



DEPARTMENT OF THE AIR FORCE  
WASHINGTON, DC

OFFICE OF THE ASSISTANT SECRETARY

AUG 04 2008

MEMORANDUM FOR ALMAJCOM/FOA/DRU (Contracting)

From: SAF/AQC  
1060 Air Force Pentagon  
Washington DC 20330-1060

Subject: DoD Implementation of Electronic Subcontracting Reporting System (eSRS) and Reporting Functions

On 19 July 2008, DUSD (A&T) issued a memorandum (Attachment 1) clarifying requirements for implementing the Electronic Subcontracting Reporting System (eSRS) as the method for contractors to submit subcontracting activities previously reported on Standard Forms 294 and 295, and removing the deviation excluding DOD from mandatory eSRS use effective with the year end FY08 reports. Beginning October 2008, the Air Force will require contractors to use eSRS for subcontracting reports.

In order to implement eSRS in the Air Force, our existing E-Business POC structure will be used in accordance with the plan at Attachment 2. System users fulfilling the identified roles must:

- Confirm that Clause 52.219-9 (Apr 2008) has been added to all solicitations and contracts exceeding \$550,000 awarded to large businesses requiring subcontracting plans.
- By 29 August 2008, notify contractors of eSRS implementation, email address of the contracting officer or person accepting the submission in eSRS, and the requirement to notify their subcontractors when the clause applies to lower tier subcontractors.
- Obtain eSRS training and register in the eSRS system at <http://esrs.gov> before 30 Oct 08.

Implementation resources, including training and a detailed explanation of the roles and responsibilities, are available at <http://www.acq.osd.mil/dpap/pdi/eb/index.html> under the OUSD (AT&L) DPAP e-Business link. Please direct questions to the AF Agency Coordinator, Ms. Susan Haskew SAF/AQCI, (703) 588-7268 or DSN 425-7268. Small Business questions may be directed to Ms. Mary Reynolds, 703-696-1163 or DSN 426-1163.

ROGER S. CORRELL  
Deputy Assistant Secretary (Contracting)  
Assistant Secretary (Acquisition)

Attachments:

1. DUSD (A&T) eSRS Phase II Memo, 19 July 08
2. Air Force eSRS Deployment Plan (draft)



ACQUISITION AND  
TECHNOLOGY

DEPUTY UNDER SECRETARY OF DEFENSE  
3015 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3015

JUL 19 2008

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: DoD Implementation of the Electronic Subcontracting Reporting System (eSRS) and Reporting Functions

The Electronic Subcontracting Reporting System (eSRS) provides an on-line method for vendors to report their subcontracting activities (previously accomplished with submission of Standard Forms (SF) 294 and 295). Federal Acquisition Regulation (FAR) Subpart 19.7 and its associated clauses have been updated to address eSRS impacts. The Department successfully implemented eSRS in April 2008 at identified Phase 1 sites. Given this success, we believe that planned Phases 2 and 3 can be collapsed into Phase 2. Thus, at this time I request that you each provide a plan to complete implementation of eSRS so that FY08 year-end subcontracting reporting, which begins in October 2008, is accomplished in the system. My staff at the Office of Small Business Programs (OSBP) is working with the Small Business Administration (SBA) to extend the end of the reporting period to December 2008 to allow for this implementation. The FAR class deviation issued June 3, 2008 for DoD non-Phase 1 sites regarding eSRS will be rescinded to further support end of FY08 subcontract reporting in eSRS. Implementation resources are available on the Defense Procurement, Acquisition Policy, and Strategic Sourcing website at <http://www.acq.osd.mil/dpap/pdi/index.html> under the E-Business tab. Your plans should be coordinated between your procurement and small business leadership, and submitted to my action officers identified below by July 25, 2008.

As part of the processes of eSRS, once the vendor submits its report, the government contracting officer must acknowledge receipt of the report on-line to allow its data to be counted in reports, or reject it if inaccurate. DoD's deployment strategy to implement this process provides for an initial period of time to allow evaluation in terms of workload impacts, while maintaining the level of subcontracting plan monitoring in the Department. As such, the process for the planned implementation is as follows:

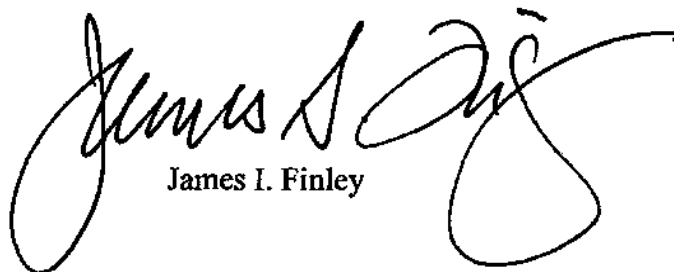
- Defense Contract Management Agency (DCMA) will perform the "acknowledge receipt / reject" function required in FAR 19.705-6(h) for Summary Subcontracting Reports (SSRs) (formerly SF295s) for vendors for which it administers the preponderance of subcontracting plans and vendors under the DoD Comprehensive Subcontracting Test Program.



- Military Services and other Components will perform the “acknowledge receipt / reject” function for SSRs for vendors for which they administer the preponderance of subcontracting plans, approved the commercial subcontracting plan, and/or awarded construction and related maintenance and repair contracts with subcontract plans. Construction-related SSRs are filed for each DoD Component. Components must identify in their implementation plans the organization(s) that will acknowledge/reject SSRs in accordance with FAR 19.705-6, and register the specific individuals who will act as these Component SSR Coordinators for the appropriate roles in eSRS. Component plans that include assistance from small business specialists must be coordinated with the Component level Office of Small Business Programs.
- Military Services and other Components will perform the “acknowledge receipt / reject” function for Individual Subcontracting Reports (ISRs) (formerly SF294s) for all contracts for which they are the issuing / procuring office, including those contracts otherwise delegated to DCMA for administration, in accordance with FAR 19.705-6.
- DCMA will continue to provide subcontracting plan monitoring and surveillance for contracts delegated to it for administration in accordance with its current approach and established agreements with DoD Components.

Accomplishing the “acknowledge receipt” function is not considered acceptance of the reported information. Efficient processing times (within 30 days of a contractor’s submission) should be followed to allow timely contractor notification of any issues or potential data anomalies identified with the deliverable. Since eSRS is simply an electronic tool to collect subcontracting reports/data, contracting officers are reminded of their responsibilities for monitoring subcontracting plan performance and holding contractors accountable for achievement of their goals as outlined in FAR 19.705-7, 19.706, and 42.302(a)(52)-(55). The distribution of responsibilities as shown above will be re-evaluated after the end of the FY09 subcontracting reporting period. