## **C.1** Subcontracting Plan (Attachment 5)

Department of the Homeland Security Small, HUBZone Small, Small Disadvantaged, Women-Owned Small, Veteran-Owned Small Business and Service Disabled Veteran Owned Small Business Concerns Subcontracting Plan Format

**Identification Data:** 

Company Name: \_GTSI

Address: 2553 Dulles View Drive, Suite 100 Herndon, VA 20171

Date Prepared:\_February 16,2011\_\_\_\_\_ Solicitation Number: HSHQDC—11-R-10001

Item/Service: TBD

Place of Performance: TBD

# C.1.1 Type of Plan:

<u>X</u> - INDIVIDUAL PLAN: In this type of plan all elements are developed specifically for this contract and are applicable for the full term of this contract.

### C.1.2 Goals:

FAR 19.704(a)(1) requires separate dollar and percentage goals for using small business concerns, HUBZone small business concerns, small disadvantaged business concerns, women owned small business, veteran-owned small business, and service disabled veteran-owned small business concerns as subcontractors for the base year and each option year. (Please note that the goals for HUBZone small business, small disadvantaged business, women-owned small business, veteran-owned small business, and service disabled veteran-owned small business concerns are sub-sets of the small business goal).

GTSI understands per the EAGLE II RFP Amendment #4 that the contract base period shall have a task order value of \$10,000,000. GTSI estimates that the option period (two, one-year periods) will have a task order value of \$4,000,000 which equates to the same annual value over the base plus option period.

A. Estimated percentage of all planned subcontracting, i.e., to all types of business concerns under this contract is:

Base year 1-5				Option	Period	
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018
70%	70%	70%	70%	70%	70%	70%
\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000

B. Estimated percentage of planned subcontracting to small business concerns is (expressed as a percentage of total dollars subcontracted):

Base year 1-5					Option Period		
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018	
42%	42%	42%	42%	42%	42%	42%	
\$588,000	\$588,000	\$588,000	\$588,000	\$588,000	\$588,000	\$588,000	

C. Estimated percentage of planned subcontracting to HUBZone small business concerns (expressed as percentage of total dollars subcontracted) is:

Base year 1-5					Op	Option Period	
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018	
3%	3%	3%	3%	3%	3%	3%	
\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	

D. Estimated percentage of planned subcontracting to small disadvantaged business concerns (expressed as percentage of total dollars subcontracted) is:

Base year 1-5					Option Period	
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018
5%	5%	5%	%5	5%	5%	5%
\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400

E. Estimated percentage of planned subcontracting to small women-owned business concerns (expressed as percentage of total dollars subcontracted) is:

Base year 1-5					Option Period	
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018
5%	5%	5%	5%	5%	5%	5%
\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400

F. Estimated percentage of planned subcontracting to veteran-owned small business concerns (expressed as percentage of total dollars subcontracted) is:

Base year 1-5					Option Period	
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018
6%	6%	6%	6%	6%	6%	6%
\$35,280	\$35,280	\$35,280	\$35,280	\$35,280	\$35,280	\$35,280

G. Estimated percentage of planned subcontracting to service-disabled veteran-owned small business concerns (expressed as percentage of total dollars subcontracted) is:

Base year 1-5					Option Period	
FY: 2012	FY: 2013	FY: 2014	FY: 2105	FY: 2016	FY: 2017	FY: 2018
3%	3%	3%	3%	3%	3%	3%
\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640

H. Supplies and/or services to be subcontracted under this contract, business size (i.e., SB, HUBZone, SDB, WOB, VOSB, SDVOSB, and LB), and the estimated percentages are:

Supply/Services	Company Name	Large	Small	SDB	SDVOSB	VOSB	WOSB	HUBZone	Percentage*
System Design,	Federated IT (Named SB Teammate)		√	√					2.33%
Development,	Tygart Technology (Named SB Teammate)		1						2.33%
Implementation, and	McNeil/AECOM								6.44%
Integration	COLSA	√							6.44%
	Global InfoTek (Mentor Protégé)						√		2.33%
	Mercom		1	1				$ \sqrt{} $	2.33%
	Motorola								6.44%
	Nova Datacom		√	√			√		2.33%
	Platinum Solutions								2.33%
Operations &	Federated IT (Named SB Teammate)			√					2.80%
Maintenance	Tygart Technology (Named SB Teammate)								2.80%
	McNeil/AECOM	$ \sqrt{} $							4.83%
	COLSA								4.83%
	Lentech		1	1					2.80%
	Mercom		1	1			1		2.80%
	Planet Technologies		1						2.80%
	Sprint	1							4.83%
	Terremark	1							4.83%
Software	IntePros Federal (Named SB Teammate)		1		1	1			2.00%
Design/Development	Tygart Technology (Named SB Teammate)								2.00%
	Accelera Solutions								2.00%
	McNeil/AECOM	$ \sqrt{} $							3.22%
	CA								3.22%
	COLSA	1							3.22%
	ENSCO								3.22%
	Google	1							3.22%
	Level-1		1	√					2.00%
	List Innovative Solutions		1				V		2.00%
	Mercom			1			V	$\sqrt{}$	2.00%
	Oracle	1							3.22%
	VidSys								2.00%

Percentages in the table above are estimates based on the nature of anticipated work to be awarded from the supply/services categories. Estimated percentages were calculated as percentages of total dollars to be subcontracted:

- GTSI estimates that it will subcontract 70 percent of the total contract value to businesses of all sizes.
  - Of all dollars to be subcontracted (70% of total contract value), GTSI estimates that it will subcontract 58 percent to large businesses.
  - Of the dollars to be subcontracted (70% of the total contract value), GTSI estimates that it will subcontract 42 percent to small business.
- To determine estimated percentages for the large businesses, GTSI divided 58 percent between the three categories of services leaving 19.33 percent to split among the large businesses in each category.

- For example, in the first category, there are three large businesses. The 19.33 percent of work in that category that was split evenly among the three large businesses, giving each company 6.44 percent of the estimated work.
- This calculation methodology follows in the 2nd and 3rd service categories for large and small business subcontractors respectively.

Our named Small Business Teammates, identified in the table above, are IntePros Federal, Federated IT, and Tygart Technology.

I. Explain the methods used to develop the subcontracting goals for small, HUBZone, SDB, WOB, VOB, and SDVOB concerns. Explain how the product and service areas to be subcontracted were established, how the areas to be subcontracted were determined, and how the capabilities of small, HUBZone, SDB, WOB, VOB, and SDVOB concerns were determined. *Identify all source lists used in the determination process.* 

In concert with our small business participation initiative, GTSI's subcontracting goals were derived considering small business utilization across similar IDIQ contracts, work associated with anticipated EAGLE II task orders, and our small business growth initiative.

The GTSI Team's composition was calculated by aligning GTSI's core competencies with EAGLE II Functional Category 1 requirements. Subsequently, we conducted a gap analysis to determine capability and capacity needs. Led by our Teaming Coordinator, we then reviewed the market place to identify and secure large and small businesses with the requisite capabilities to complement our strengths and help us to support DHS in meeting its objectives. The supply and service areas were established based on our small business partner strengths and aligned with EAGLE II Functional Category 1 scope of work described in the solicitation. The supply and service areas to be subcontracted to small business concerns were determined based on the core capabilities and past performance of our team members. The table in Section 1.2 H represents our small business teammates and how they align to the supply and service areas of this contract. Our Program Manager and Teaming Coordinator will conduct routine assessments of our small business partners' capabilities to affect change in support areas as required.

GTSI continues to be an advocate of small business participation in support of solving critical customer challenges. Figures 1 to 3 provide metrics that support our commitment to small business utilization across a diverse customer base and reflect successes that are a direct result of our small business participation initiative. We are confident that we will meet and exceed our established goals across all small business concerns.

Figure C.1-1 depicts GTSI's professional services small business subcontracting profile across all of our contracts for the period of government fiscal years (FY) 2009 and 2010. By implementing our small business participation growth initiatives, we were able to grow our professional services small business subcontracting profile from 30 percent in FY2009 to 42 percent in FY2010. Our objective for the EAGLE II opportunity is to maintain or exceed the 42 percent milestone.

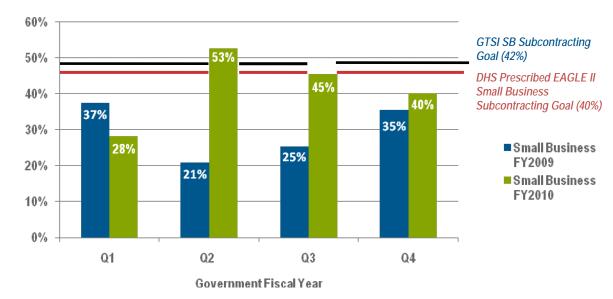


Figure C.1-1: Small Business Subcontracting Profile - FY 2009 vs. FY 2010

A specific contract example of our small business participation growth initiative success is depicted in Figure C.1-2, which highlights our shift from large business to small business utilization. We elevated our professional services small business subcontracting on our NASA SEWP IV contract from 10 percent in FY2008 to 63 percent and 54 percent in FY2009 and FY2010 respectively.

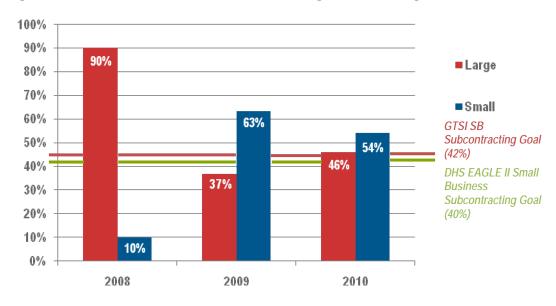


Figure C.1-2: NASA SEWP IV Subcontracting Profile - Large vs. Small

Figure C.1-3 provides additional evidence of our advocacy and commitment to small business utilization on our U.S. Communities contract, which is used by state and local government customer. GTSI continues to surpass established corporate goals set for SDB/HUBZone subcontracting opportunities in support of projects in Florida, Texas, and Virginia.

Figure C.1-3: U.S. Communities – SB, SDB/HUBZone Subcontracting

(Figures expressed as percentage of total subcontracted dollars)

Location	Total SB Subcontracting	SDB/HUBZone Subcontracting
Florida	41%	9%
Texas	90%	64%
Virginia	72%	13%

Other potential sources for soliciting subcontractors include:

- Small Business Administration's (SBA's) Central Contractor Registration (CCR) website
- SBA HUBZone search website
- Department of Commerce's Minority Business Development Agency website
- SBA Office of Women's Business Ownership
- Veterans service organizations
- GTSI membership in small business trade associations
- Existing GTSI sources lists
- Department of Justice Office of Small and Disadvantaged Business Utilization

J. Indirect and overhead costs X HAVE BEEN HAVE NOT BEEN included in the dollar and percentage subcontracting goals stated above. (Check one.)

K. If indirect and overhead costs HAVE BEEN included, explain the method used to determine the proportionate share of such costs to be allocated as subcontracts to small, HUBZone small, small disadvantaged, women-owned small, veteran-owned, and service disabled veteran-owned small business concerns.

As they pertain to the allocation of proportionate shares of costs to subcontracts, GTSI incorporates subcontractors' costs, GTSI's general and administrative costs, and profit in its calculations.

## 3. PLAN ADMINISTRATOR:

FAR 19.704(a)(7) requires information about the company employee who will administer the subcontracting program. Please provide the name, title, address, phone number, position within the corporate structure and the duties of that employee.

Name: Vincent Rizzi
Title: Small Business Program Manager

Address: 2553 Dulles View Drive, Suite 100 Herndon, VA 20171

Telephone: <u>703-502-2764</u> Fax: 703-463-5033

Email Address: Vincent.Rizzi@gtsi.com

Position: <u>Teaming Coordinator</u>

**Duties:** Does the individual named above perform the following?

company's/division's suppo	ing company/division policy statements that demonstrate the rt for awarding contracts and subcontracts to small, HUBZone small en-owned small, veteran-owned, and service disabled veteran-owned
XYES	NO
C. Ensuring periodic rotatiXYES	on of potential subcontractors on bidders' lists. NO
owned small, and service d	BZone small, small disadvantaged, women-owned small, veteran- isabled veteran-owned small businesses are included on the bidders' plicitation for products and services they are capable of providing. NO
possible participation of sn	ct procurement "packages" are designed to permit the maximum nall, HUBZone small, small disadvantaged, women-owned small, service disabled veteran-owned small businesses. NO
restrict or prohibit small, H	olicitations to remove statements, clauses, etc., which might tend to IUBZone small, small disadvantaged, women-owned small, veteranisabled veteran-owned small business participationNO
selecting any low bids subn	ntract bid proposal review board documents its reasons for not nitted by small, HUBZone small, small disadvantaged, women-owned l, and service disabled veteran-owned small business concerns. NO
H. Overseeing the establish X YES	nment and maintenance of contract and subcontract award recordsNO
0 00	or the attendance of company counselors at Business Opportunity less Enterprise Seminars, Trade Fairs, etc. _NO
small, veteran-owned small	inseling small, HUBZone small, small disadvantaged, women owned l, and service disabled veteran-owned small business concerns on es and how to prepare responsive bids to the company.  NO

	0	abcontractors concerning penalties for misrepresentations of business are small, small disadvantaged, women-owned small, veteran-owned
		d veteran-owned small business for the purpose of obtaining a
		included as part or all of a goal contained in the contractor's
	acting plan.	
	YES	NO
	-	ing training for purchasing personnel regarding the intent and impact purchasing procedures.
	YES	
<del></del>		
M. Deve	loping and mai	taining an incentive program for buyers which support the
	acting progran	
	YES	NO (See Equitable Opportunity Section – Buyers are not incented
to suppor	rt the subcontra	eting program. They are required to support it.)
N. Monit	toring the comp	any's performance and making any adjustments necessary to achieve the
	act plan goals.	
X	YES	NO
O. Prepa	ring and subm	tting timely reports.
	YES	
P. Coord	linating the con	pany's activities during compliance reviews by Federal agencies.
	YES	• • •
4. EOUľ	TABLE OPPO	TUNITY
_		res a description of the efforts your company will make to ensure that
		small disadvantaged, women-owned small, veteran-owned small, and
		owned small business concerns will have an equitable opportunity to
		s. (Check all that apply.)
Tomp to	,	·· ( •
A. Outre	ach efforts to o	ptain sources:
		rity and small business trade associations
$\frac{1}{X}$	_	ess development organizations
	_	and minority business procurement conferences and trade fairs
$\frac{X}{X}$ F		From the Small Business Administration's Procurement Network
	ProNet)	Tom the Sman Basiness rammistrations recomment recovers
(1	101(01)	
R Intern	al efforts to au	de and encourage purchasing personnel:
	00	hops, seminars and training programs
<u> </u>	resenting work	nops, seminars and training programs
GTSI's r	ourchasing pers	onnel are directed to procure services from suppliers who are best able to
F		

provide the services that meet the requirements of our customers. Our purchasing personnel will be aware of the small business subcontracting goals of this contract and of our team of small business subcontractors. GTSI's purchasing and program management personnel will have

EAGLE II small business subcontracting compliance metrics as objectives in their annual performance assessment.

The Small Business Office is in the process of developing new training programs with the Human Resources Employee Performance and Development Manager. These programs will cover:

- a. The importance of supplier diversity.
- b. Reinforcement of the significance of small business subcontracting goals on this and other contracts.
- c. Consequences of not demonstrating best faith efforts to meet goals such as:
  - i. Being precluded from the ability to bid
  - ii. Potential liquidated damages
- X Establishing, maintaining and using small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service disabled veteran-owned small business source lists, guides and other data for soliciting subcontracts.
  - a. Extensive source lists are referenced in section 1.2 I
- X Monitoring activities to evaluate compliance with the subcontracting plan
  - a. Our Purchasing Manager and EAGLE II Program Manager will work closely to proactively notify our team of small business subcontractors of work that we will subcontract on particular task orders. This subcontractor solicitation process on the EAGLE II Subcontractor Management Portal will enable each subcontractor to have an equal opportunity to compete and win awards. This will also enable GTSI and its team to deliver such services to the government as economically as possible.

