

Staffs, ACF, 370 L'Enfant Promenade, SW., Washington, DC from 9 a.m. to 5 p.m. Questions regarding the availability of the minutes should be directed to Ms. Tanesha Canzater, Division of Special Staffs, OCSE, Fourth Floor East, 370 L'Enfant Promenade, SW., Washington, DC 20447 (telephone (202) 205-4992). This is not a toll-free number.

Margot Bean,

Commissioner, Office of Child Support Enforcement.

[FR Doc. E8-13073 Filed 6-9-08; 8:45 am]

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**GENERAL SERVICES
ADMINISTRATION**

48 CFR Parts 519 and 552

[GSAR Case 2006-G501; Docket 2008-0007; Sequence 2]

RIN 3090-AI56

**General Services Acquisition
Regulation; GSAR Case 2006-G501;
GSA Mentor-Protégé Program**

AGENCY: Office of the Chief Acquisition Officer, General Services Administration (GSA).

ACTION: Proposed rule.

SUMMARY: The General Services Administration (GSA) is proposing to amend the General Services Acquisition Regulation (GSAR) to establish a GSA Mentor-Protégé Program. The GSA Mentor-Protégé Program is designed to encourage GSA prime contractors to assist small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, and HUBZone small businesses in enhancing their capabilities to perform GSA contracts and subcontracts, foster the establishment of long-term business relationships between these small business entities and GSA prime contractors, and increase the overall number of small business entities that receive GSA contract and subcontract awards.

DATES: Interested parties should submit written comments to the Regulatory Secretariat on or before August 11, 2008 to be considered in the formulation of a final rule.

ADDRESSES: Submit comments identified by GSAR Case 2006-G501 by any of the following methods:

- Regulations.gov: <http://www.regulations.gov>. Submit comments via the Federal eRulemaking portal by

inputting "GSAR Case 2006-G501" under the heading "Comment or Submission". Select the link "Send a Comment or Submission" that corresponds with GSAR Case 2006-G501. Follow the instructions provided to complete the "Public Comment and Submission Form". Please include your name, company name (if any), and "GSAR Case 2006-G501" on your attached document.

- Fax: 202-501-4067.

- Mail: General Services

Administration, Regulatory Secretariat (VPR), 1800 F Street, NW, Room 4041, ATTN: Laurieann Duarte, Washington, DC 20405.

Instructions: Please submit comments only and cite GSAR Case 2006-G501 in all correspondence related to this case. All comments received will be posted without change to <http://www.regulations.gov>, including any personal and/or business confidential information provided.

FOR FURTHER INFORMATION CONTACT For clarification of content, contact Ms. Rhonda Cundiff at (202) 501-0044. For information pertaining to the status or publication schedules, contact the Regulatory Secretariat (VPR), Room 4041, GS Building, Washington, DC 20405, (202) 501-4755. Please cite GSAR Case 2006-G501.

SUPPLEMENTARY INFORMATION:

A. Background

This proposed rule amends the General Services Administration Acquisition Regulation (GSAR) by adding a new Subpart, 519.70, GSA Mentor-Protégé Program, which outlines the Agency's Mentor-Protégé Program.

Associated contract clauses are added at 552.219-75, GSA Mentor-Protégé Program, and 552.219-76, Mentor Requirements and Evaluation. GSA strongly supports increasing opportunities for small business concerns, recognizing the continuing need to develop the capabilities of small business, small disadvantaged business, HUBZone small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses and women-owned small businesses to perform contracts and subcontracts for GSA.

This is not a significant regulatory action and, therefore, was not subject to review under Section 6(b) of Executive Order 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

B. Regulatory Flexibility Act

The changes may have a significant economic impact on a substantial

number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because the rule will provide an opportunity for small business concerns to become protégés and receive developmental assistance from GSA prime contractors under GSA contracts. The GSA Mentor-Protégé Program is intended to provide subcontracting opportunities for protégés to gain valuable experience and knowledge about Federal Government contracting.

An Initial Regulatory Flexibility Analysis (IRFA) has been prepared. The analysis is summarized as follows:

This proposed rule establishes a GSA Mentor-Protégé Program to encourage GSA prime contractors to assist small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, and HUBZone small businesses in enhancing their capabilities to perform GSA contracts and subcontracts, foster the establishment of long-term business relationships between these small business entities and GSA prime contractors, and increase the overall number of small business entities that receive GSA contract and subcontract awards.

In accordance with the Small Business Act, it is the policy of the Government to provide maximum practicable opportunities in its acquisitions to these small business concerns and allow them to have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by any executive agency, consistent with efficient contract performance. The General Services Administration Mentor-Protégé Program is designed to assist in this policy by encouraging GSA prime contractors to assist small businesses in enhancing their capabilities to perform contracts and subcontracts.

The entities to which this rulemaking would apply are small business protégés. It is estimated that there will be approximately 150 small business concerns impacted by this rule. The protégés (small businesses) will be completing the Agreement with the mentor. In addition, the protégés may complete voluntary reports pertaining to the GSA Mentor-Protégé Program.

The Regulatory Secretariat will be submitting a copy of the IRFA to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the IRFA may be obtained from the Regulatory Secretariat. GSA will consider comments from small entities concerning the affected GSAR parts 519 and 552 in accordance with 5 U.S.C. 610. Comments must be submitted separately and should cite 5 U.S.C. 601, *et seq.* (GSAR Case 2006-G501), in all correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act (Pub. L. 104-13) applies because the proposed rule contains information collection

requirements. Accordingly, the Regulatory Secretariat will be submitting a request for approval of a new information collection requirement concerning 3090–00XX, GSAR Case 2006–G501, GSA Mentor-Protégé Program, to the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

Annual Reporting Burden:

Public reporting burden for this collection of information is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The annual reporting burden is estimated as follows:

Respondents: 300.

Responses per respondent: 4.

Total annual responses: 1200.

Preparation hours per response: 3.

Total response burden hours: 3600.

D. Request for Comments Regarding Paperwork Burden

Submit comments, including suggestions for reducing this burden, not later than August 11, 2008 to: GSAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, Regulatory Secretariat (VPR), 1800 F Street, NW, Room 4041, Washington, DC 20405.

Public comments are particularly invited on: whether this collection of information is necessary for the proper performance of functions of the GSAR, and will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected; and ways in which we can minimize the burden of the collection of information on those who are to respond, through the use of appropriate technological collection techniques or other forms of information technology.

Requester may obtain a copy of the justification from the General Services Administration, Regulatory Secretariat (VPR), Room 4041, Washington, DC 20405, telephone (202) 501–4755. Please cite OMB Control Number 3090–XXXX, GSAR Case 2006–G501, The GSA Mentor-Protégé Program, in all correspondence.

List of Subjects in 48 CFR Parts 519 and 552

Government procurement.

Dated: June 3, 2008.

Al Matera,

Director, Office of Acquisition Policy.

Therefore, GSA proposes to amend 48 CFR parts 519 and 552 as set forth below:

1. The authority citation for 48 CFR parts 519 and 552 continues to read as follows:

Authority: 40 U.S.C. 121(c).

PART 519—SMALL BUSINESS PROGRAMS

2. Add Subpart 519.70 to read as follows:

Sec.

- 519.7001 Scope of subpart.
- 519.7002 Definitions.
- 519.7003 General policy.
- 519.7004 Incentives for prime contractor participation.
- 519.7005 Measurement of program success.
- 519.7006 Mentor firms.
- 519.7007 Protégé firms.
- 519.7008 Selection of protégé firms.
- 519.7009 Application process for mentor firms to participate in the Program.
- 519.7010 Application review and mentor-protégé Agreement process.
- 519.7011 Agreement contents.
- 519.7012 Developmental assistance.
- 519.7013 Obligation.
- 519.7014 Internal controls.
- 519.7015 Reports.
- 519.7016 Program review.
- 519.7017 Contract clauses.

Subpart 519.70—GSA Mentor-Protégé Program

519.7001 Scope of subpart.

The GSA Mentor-Protégé Program is designed to encourage and motivate GSA prime contractors to assist small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, and HUBZone small businesses, and enhance their capabilities to perform GSA contracts and subcontracts, foster the establishment of long-term business relationships between these small business entities and GSA prime contractors, and increase the overall number of small business entities that receive GSA contract and subcontract awards.

519.7002 Definitions.

The definitions of small business concern, small disadvantaged business concern, HUBZone small business concern, women-owned small business concern, veteran-owned small business concern, and service-disabled veteran-owned small business concern are the same as found in FAR 2.101. (Also, see 13 CFR Parts 121, 124, 125 and 126 of

the Small Business Administration Regulation.)

(a) *Mentor* as used in the GSA Mentor-Protégé Program is a prime contractor that elects, on a specific GSA contract, to promote and develop small business subcontractors by providing developmental assistance designed to enhance the business success of the protégé.

(b) *Mentor-Protégé Program Manager* means the head of the Office of Small Business Utilization (OSBU (E)).

(c) *Protégé* as used in the GSA Mentor-Protégé Program is a small business who is the recipient of developmental assistance pursuant to a mentor-protégé arrangement on a specific contract.

519.7003 General policy.

(a) A large business prime contractor which meets the requirements at 519.7006 and is approved as a mentor firm by the Mentor-Protégé Program Manager may enter into an Agreement with a small business, small disadvantaged business, women-owned small business, veteran-owned small business and HUBZone small business which meets the requirements for being a protégé (see 519.7007) to provide appropriate developmental assistance to enhance the capabilities of the protégé to perform as a subcontractor and supplier.

(b) A small business prime contractor which is capable of providing developmental assistance to protégés, may also be approved as a mentor.

(c) An active mentor-protégé arrangement requires the Protégé to be a subcontractor under the mentor's prime contract with GSA.

(d) A firm's status as a protégé under a GSA contract shall not have an effect on the firm's ability to seek other prime contracts or subcontracts.

(e) Mentors may join the GSA Mentor-Protégé Program at any time as long as they meet the requirements at 519.7006.

519.7004 Incentives for prime contractor participation.

(a) Under the Small Business Act, 15 U.S.C. 637(d)(4)(E), the GSA is authorized to provide appropriate incentives to encourage subcontracting opportunities for small business consistent with the efficient and economical performance of the contract. This authority is limited to negotiated procurements.

(b) Costs incurred by a mentor to provide developmental assistance, as described in 519.7012 to fulfill the terms of their agreement(s) with a protégé firm(s), are not reimbursable as a direct cost under a GSA contract. If

GSA is the mentor's responsible audit agency under FAR 42.703-1, GSA will consider these costs in determining indirect cost rates. If GSA is not the responsible audit agency, mentors are encouraged to enter into an advance Agreement with their responsible audit agency on the treatment of such costs when determining indirect cost rates.

(c) In addition to paragraph (b) of this section, contracting officers may give mentors evaluation credit under FAR 15.101-1 considerations for subcontracts awarded pursuant to their Mentor-Protégé Agreements and their subcontracting plans. Therefore—

(1) Contracting officers may evaluate subcontracting plans containing Mentor-Protégé Agreements more favorably than subcontracting plans without Mentor-Protégé Agreements; and

(2) Contracting officers may assess the prime contractor's compliance with the subcontracting plans submitted in previous contracts as a factor in evaluating past performance under certain circumstances (see FAR 15.304(b)(3), and 15.305(a)(2)(v)), and determining contractor responsibility 19.705-5(a)(1).

(d) *OSBU Mentoring Award*. A non-monetary award may be presented annually to the mentoring firm providing the most effective developmental support of a protégé. The Mentor-Protégé Program Manager will recommend an award winner to the GSA Administrator.

(e) *OSBU Mentor-Protégé Annual Conference*. At the conclusion of each year in the GSA Mentor-Protégé Program, mentor firms will be invited to brief contracting officers, program leaders, office directors, and other guests on Program progress. Participation is voluntary.

519.7005 Measurement of program success.

The overall success of the GSA Mentor-Protégé Program encompassing all participating mentors and protégés will be measured by the extent to which it results in—

(a) An increase in the number, dollar value and percentage of subcontracts awarded to protégés by mentor firms under GSA contracts since the date of entry into the Program;

(b) An increase in the number and dollar value of contract and subcontract awards to protégé firms since the time of their entry into the Program (under GSA contracts, contracts awarded by other Federal agencies, and under commercial contracts);

(c) An increase in the number and dollar value of subcontracts awarded to a protégé firm by its mentor firm; and

(d) An increase in subcontracting with protégé firms in industry categories where they have not traditionally participated within the mentor firm's activity.

519.7006 Mentor firms.

(a) Mentors must be—

(1) A large business prime contractor that is currently, or has performed under at least one approved subcontracting plan awarded under a negotiated contract within the last five years, as required by FAR Subpart 19.7; Small business mentors are exempted; or

(2) A small business prime contractor that can provide developmental assistance to enhance the capabilities of protégés to perform as subcontractors and suppliers;

(b) Must be eligible (not listed in the "Excluded Parties List System") for U.S. Government contracts and not excluded from the GSA Mentor-Protégé Program under 519.7014(b);

(c) Must be able to provide developmental assistance that will enhance the ability of protégé to perform as subcontractors; and

(d) Must provide semi-annual reports detailing the assistance provided and the cost incurred in supporting protégés.

519.7007 Protégé firms.

(a) For selection as a protégé, a firm must be—

(1) A small business concern, small disadvantaged business concern, veteran-owned small business concern, service-disabled veteran-owned small business concern, HUBZone small business concern, or women-owned small business concern;

(2) Small for the NAICS code the prime contractor/mentor assigns to the subcontract; and

(3) Eligible (not listed in the "Excluded Parties List System") for U.S. Government contracts and not excluded from the GSA Mentor-Protégé Program under 519.7014(b);

(b) A protégé firm may self-represent to a mentor firm that it meets the requirements set forth in paragraph (a) of this section. Mentors may check the Central Contractor Registration (CCR) at www.ccr.gov to verify the self-representations of the potential protégés that they meet the specified small business and socioeconomic category eligibility requirements (see 19.703(b) and (d)). HUBZone and small disadvantaged business status eligibility and documentation requirements are determined according to 13 CFR parts 124 and 126.

(c) A protégé firm must not have another formal, active mentor-protégé

relationship under GSA's Mentor-Protégé Program but may have an active mentor-protégé relationship in another agency's program.

519.7008 Selection of protégé firms.

(a) Mentor firms will be solely responsible for selecting protégé firms. Mentors are encouraged to select from a broad base of small business including small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business, and HUBZone small business.

(b) Mentor firms may have more than one protégé.

(c) The selection of protégé firms by mentor firms may not be protested, except for a protest regarding the size or eligibility status of an entity selected by a mentor to be a protégé. Such protests shall be handled in accordance with FAR 19.703(b). The contracting officer shall notify the Office of Small Business Utilization (OSBU) of the protest.

519.7009 Application process for mentor firms to participate in the Program.

(a) Prime contractors interested in becoming a mentor firm must submit a request to be approved under the Program to the GSA Mentor-Protégé Program Manager, at GSA Office of Small Business Utilization (E), Washington, DC 20405. The Application will be evaluated on the extent to which the company plans to provide developmental assistance.

(b) The request must contain—

(1) A statement that the mentor firm is currently performing under at least one active approved subcontracting plan (small business exempted) and that they are eligible, as of the date of Application, for the award of Federal contracts;

(2) The number of proposed protégé arrangements;

(3) Data on all current GSA contracts, and subcontracts to include the contract/subcontract number(s), type of contract(s), period of performance (including options), contract/subcontract value(s) including options, technical Program effort(s) (Program title), name of GSA Project Manager or Contracting Officer's Representative (including contact information), name of contracting officer(s) and contact information, and awarding GSA installation;

(4) Data on total number and dollar value of subcontracts awarded under GSA prime contracts within the past 2 years and the number and dollar value of such subcontracts awarded to entities who are proposed protégés;

(5) Information on the proposed types of developmental assistance. For each

proposed mentor-protégé relationship include information on the company's ability to provide developmental assistance to the identified protégé firm and how that assistance will potentially increase subcontracting opportunities for the protégé firm, including subcontracting opportunities in industry categories where these entities are not dominant in the company's current subcontractor base; and

(6) A Letter of Intent signed by both parties. At a minimum, the Letter of Intent must include the stated commitment that the parties intend to enter into a mentor-protégé Agreement under the GSA Program, that they intend to cooperate in the establishment of a suitable developmental assistance Program to meet their respective needs, and that they agree to comply with the obligations in 519.7013 and all other applicable provisions governing the Program.

519.7010 Application review and mentor-protégé Agreement process.

(a)(1) *Application process.* The information specified in 519.7009(b) is reviewed by the GSA Mentor-Protégé Program Manager. This review will be completed no later than 30 days after receipt by the Mentor-Protégé Program Manager OSBU. The Mentor-Protégé Program Manager will provide a copy of the submitted information to the contracting officer and if applicable the cognizant GSA technical Program Manager for a parallel review and concurrence.

(2) If the Mentor-Protégé Program Manager approves the Application, then the mentor—

(i) Negotiates a mentor-protégé Agreement with the protégé; and

(ii) Submits an original and two (2) copies of the Agreement to the GSA Mentor-Protégé Program Manager for approval.

(3) If Mentor-Protégé Program Manager disapproves the application, then the mentor may provide additional information for reconsideration. The review of any supplemental material will be completed within 30 days after receipt by the Mentor-Protégé Program Manager. Upon finding deficiencies that GSA considers correctable, the Mentor-Protégé Program Manager will notify the mentor and request information to be provided within 30 days that may correct the deficiencies.

(b) The Mentor-Protégé Program Manager will provide a copy of the Agreement to the contracting officer, and if applicable the cognizant GSA technical Program Manager, for a parallel review and concurrence. The Mentor-Protégé Program Manager, the

GSA technical Program Manager, and the contracting officer must approve or disapprove the Agreement within 60 days.

(c) Upon notification by the Mentor-Protégé Program Manager that all the GSA parties have approved the Agreement, the mentor may implement a developmental assistance Program.

(d) The contracting officer will incorporate an approved Agreement into the mentor's contract(s) with GSA. It should be added to the subcontracting plan.

519.7011 Agreement contents.

The contents of the Agreement must contain—

(a) Names, addresses (including facsimile, e-mail, and homepage) and telephone numbers of mentor and protégé firms and the name, telephone number, and position title within both firms of the person who will oversee the Agreement;

(b) An eligibility statement from the protégé stating that it is a small business, its primary NAICs code, and when applicable the type of small business (small disadvantaged business concern, HUBZone small business concern, women-owned small business concern, veteran-owned small business concern, service-disabled veteran-owned small business concern);

(c) A description of the type of developmental Program that will be provided by the mentor firm to the protégé firm (see 519.7012);

(d) Milestones for providing the identified developmental assistance;

(e) Factors to assess the protégé firms developmental progress under the Program;

(f) The anticipated dollar value and type of subcontracts that may be awarded to the protégé firm consistent with the extent and nature of mentor firm's business, and the period of time over which they may be awarded;

(g) *Program participation term.* State the period of time over which the developmental assistance will be performed;

(h) *Mentor termination procedures.* Describe the procedures for the mentor firm to notify the Protégé firm, in writing, at least 30 days in advance of the mentor firm's intent to voluntarily withdraw its participation in the Program, or to terminate the Agreement;

(i) *Protégé Termination From the Program.* Describe the procedures for a protégé firm to notify the mentor firm, in writing, at least 30 days in advance of the protégé firm's intent to terminate the mentor-protégé Agreement;

(j) Plan for accomplishing contract work should the Mentor-Protégé

Agreement be terminated or a party excluded under 519.7014(b). The mentor prime's contract with GSA continues even if the Mentor-Protégé Agreement or the GSA Mentor-Protégé Program is discontinued;

(k) The protégé must agree to provide input into the mentor firm's semi-annual reports (see 519.7015). The protégé must submit a "lessons learned" evaluation along with the mentor firm at the conclusion of the Mentor-Protégé agreement; and

(l) Other terms and conditions, as appropriate.

519.7012 Developmental assistance.

The forms of developmental assistance a mentor can provide to a protégé include—

(a) Management guidance relating to—

(1) Financial management;

(2) Organizational management;

(3) Overall business management/

planning; and

(4) Business development;

(b) Engineering and other technical assistance;

(c) Loans;

(d) Rent-free use of facilities and/or equipment;

(e) Temporary assignment of personnel to the protégé for purpose of training;

(f) Subcontracts awarded to protégé firms under this Program are exempt from competition requirements, notwithstanding 52.244-5. However, price reasonableness should still be determined; or

(g) Any other types of permissible, mutually beneficial assistance.

519.7013 Obligation.

(a) The mentor or protégé may terminate the Agreement in accordance with 519.7011. The mentor will notify the Mentor-Protégé Program Manager and the contracting officer, in writing, at least 30 days in advance of the mentor firm's intent to voluntarily withdraw from the Program or to terminate the Agreement, or upon receipt of a protégé's notice to withdraw from the Program.

(b) Mentor and protégé firms will submit a "lessons learned" evaluation to the GSA Mentor-Protégé Program Manager at the conclusion of each Mentor-Protégé Agreement.

519.7014 Internal controls.

(a) The GSA Mentor-Protégé Program Manager will manage the Program. Internal controls will be established by the Mentor-Protégé Program Manager to achieve the stated Program objectives (by serving as checks and balances

against undesired actions or consequences) such as the following:

(1) Reviewing and evaluating mentor Applications for realism, validity and accuracy of provided information.

(2) Reviewing any semi-annual progress reports submitted by mentors and protégés on protégé development to measure protégé progress against the master plan contained in the approved Agreement.

(b) GSA has the authority to exclude mentor or protégé firms from participating in the GSA Program.

(1) The contracting officer or technical Program Manager can recommend exclusion and the length of exclusion from the Program. These actions shall be approved by the GSA Mentor-Protégé Program Manager.

(2) If GSA has good cause to exclude a mentor or a protégé from the Program, the GSA Office of Small Business Utilization will deliver to the contractor a Notice specifying the reason for Program exclusion and the effective date.

(3) The exclusion from the Program does not constitute a termination of the subcontract between the mentor and the protégé.

519.7015 Reports.

(a) Semi-annual reports shall be submitted by the mentor to the GSA Mentor-Protégé Program Manager to include information as outlined in 552.219-76(c).

(b) Protégés must agree to provide input into the mentor firm's semi-annual reports detailing the assistance provided and goals achieved since agreement inception. However, for cost reimbursable contracts, costs associated with the preparation of these reports are unallowable costs under these Government contracts and will not be reimbursed by the Government.

(c) The GSA contracting officer, or if applicable the technical Program Manager, shall include an assessment of the prime contractor's (mentor's) performance in the Mentor-Protégé Program in a quarterly 'Strengths and Weaknesses' evaluation report. A copy of this assessment will be provided to the Mentor-Protégé Program Manager and to the mentor and protégé.

519.7016 Program review.

At the conclusion of each year in the GSA Mentor-Protégé Program (anniversary date of the GSA Mentor-Protégé Program), the prime contractor and protégé, as appropriate, will formally brief the GSA Mentor-Protégé Program Manager, the technical Program Manager, and the contracting officer regarding Mentor-Protégé Program

accomplishments pertaining to the approved Agreement.

519.7017 Contract clauses.

(a) The contracting officer shall insert the clause at 552.219-75, GSA Mentor-Protégé Program, in all unrestricted solicitations and contracts that exceed the simplified acquisition threshold.

(b) The contracting officer shall insert the clause at 552.219-76, Mentor Requirements and Evaluation, in contracts anticipated to exceed the simplified acquisition threshold.

PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

3. Add sections 552.219-XX and 552.219-YY to read as follows:

552.219-XX GSA Mentor-Protégé Program.

As prescribed in 519.7017(a), insert the following clause:

GSA Mentor-Protégé Program (DATE)

(a) Prime Contractors, including small businesses, are encouraged to participate in the GSA Mentor-Protégé Program for the purpose of providing developmental assistance to eligible protégé entities to enhance their capabilities and increase their participation in GSA contracts.

(b) The Program consists of—

(1) Mentor firms, which are large prime Contractors with at least one active subcontracting plan, or which are eligible small businesses;

(2) Protégés, which are subcontractors to the prime Contractor, include small business concerns, small disadvantaged business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, and women-owned small business concerns meeting the qualifications specified in Subpart 519.70; and

(3) Mentor-protégé Applications and Agreements, approved by the Mentor-Protégé Program Manager in the GSA Office of Small Business Utilization (OSBU).

(c) Mentor participation in the Program means providing technical, managerial and financial assistance to aid protégés in developing requisite high-tech expertise and business systems to compete for and successfully perform GSA contracts and subcontracts.

(d) Contractors interested in participating in the Program are encouraged to read GSAR Subpart 19.7 and to contact the GSA Office of Small Business Utilization (E), Washington, DC 20405, (202) 501-1021, for further information.

(End of clause)

552.219-YY Mentor Requirements and Evaluation.

As prescribed in 519.7017(b), insert the following clause:

Mentor Requirements and Evaluation (DATE)

(a) The purpose of the GSA Mentor-Protégé Program is for a GSA prime Contractor to provide developmental assistance to certain subcontractors qualifying as protégés. Eligible protégés include small business concerns, small disadvantaged business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, and women-owned small business concerns meeting the qualifications specified in 519.7007.

The Program requires an Application process and an Agreement between the mentor and the protégé. See GSAR Subpart 519.70 for more information.

(b) GSA will evaluate a GSA mentor's performance on the following factors:

(1) Specific actions taken by the Contractor, during the evaluation period, to increase the participation of its protégé as a subcontractor and supplier.

(2) Specific actions taken by the Contractor during this evaluation period to develop the technical and corporate administrative expertise of its protégé as defined in the Agreement.

(3) To what extent the protégé has met the developmental objectives in the Agreement.

(4) To what extent the firm's participation in the GSA Mentor-Protégé Program resulted in the protégé receiving competitive contract(s) and subcontract(s) from private firms other than the mentor, and from agencies.

(c) Semi-annual reports shall be submitted by a GSA the mentor to the GSA Mentor-Protégé Program Manager, GSA Office of Small Business Utilization (E), Washington, DC 20405. The reports must include information as outlined in paragraph (b) of this clause.

(d) A GSA mentor will notify the GSA Mentor-Protégé Program Manager and the Contracting Officer, in writing, at least 30 days in advance of the mentor firm's intent to voluntarily withdraw from the GSA Program or terminate the Agreement, or upon receipt of a protégé's notice to withdraw from the Program.

(e) GSA mentor and protégé firms will submit a "lessons learned" evaluation to the GSA Mentor-Protégé Program Manager at the conclusion of the Mentor-Protégé Agreement. At the end of each year in the GSA Mentor-Protégé Program, the mentor and protégé, as appropriate, will formally brief the GSA Mentor-Protégé Program Manager, the

technical Program Manager, and the Contracting Officer during a formal Program review regarding Program accomplishments as pertains to the approved Agreement.

(f) GSA has the authority to exclude mentor or protégé firms from participating in the GSA Program. The Contracting Officer or technical Program Manager can recommend exclusion and the length of exclusion from the Program. These actions shall be

approved by the GSA Mentor-Protégé Program Manager. If GSA has good cause to exclude a mentor or a protégé from the Program, the GSA Office of Small Business Utilization will deliver to the Contractor a Notice specifying the reason for Program exclusion and the effective date. The exclusion from the Program does not constitute a termination of the subcontract between the mentor and the protégé. A plan for accomplishing the subcontract effort

should the Agreement be terminated shall be submitted with the Agreement as required in 519.7011(j).

(g) Subcontracts awarded to GSA protégé firms under this Program are exempt from competition requirements, notwithstanding 52.244-5. However, price reasonableness should still be determined.

(End of clause)

[FR Doc. E8-12923 Filed 6-9-08; 8:45 am]

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