the change in the Associate Laboratories Director for Integrated Security Solutions, effective 09/06/2019.
- 4- Replace Appendix E, *Small Business Subcontracting Plan* (Plan), with attachment 2 in its entirety. This revision of the Plan removes all references to the SBA All-Small Mentor-Protégé Program; aligns requirements for consistency with 48 CFR 919.70; adds the negotiated FY2019 socioeconomic small business goals; adds the FY2018 earned fee pursuant to FAR 52.219-10 INCENTIVE SUBCONTRACTING PROGRAM (OCT 2014); and incorporates other administrative changes made to the Plan.
- 5- All other terms and conditions remain unchanged.

- - - End of contract modification - - -

SECTION J

APPENDIX D, Key Personnel

Title	Name	Effective
Laboratories Director	Dr. Stephen M. Younger	05/01/2017
Deputy Laboratories Director	D.E. (Dori) Ellis	06/28/2019
Nuclear Deterrence Associate Laboratories Director	Dr. Steven P. Girrens	05/01/2017
Defense Nuclear Nonproliferation Associate Laboratories Director	Douglas Bruder	05/01/2017
Advanced Science & Technology Associate Laboratories Director	Dr. Susan J. Seestrom	05/01/2017
Integrated Security Solutions Associate Laboratories Director	Dr. Andrew McIlroy	09/06/2019
National Security Programs Associate Laboratories Director	Michael J. Burns	05/01/2017
Infrastructure Operations Associate Laboratories Director	H. John Clymo	05/01/2017
Mission Assurance Associate Laboratories Director	Mark D. Sellers	05/01/2017
Mission Services Associate Laboratories Director	Scott L. Aeilts	05/01/2017

SECTION J, APPENDIX E

SMALL BUSINESS SUBCONTRACTING PLAN

DOCUMENT REVISION HISTORY

Revision	Date	Change Description
1 (Mod 0043)	2/20/2018	<p>1) Replace the NTESS Program Administration identified in <u>SECTION II. PROGRAM ADMINISTRATOR</u> of the Plan:</p> <p>FROM: Delfinia L Salazar, Small Business Program Manager Telephone: (505) 284-8963; email: dlsalaz@sandia.gov</p> <p>TO: Paul R. Sedillo, Small Business Program Manager Telephone: (505) 844-7041; email: prsedil@sandia.gov</p> <p>2) Referred the point of contact identified in <u>Section V. REPORTS AND SURVEYS</u> that is responsible for the Individual Subcontracting Reports to <u>SECTION II. PROGRAM ADMINISTRATOR</u> of the Plan</p>
2 (Mod 0073)	TBD	<p>1) Modified <u>SUBCONTRACTING PLAN OVERVIEW</u> to remove references to the SBA All-Small Mentor-Protégé Program and align requirements for consistency with DEAR 919.70 – DOE Mentor-Protégé Program.</p> <p>2) Revised <u>Figure SB-2: NTESS Proposed Subcontracting Goals for FY17-FY22 (%)</u> with negotiated FY2019 socioeconomic small business goals.</p> <p>3) Revised <u>SECTION III. EQUITABLE OPPORTUNITY AND OUTREACH EFFORTS</u> to footnote references to matchmaking and align requirements for consistency with DEAR 919.70 – DOE Mentor-Protégé Program.</p> <p>4) Adds the FY2018 earned fee pursuant to FAR 52.219-10 INCENTIVE SUBCONTRACTING PROGRAM (OCT 2014)</p>

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National Technology & Engineering Solutions of Sandia, LLC Small Business Subcontracting Plan¹

IDENTIFICATION DATA

Company Name:	National Technology & Engineering Solutions of Sandia, LLC
Dun & Bradstreet Number:	007113228
Address:	1515 Eubank Blvd SE Albuquerque, NM, 87123-3453
Prime Contract Number:	DE-NA0003525
Item/Service Provided:	Management & Operating Contract for Sandia National Laboratories
Total Amount of Contract²:	Transition and Base Period: \$13,015,548,428 (estimated) Option Terms: \$13,000,000,000 (estimated)
Contract Performance Period¹:	Transition Period: January 18, 2017 – April 30, 2017 Base Period: May 1, 2017 – April 30, 2022 Option Terms: 5 one-year Option Terms (May 1, 2022 – April 30, 2027)

This Subcontracting Plan includes the following elements:

- Identification Data
- Subcontracting Plan Overview
- Plan Type
 - Section I. Goals
 - Section II. Program Administrator
 - Section III. Equitable Opportunity and Outreach Efforts
 - Section IV. Subcontracting Plan Flowdown
 - Section V. Reports and Surveys
 - Section VI. Records and Procedures
 - Section VII. Additional Subcontracting Plan Assurance

¹ Per FAR 52.219-9 (January 2017), this Small Business Subcontracting Plan covers the entire contract period including Transition, Base, and Option Term periods.

² Contract amount includes an estimated \$2.6 billion annually plus estimated Transition costs.

SUBCONTRACTING PLAN OVERVIEW

The National Technology & Engineering Solutions of Sandia, LLC (NTESS) Small Business (SB) Subcontracting Plan communicates the goals and methods supporting flow-down requirements in accordance FAR 52.219-9 entitled “Small Business Subcontracting Plan.” Focus is placed on NTESS, a single purpose operating affiliate of Honeywell, which has established goals and will manage achievement of those goals through monitoring, measuring, and feedback analysis of administrative responsibilities, performance results, and small business outreach. The goals and results reported in this SB Subcontracting Plan are based on subcontracting activities associated with the Management and Operating (M&O) contract at Sandia National Laboratories (Sandia).

The integration of SB is not something NTESS does simply to meet National Nuclear Security Administration (NNSA) expectations; it is an important part of Honeywell’s and its teaming subcontractors’ culture and values. NTESS is solely owned by Honeywell. Teaming subcontractors are also represented by Northrop Grumman Corporation and Universities Research Association, Inc.

The Small Business Program Manager and Supplier Diversity team help procurement personnel to identify potential opportunities for small business placement and provides assistance with tools, processes, systems, and training so that we are connected with the SB supply base and encourage engagement of SBs across the full contract scope.

NTESS seeks capable small, small disadvantaged (SDB), women-owned (WOSB), HUBZone, veteran-owned (VOSB), and service-disabled veteran-owned (SDVOB) businesses to successfully support our mission at Sandia. SB subcontracting results are achieved through procurement strategy and business outreach. We incorporate outreach as a strategy to be involved in the business community and identify new supplier sources. NTESS will be actively engaged with affiliate organizations that help us accomplish outreach objectives throughout the year. Our objective is for NTESS’s engagement with SB development to be incorporated into all phases of our supply chain management processes.

NTESS’ core values include a commitment to ensure SB participation in significant and complex aspects of the site’s mission. We believe that such SB participation will support project goals, positively affect the local and regional communities, and provide a foundation for growth and expansion. Each line manager is personally responsible and accountable for using SB concerns within their areas of responsibility. We measure their performance against the goals as part of their performance evaluations.

NTESS’s approach is built on the belief that SBs should receive a durable benefit from supporting meaningful aspects of operations where their skills, innovation, and acumen allow us to safely accomplish the Sandia mission. Examples include identifying needed support of existing scope, including more challenging tasks/projects (e.g., design tasks, testing, and support to cutting edge R&D activities) and establishing a long-term based presence (e.g., environmental compliance support).

We have identified two SB concerns in this proposal that will perform services under the Sandia M&O contract. Sandia Technical Partners (STP) is a joint venture of four New Mexico-based SBs with a variety of technical capabilities aligned to Sandia mission areas. The partners are Los Alamos Technical Associates (LATA); Strategic Management Associates, Inc. (SMSI); Innovative Technology Partnerships (ITP); and Sigma Sciences, Inc. (SSI). We will employ STP on projects relating to the members’ core competencies. Longenecker & Associates, a WOSB, will support Sandia safety, quality, and project delivery activities.

One of the ways that we plan to increase SB participation is through implementation of a Mentor-Protégé program utilizing the Department of Energy (DOE) Mentor-Protégé program. NTESS’s program will seek SB concerns that have been in business for at least two years and have not

previously participated in a Department of Energy (DOE) Mentor-Protégé. Through this approach, we provide fair opportunities for established SB concerns to enhance their operational skills.

We will select prospective protégés based on specific Sandia mission needs and ongoing/projected work scope. For example, we will seek protégés in the areas of research and development (advanced materials, bioscience, nanodevices), cybersecurity, waste management, project management/project controls, and environmental, safety, health and quality compliance. Our selection criteria include: (1) qualified as a SB and/or other socioeconomic category; (2) eligible to work under a government contract; and (3) demonstrated ownership and management commitment.

We commit to establish up to three DOE Mentor-Protégé (MP) agreements within the first five years of the contract period of performance. Each agreement will have a maximum duration of three years. This timeframe allows sufficient time to establish clear, achievable goals for our protégés and maintain focus on their development progress. This approach also allows us to continue to provide Mentor-Protégé opportunities to other capable SB concerns.

We will mentor our SB protégés to help them strengthen their core competencies; recommend improvements to financial, administrative, and other functions/systems; and help them prepare for additional work. If necessary, we will use a variety of tools to locate and use SB entities from a variety of categories, from the local area as well as across the state and nationwide.

NTESS will leverage the small business program knowledge and performance of Honeywell to ensure that the Sandia SB Plan meets or exceeds the established goals.

Plan Type: Individual Subcontracting Plan

All elements are developed specifically for the entire contract period (including option periods) of this contract. Projected dollar and percentage goals are based on subcontracting activities associated with the U.S. DOE's prime contract No. DE-NA0003525.

SECTION I: GOALS

In accordance with DEAR 970.1907-4 "The Small Business Subcontracting Program," NTESS will submit proposed subcontracting goals 60 days prior to the beginning of each fiscal year during the term of this contract, or by such other date authorized in writing by the Contracting Officer. The goals will be negotiated once each fiscal year and the agreement between NTESS and the Contracting Officer will be communicated in writing. This submittal will include subcontracting goals for SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB; all are collectively referred to as "small business concerns." Goals are based on separate dollars and percentages for each small business concern category as specified in FAR 52.219-9. Subcontracting dollars with Alaskan Native Corporations (ANC) and Indian Tribes are counted towards achievement of subcontracting goals for small business and small disadvantaged business concerns, regardless of the size or SBA certification status of the ANC or Indian Tribe.

DEAR 970.1907-4 "The Small Business Subcontracting Program" for M&Os, states:

"Pursuant to the clause at 48 CFR 52.219-9, Small Business Subcontracting Plan, which is required for all management and operating contracts, each management and operating contract shall include a subcontracting plan which is effective for the term of the contract. Goals for the contract shall be negotiated annually when revised funding levels are determined. The plan should include provisions for revising the goals or any other sections of the plan. Such revisions shall be in writing, approved by the contracting officer, and shall be specifically made a material part of the contract."

The partial-FY2017 proposed goals outlined in this section are based on the estimated budget and forecast of procurement requirements, including those for Large Business (LB) concerns. We have used Sandia Corporation's FY 2016 plan goals as the baseline for this plan. Dollar values in this plan reflect the five-month Base period of performance in FY 2017, preceding Transition period, and start of the Base period of the Contract.

NTESS will ensure ethical and accurate reporting standards in support of the goals proposed in this Small Business Subcontracting Plan. Our good faith effort to achieve small business subcontracting goals includes on-going commitment and involvement with small businesses through outreach efforts both at the local and national levels.

I.A.1. Proposed Small Business Goals

SB goals, shown in **Figure SB-1**, are expressed in terms of a percentage of total planned subcontracting dollars. The proposed goals are applicable to the contract period in accordance with DEAR 970-1907-4 "The Small Business Subcontracting Program." In developing these goals, we considered the site's historical performance in each category, our parent company's lists of subcontractors, and our ability to quickly expand our SB suppliers list by identifying more SBs.

As shown in **Figure SB-2**, NTESS commits to raising its overall small business goals by 2% per year for the first five years of the contract, to 60% by FY 2022; small business socio-economic categories may be renegotiated annually per DEAR 970-1907-4.

The goal forecast is prepared from this subcontracting dollar base and is adjusted by allowable M&O subcontracting exclusions for subcontract dollars with foreign-owned businesses, parent company affiliate businesses, exclusions consistent with 13 CFR 125.3 and exclusions designated by the Contracting Officer.

Figure SB-1: NTESS Proposed Subcontracting Goals for FY17

FY2017 Contract Value (1/18/17 – 9/30/17) \$1,098,881,761³

Total value of planned subcontracting \$425,466,667⁴
(This forecast total represents all business types)

Contract Period 1
 FY2017
 (1/18/17 – 9/30/17)

Goals are expressed in both dollars and percentages	Dollars	Percentages
a. Small Business concerns	\$212,733,333	50.0
b. Large Business concerns	<u>\$212,733,333</u>	50.0
Total Subcontracting Amount:	\$425,466,667	100.0

Small Business Categories

c. SDB	\$42,546,667	10.0
d. WOSB	\$42,546,667	10.0
e. HUBZone Small Business	\$12,764,000	3.0
f. VOSB	\$21,273,333	5.0
g. SDVOSB	\$12,764,000	3.0

Figure SB-2: NTESS Proposed Subcontracting Goals⁵ for FY17-FY22 (%)

Small Business Category	Base + Transition						Option Terms 5 option years
	FY17	FY18	FY19	FY20	FY21	FY22	
Small Business (%)	50%	52%	54%	56%	58%	60%	60%
Small Disadvantaged Business (%)	10%	10%	12%	10%	10%	10%	10%
Women-Owned Small Business (%)	10%	10%	10%	10%	10%	10%	10%
HUBZone Small Business (%)	3%	3%	3%	3%	3%	3%	3%
Veteran-Owned Small Business (%)	5%	5%	6%	5%	5%	5%	5%
Service-Disabled Veteran-Owned Small Business (%)	3%	3%	3.5%	3%	3%	3%	3%

³ Value derived by prorating 5/12 (five months) of estimated contract value (\$2.6 billion annually) plus approximately \$15.5 million of Transition costs per Contract No. DE-NA0003525.

⁴ Value derived by prorating 5/12 (five months) of SB subcontracted dollars (\$1 billion annually) plus approximately \$8.8 million of subcontracts related to the Transition period of Contract No. DE-NA0003525.

⁵ Small business socio-economic categories may be renegotiated annually per DEAR 970-1907-4.

Section I.B.1. – Incentive Subcontracting Program

This contract contains a Small Business Incentive Fee in accordance with FAR 52.219-10, Incentive Subcontracting Program. Figure SB-3 lists the history of the small business incentive fee on this contract.

Figure SB-3: Small Business Incentive Fee History

Fiscal Year	Incentivized Small Business Category	Maximum Available Incentive Amount	Incentive Amount Earned
FY 2018	Service Disabled Veteran-Owned Small Business	\$100,000	\$100,000
FY2019	HUBZone Small Business	\$100,000	TBD
FY2020	TBD	TBD	TBD
FY2021	TBD	TBD	TBD

TBD = To Be Determined

Section I.C.1. - Description of all the principal types products and services that will be acquired under the initial year of this Contract

In order to establish realistic and meaningful goals for this plan, we conducted a survey of SB providers. The results of that survey, as shown in Figure SB-4, confirmed that the SB community is capable of meeting requirements across a significant fraction of Sandia’s work areas. NTESS’ goal is to subcontract with all SB concerns in all potential categories to the maximum extent possible. NTESS will update the results of this survey periodically to ensure that all viable SB suppliers are given appropriate consideration.

Figure SB-4 provides the principal supplies and services planned for subcontracting to SB concerns. NTESS’s goal is to use SB concerns to the maximum extent possible within each applicable North American Industry Classification System (NAICS) and SB socioeconomic category.

Figure SB-4. Principal Supplies and Services Subcontracting Opportunities

SOW Chapter II	Product/Service	SB Concern						Large
		SB	VOSB	SDVOSB	HUBZone	SDB	WOSB	
1.0, 2.0	Scientific, engineering, and technical staff augmentation	X	X	X	X	X	X	X
2.7	Safety management expertise	X	X		X	X	X	
2.15	Emergency planning support and equipment	X	X	X	X			X
1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7	R&D support	X	X		X	X	X	X
1.9	LDRD S&T services	X	X			X	X	X
2.11	Construction	X	X	X	X	X	X	
2.8, 2.9	Environmental restoration and waste management support	X	X	X	X	X	X	X
1.11	Safeguards and security technology program	X	X	X		X	X	X

Figure SB-4 (continued). Principal Supplies and Services Subcontracting

SOW Chapter II	Product/Service	SB Concern						Large
		SB	VOSB	SDVOSB	HUBZone	SDB	WOSB	
2.10	Laboratory facilities O&M	X	X	X	X	X	X	X
2.3	Project controls support	X	X		X	X	X	X
2.4	IT and cybersecurity support	X	X	X	X	X	X	X
2.4	Computer hardware/software	X	X	X	X	X	X	X
1.1.8 (iii)	Calibration services for diagnostic equipment	X		X	X	X	X	X
2.12	Training programs support	X	X	X		X	X	X
1.1.1.5	Machining (e.g., grinding, glazing, cutting, and smoothing of metals)	X	X	X	X		X	
2.10	Maintenance support (equipment, roads, facilities, automotive supplies)	X	X	X	X	X	X	X
2.4	Telecommunications, electronics equipment, and supplies (e.g., routers, switches, network support)	X	X	X	X	X	X	X
1.1.1.4	Scientific Capabilities, Experiments, and Tests	X				X	X	X
2.16	Records management support	X	X	X	X	X	X	X
2.14	Real property and asset management support	X	X	X	X	X	X	X
2.10	Utility operations support (e.g., chemicals, personal protective equipment, tools, equipment rental/leases)	X	X	X	X	X	X	X
2.16	Administrative support	X	X	X	X	X	X	X

SECTION I. D. 1 Method Used to Develop Subcontracting Goals

The method and quantitative basis (in dollars) used to establish the percentage goals and the areas to be subcontracted to all SB concerns involved a detailed analysis of the following.

- Contract SOW and expected project funding
- Data from NTESS’s parent company including past experience with the development and implementation of SB subcontracting programs
- Consideration of local, state, and federal regulations and guidelines
- Information on SBs that NTESS have successfully used at other locations
- Analysis of the Sandia procurement historical data and experience
- Anticipated program requirements based on program objectives
- Published SB databases with accurate company size, capability, and experience information in order to expand upon our list of capable SB concerns to be considered for future subcontracting opportunities

SECTION I. E. 1 Method Used to Identify Potential Sources for Solicitation Purposes

NTESS will work closely with local, state, and national sources such as Chambers of Commerce, SB development organizations and trade associations to develop a valid and dynamic source list of capable small businesses.

NTESS will rely on the information contained in System for Award Management (SAM) found at <https://www.sam.gov> as an accurate representation of a SB concern's size and ownership characteristics for the purposes of maintaining a SB source list. In circumstances where a subcontractor is not registered in SAM, NTESS will leverage its existing Supplier Data Sheet process. In addition to the SAM website, NTESS will participate in outreach activities, utilize the SBA's Dynamic Small Business Search Tool, and publicize our subcontracting opportunities on Internet resources such as the DOE Office of Small Disadvantaged Business Utilization's acquisition forecast. NTESS will also participate in regional and national socioeconomic trade fairs when possible to identify new potential small business sources.

Sources we will use to locate small business concerns include—

- Sandia's Business Opportunity Website
- DOE Office of Small Disadvantaged Business Utilization
- NNSA Small Business Program
- Albuquerque, NM Chambers of Commerce
- Livermore, CA Chambers of Commerce
- Hispanic, Native American, and African American Chambers of Commerce
- Livermore, CA Hispanic and Asian Chambers of Commerce
- Albuquerque and Livermore Women's Chamber of Commerce
- Albuquerque Small Business Development Center
- Southwest Minority Supplier Development Council
- Honeywell nation-wide Supplier Diversity Programs

SECTION I.F.1 Indirect Cost Statement

Indirect costs are not included in the SB concerns goals established in this subcontracting plan.

SECTION II: PROGRAM ADMINISTRATOR

The subcontracting plan is administered by NTESS to assure that provisions of applicable law and the plan are implemented and performed. Any change in the name of the program administrator will be communicated without delay to the Contracting Officer in writing and will not require immediate Contract modification. Changes, if any, will be included in the next applicable supplement agreement Contract modification.

Name:	Paul R. Sedillo
Title:	Small Business Program Manager (SBPM)
Address:	P.O. Box 5800, MS-1486 Albuquerque, NM 87185-1486
Telephone:	(505) 844-7041
e-mail:	prsedil@sandia.gov

The Small Business Program Manager (SBPM) has general overall responsibility for the NTESS Small Business Subcontracting Program that involves developing, preparing, and executing individual subcontracting plans and monitoring performance relative to this particular plan. These duties include, but are not limited to, the following activities:

1. Developing and promoting company/division policy statements that demonstrate NTESS's support for awarding contracts and subcontracts to SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns.
2. Assuring that capable SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns are included on requests for information (RFI) or proposal (RFP) lists for applicable subcontract solicitations. Ensuring that procurement procedures are designed to permit the maximum possible participation of SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns.
3. Applying a 5% pricing preference for New Mexico-based SBs on appropriate procurements to encourage the development of local suppliers.
4. Reviewing acquisitions (e.g. reviewing for set-aside opportunities, promoting opportunities via Sandia's Business Opportunities Website, etc.) over the most current simplified acquisition threshold to ensure maximum small business participation and for statements and clauses which might tend to restrict or prohibit SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB participation, in accordance with NTESS policies.
5. Coordinating Mentor-Protégé schedule of activities and reporting to the Office of Small Disadvantaged Business Utilization (OSDBU) Headquarters.
6. Conducting Buyer Socioeconomic training.
7. Conducting periodic reviews of internal processes governing supplier source selection.
8. Supporting outreach with business development organizations in New Mexico, California, and nationally by attending, sponsoring or arranging for the attendance of company representatives at business events that facilitate SB sourcing efforts. Events include: workshops, minority business enterprise seminars, business expositions, matchmaking,⁶ conferences, and other outreach programs.
9. Encouraging lower-tier subcontractor participation in local and national small business outreach events through notification of events and opportunities to participate.
10. Ensuring support of external SB supplier award nominations. Provide nomination criteria and assist staff with process.
11. Creating and maintaining an SB Web page for SB informational purposes.
12. Counseling SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns on subcontracting opportunities and how to do business with NTESS.
13. Providing notice to subcontractors concerning penalties for misrepresentations of business status as SB, HUBZone, SDB, WOSB, VOSB, or SDVOSB concerns to obtain a subcontract that is to be included as part or all of a goal contained in the contractor's subcontracting plan.
14. Monitoring NTESS's performance and making any adjustments necessary to achieve subcontract plan goals.
15. Preparing and submitting timely reports in the electronic Subcontracting Reporting System (eSRS) and the Management and Operating Contractor (M&O) Subcontract Reporting Capability (MOSRC).

⁶ Matchmaking is defined as activities in which NTESS engages directly with small businesses interested in doing business with NTESS.

16. Coordinating company activities during SB compliance reviews by federal agencies.
17. Ensuring that SB subcontracting plans are required for large businesses that receive subcontracts exceeding \$700,000 (\$1,500,000 for construction), or most current thresholds per FAR 52.219-9. Reviewing these plan and monitoring progress to ensure SB goals are achieved. Any deviations must be justified and fully explained by the subcontractor.
18. Establishing and maintaining contacts and communication with parent organizations and network with other SB Program Managers within parent organizations to support, implement, or enhance the NTESS SB program.
19. Working with the Procurement Director to form a Small Business Steering Committee made up of senior leaders from each major area of Sandia spend. Utilize the Steering Committee for strategic planning, resource and goal evaluation and to help ensure that key managers/requisitioners are aware of and supporting socioeconomic goals.

SECTION III: EQUITABLE OPPORTUNITY AND OUTREACH EFFORTS

NTESS is built upon a long history of strengths embodied by its parent company: technological innovation, leadership, outstanding people, and delivering on our commitments. The framework of our approach to increase small business utilization is built on the tenets of opportunity, access and support. The company will make every effort to ensure that internal business practices and procedures are reflective of a procurement environment where SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns will have an equitable opportunity to participate at the maximum extent practical. These efforts include, but are not limited to, the following activities:

Opportunity: Establishing aggressive small business subcontracting goals and then ensuring that our internal processes and procedures are geared to maximizing SB opportunities.

- Buyer goal performance and achievement
- Organizational commitment and accountability at all levels
- Annual participation at business outreach programs and events

Access: Internal efforts to guide and encourage purchasing personnel.

- Presenting workshops, seminars and training programs to staff
- Implementing a Small Business Strategy Team to identify issues and solutions pertaining to small business performance within procurement and among site customers.
- Establishing, maintaining and using small business source lists, guides, and other data for soliciting subcontractors.
- Contacting minority and small business development organizations
- Attending small, minority, and women-owned small business procurement conferences and business fairs.
- Partnering with applicable community organizations to host small business outreach events.

NTESS ensures that SB concerns will have an equitable opportunity to compete for subcontracts by following a procurement process that drives to maximize SB participation and by encouraging our personnel to seek the use of approved SB sources and to develop new capable sources on new business opportunities. The purpose of these efforts is to provide information and assistance to socioeconomic businesses and/or individuals who may be interested in becoming subcontractors to NTESS. These efforts include—

a. Outreach efforts to obtain sources–

(1) Publicize subcontract opportunities through Sandia’s Business Opportunity Website, and as appropriate, through participation in SB publications, trade fairs, federal procurement conferences, industry conferences and local affiliations, such as the Albuquerque Chambers of Commerce

(2) Be an active member of or collaborate with the following organizations–

- DOE Matchmaking (matching NTESS program offices with small businesses interested in doing business with NTESS.)
- Women’s Business Enterprise National Council
- Women’s Business Council Southwest
- National Association of Women Business Owners
- National 8(a) Association
- HUBZone Contractors’ National Council
- American Indian Chamber of Commerce of New Mexico (AICC)
- Minority Business Development Agency (MBDA)
- Albuquerque Chambers of Commerce, including Hispano, Black, and Greater Albuquerque
- NM Procurement Technical Assistance Programs (PTAPs) and Centers (PTACs)
- Small Business Administration (SBA)

(3) Use parent companies to gain access to various organizations supporting SB concerns

(4) Provide assistance to develop SB concerns in the following areas as appropriate–

- Bidders conferences to discuss and advise on specifications, statements of work and interpretation of requirements
- Provide a 5% pricing preference for appropriate procurements for capable New Mexico small, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns
- Site quality surveys to evaluate system and provide assistance to meet quality assurance requirements
- Post-award assistance to ensure requirements are fully understood and to assist in purchase order performance, as requested
- Financial assistance in the form of progress payments, where appropriate
- In-house SB symposia attended by procurement, projects, engineering, and facilities, to discuss and advise on new programs and upcoming requirements
- One-on-one interviews with SB concerns in-house and at SB conferences

Collaborate with the Honeywell’s Socioeconomic Business Program Office (SEBPO), which is fully integrated across project and functional management. The SEBPO employs a full-time staff to ensure SB concerns are given every opportunity to participate on contracts. This office serves as the centralized location that proposal and project managers can contact to find SB concerns to meet the contract requirements. We identify capable SB concerns by using Sandia’s Business Opportunity

Website and the government's SAM and Dynamic Small Business Search, and notify them of subcontracting opportunities. We will also publicize opportunities at one-on-one counseling sessions and introductory meetings, trade fairs, federal procurement conferences, industry conferences, and local affiliations.

SECTION IV: SUBCONTRACTING PLAN FLOW DOWN

NTESS agrees to include the clause at FAR 52.219-8, "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that it will further require all subcontractors (except Small Business concerns), who receive subcontracts in excess of \$700,000, (\$1,500,000 for construction), or most current thresholds, to adopt a subcontracting plan that complies with requirements at FAR 52.219-9, "Small Business Subcontracting Plan."

SECTION V: REPORTS AND SURVEYS

NTESS agrees to: (1) cooperate in any studies or surveys as may be required; (2) submit periodic reports which show compliance with the subcontracting plan; (3) register and enter required updates in the government-wide eSRS for Individual Subcontracting Reports (ISR) and the Summary Subcontracting Report (SSR); (4) ensure that subcontractors agree to submit the Subcontract Report for Individual Contracts and the Summary Subcontract Report in the eSRS; (5) provide information (e.g. NTESS's prime contract number, DUNS number, and the e-mail address of the Offeror's official responsible for acknowledging receipt of or rejecting the ISRs) to subcontractors to facilitate their filings in eSRS; (6) require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the e-mail address of the subcontractor's official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans; and (7) submit site spend records in Management and Operating Contractor (M&O) Subcontract Reporting Capability (MOSRC) on a monthly basis, in accordance with Section H-22 of the Prime Contract.

As a Prime Contractor, NTESS will require applicable Subcontractors to register in the eSRS as a lower-tier subcontractor referencing the following set-up information:

Required Element	Input Required	Where to find Input Information
NTESS Prime Contract Number (eSRS)	Prime Contract #	Contact the Small Business Program Manager (SBPM) if not listed.
Subcontract Number	NTESS Purchase Order Number	(Reference Section I -Identification Data). Contract Number or Project Tracking Number.
DUNS Number	9-Digit Dun & Bradstreet (D&B) Number	Site/location specific ID for the subcontractor's company. D&B contact number: 1-866-705-5711
Product and Service Codes	Alpha Numeric Code	Select code from report in eSRS
NAICS	6-Digit NAICS code	North American Industry Classification System Code. If unknown, there is a link to a web site search within the eSRS report or search here: http://www.census.gov/epcd/www/naics.html

Input applicable reports in the eSRS within 30 days after the close of each calendar reporting period or contract completion. Update results in the eSRS for Individual Subcontracting Reports and the

Summary Subcontracting Report by the deadline of each report period as indicated:

Report Period Due	Report	Date Due
10/01—03/31	Individual Subcontracting Report	04/30
04/01—09/30	Individual Subcontracting Report	10/30
10/01—09/30	Summary Subcontracting Report	10/30

Follow individual report instructions to add the name of the individual authorized to receive and approve reports in the eSRS as indicated:

Report	Prime- Govt Approval	Subcontract (lower-tier) Approval
Individual Subcontracting Reports (ISR)	NNSA Administrating Contracting Officer	A) <u>Level One-</u> The individual identified in <u>SECTION II. PROGRAM ADMINISTRATOR</u> of this plan B) <u>Level Two and Subsequent Levels</u> --input the name/email for the Subcontract Administrator identified in the Subcontracting Plan
Summary Subcontracting Report (SSR)	NNSA Field Small Business Program Manager	• Email the summary for the fiscal year from all NNSA contracts and report to the NNSA Field Small Business Program Manager; SBPM will provide POC.
MOSRC		• Small Business Program Manager

SECTION VI: RECORDS AND PROCEDURES

NTESS will maintain the following types of records to demonstrate procedures adopted to comply with the requirements and goals in this subcontracting plan. These records include, but are not limited to the following:

- A. Maintaining SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB source lists, guides, and other data identifying such vendors.
- B. Organizations contacted for SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB sources.
- C. On a contract-by-contract basis, all subcontract solicitations over the most current simplified acquisition threshold, which indicate for each solicitation (1) whether SB concerns were solicited, and if not, why not; (2) whether HUBZone SB concerns were solicited, and if not, why not; (3) whether SDB concerns were solicited, and if not, why not; (4) whether WOSB concerns were solicited, and if not, why not; (5) whether VOSB concerns were solicited, and if not, why not; (6) whether SDVOSB concerns were solicited, and if not, why not and (7) reasons for the failure of solicited SB, HUBZone, SDB, WOSB, VOSB, and SDVOSB concerns to receive the subcontract award.
- D. Records to support other outreach efforts, such as contacts with minority and SB trade associations, attendance at SB, SDB, WOSB, VOSB, and SDVOSB procurement conferences and trade fairs.

- E. Records to support internal activities to (1) guide and encourage purchasing personnel, such as workshops, seminars, training programs, incentive awards; and (2) monitor and evaluate compliance.

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

SECTION VII. ADDITIONAL SUBCONTRACTING PLAN ASSURANCES

- A. NTESS 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. Responding to a request for a quote does not constitute use in preparing a bid or proposal. NTESS used a small business concern in preparing the bid or proposal if--
 - (i) NTESS identifies the small business concern as a subcontractor in the bid or proposal or associated small business subcontracting plan, to furnish certain supplies or perform a portion of the subcontract; or
 - (ii) NTESS used the small business concern's pricing or cost information or technical expertise in preparing the bid or proposal, where there is written evidence of an intent or understanding that the small business concern will be awarded a subcontract for the related work if the Offeror is awarded the contract.
- B. NTESS will provide the Contracting Officer with a written explanation if the Contractor fails to acquire articles, equipment, supplies, services or materials or obtain the performance of construction work as described above to the Contracting Officer within 30 days of contract completion.
- C. NTESS will not prohibit a subcontractor from discussing with the Contracting Officer any material matter pertaining to payment to or utilization of a subcontractor.
- D. NTESS assures that small business subcontractors will be paid on time and in accordance with the terms and conditions of the underlying subcontract. NTESS will notify the Contracting Officer of reduced or untimely payments made to small business subcontractors in accordance with the prime contract clause 52.242-5 – Payments to Small Business Subcontractors and the written agreement on file between NTESS and the Contracting Officer.

This subcontracting plan was submitted by: National Technology & Engineering Solutions of Sandia, LLC.

Signature on original file

Delfinia L. Salazar
Small Business Program Manager, NTESS

Date: 10/20/2017

PLAN CONCURRED BY:

Signature on original file

NNSA Small Business Program Manager

Date: 10/20/2017

Signature on original file

PLAN ACCEPTED BY:

NNSA Contracting Officer

Date: 10/20/2017