#### C. Additional efforts:

In addition, GTSI will leverage the use of our Small Business Subcontracting Compliance Matrix that was developed based on the SF-294 reports. Our Small Business Office will utilize this matrix to capture and track every task order we receive on the contract and will record each subcontract we issue to our small business teammates. We will review our progress in internal meetings with our EAGLE II Program Manager, Teaming Coordinator, EAGLE II Contract Manager, Professional Services Delivery Manager, and Purchasing personnel to ensure subcontracts are being issued to our small, SDB, SDVOSB, VOSB, WOSB, and HUBZone small business subcontractor partners and take corrective actions as necessary to provide the maximum practicable opportunities to small businesses of all sizes. This matrix is described in further detail in the Small Disadvantaged Business subcontracting plan along with a sample illustration of its use.

#### 5. CLAUSE INCLUSION AND FLOW DOWN

FAR 19.704(a)(9) requires that your company include FAR 52.219-8, "Utilization of Small Business Concerns", in all subcontracts that offer further subcontracting opportunities. Your company must require all subcontractors, except small business concerns, that receive

subcontracts in excess of \$550,000 (\$1,000,000 for construction) to adopt and comply with a plan similar to the plan required by FAR 52.219-9, "Small Business Subcontracting Plan."

GTSI agrees that the clause will be included and that the plans will be reviewed against the minimum requirements for such plans. The acceptability of percentage goals for small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service disabled veteran-owned small business concerns must be determined on a case-by-case basis depending on the supplies and services involved, the availability of potential small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service disabled veteran-owned small business subcontractors and prior experience. Once the plans are negotiated, approved, and implemented, the plans must be monitored through the submission of periodic reports, including Standard Form (SF) 294 and SF 295 reports.

### 6. REPORTING AND COOPERATION

FAR 19.704(a)(10) requires that your company (1) cooperate in any studies or surveys as may be required, (2) submit periodic reports which show compliance with the subcontracting plan; (3) submit the "Individual Subcontracting Report (ISR)," and "Summary Subcontract Report," in accordance with the instructions on the forms; and (4) ensure that subcontractors agree to submit ISR and SSR. Reporting will be done via the Electronic Subcontract Reporting System (eSRS). The cognizant contracting officer and OSDBU at DHS must receive the report(s) within 30 days after the close of each calendar period. That is:

Calendar Period	Report Due	<b>Date Due</b>	Send Report To:
10/0103/31	ISR	04/30	Contracting Officer
04/0109/30	ISR	10/30	Contracting Officer
10/0109/30	SSR	10/30	OSDBU

GTSI agrees with the above reporting schedule and will submit reports according to it.

## 7. RECORDKEEPING

FAR 19.704(a)(11) requires a list of the types of records your company will maintain to demonstrate the procedures adopted to comply with the requirements and goals in the subcontracting plan. (Check all that apply.) (If NO is checked, please indicate why these types of records are not maintained).

·	small, small disadvan ran-owned small busi lors	0 .	•	·
X YES				
O	ntacted for small, HUI d small, and service di NO	· · · · · · · · · · · · · · · · · · ·	0 .	

C. On a contract-by-contract basis, records on all subcontract solicitations over \$100,000 which indicate for each solicitation (1) whether small business concerns were solicited, and if not, why not; (2)whether HUBZone small business concerns were solicited, and if not, why not; (3)whether small disadvantaged business concerns were solicited, and if not, why not; (4) whether women-owned small business concerns were solicited, and if not, why not; (5) whether veteran-owned small business concerns were solicited, and if not, why not; (6) whether service disabled veteran-owned small businesses were solicited, and if not, why not; and (7) reasons for the failure of solicited small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service disabled veteran-owned small business concerns to receive the subcontract award.
X YES NO
D. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small and minority business procurement conference and trade fairs. YESNO
E. Records to support internal activities to (1) guide and encourage purchasing personnel, e.g., workshops, seminars, training programs, incentive awards; and (2) monitor activities to evaluate compliance.
X YES NO (GTSI does not incent its purchasing personnel to buy from certain vendors. Our buyers will be well informed as to who our small business subcontractor partners are for this contract and will understand the small business goals associated with it. They will not however be incented above their normal pay to buy from these companies. Our buyers buy from the best qualified suppliers and subcontractors who deliver their services at the best value to GTSI, so we can in turn pass on this value to DHS. They will proactively look to the small businesses to do this but are not incented to do so.)
F. On a contract-by-contract basis, records to support subcontract award data including the name, address and business size and ownership status (HUBZone, SDB, WOB, VOSB, SDVOSB, etc.) of each subcontractor. (This item is not required for company or divisionwide commercial plans.)
<u>X</u> YESNO
G. Other records to support your compliance with the subcontracting plan: (Please describe)
GTSI will utilize our Small Business Subcontracting Compliance Matrix (developed based on the SF 294 reports) to record subcontract award data including the task order number, the total

value to be subcontracted, the small business awardees, and the small business classifications. This will help monitor small business subcontract compliance on a task order basis and serve as a benchmark for the year-to-date small business subcontracting as a reflection of the overall contract subcontracting goals (GTSI Subcontracting Compliance Matrix—See SDB subcontracting plan).

#### 8. TIMELY PAYMENTS TO SUBCONTRACTORS

FAR 19.702 requires your company to establish and use procedures to ensure the timely payment of amounts due pursuant to the terms of your subcontracts with small business concerns, HUBZone small business concerns, small disadvantaged business concerns, women owned small business concerns, veteran-owned small business concerns, and service disabled veteran-owned small business concerns.

Your company has established and uses such procedures: YES

## 9. DESCRIPTION OF GOOD FAITH EFFORT

Maximum practicable utilization of small, HUBZone small, small disadvantaged women-owned small, veteran-owned small, and service disabled veteran-owned small business concerns as subcontractors in Government contracts is a matter of national interest with both social and economic benefits. When a contractor fails to make a good faith effort to comply with a subcontracting plan, these objectives are not achieved, and 15 U.S.C. 637(d)(4)(F) directs that liquidated damages shall be paid by the contractor. In order to demonstrate your compliance with a good faith effort to achieve the small, HUBZone small, small disadvantaged, women owned small, veteran-owned small, and service disabled veteran-owned small business subcontracting goals, outline the steps your company plans to take. These steps will be negotiated with the contracting officer prior to approval of the plan.

- Task order briefings to take place between GTSI's EAGLE II Program Manager, Small Business Office Program Manager, Professional Services Delivery Manager, and Contract Manager – task orders received will be discussed along with particular needs to subcontract work to small businesses associated with such task areas.
- Precise performance reporting through utilization of GTSI's Subcontracting Compliance
  Matrix (Template with clarification on its use is in the SDB Participation Program which is
  included in the proposal response).
- PM to notify team of small business subcontractors regarding subcontracting opportunities for particular task orders via the DHS-EAGLE II Mission Center (EMC) Portal in advance of the RFQ date, giving them the opportunity to submit proposals to perform the work.
- PM and GTSI Purchasing personnel to objectively evaluate proposals and make decisions on awards, facilitating rotation of awards to various small business subcontractors on the team.
- Each subcontract issued will be logged in to the GTSI Subcontracting Compliance Matrix Tool which maintains awardees business classification and monitors year-to-date compliance with EAGLE II small business subcontracting goals.
- Proactive and ongoing outreach efforts to the small business community to help maintain a
  bench of capable subcontractors. Rotation and replacement of subcontractors will be made as
  necessary at the discretion of the Program Manager, Teaming Coordinator, and Professional
  Services Delivery Manager along with feedback provided by the customer.
- PM and Teaming Coordinator to maintain records outlined in FAR 52.219-9 (d).

# 10. SIGNATURES REQUIRED This subcontracting plan was SUBMITTED by: GTSI Corp. Signature: Vinent Ring Typed Name: Vincent Rizzi Title: SB Program Manager 2/15/2011 Date: This subcontracting plan was REVIEWED by: Signature: Typed Name: Title: Contracting Officer Date: This subcontracting plan was REVIEWED by: Signature: Typed Name: Title: Small Business Specialist Date: This subcontracting plan was REVIEWED by: Signature: Typed Name: Title: Small Business Administration Representative Date: This subcontracting plan was ACCEPTED by: Signature: Typed Name: Title: Contracting Officer Date: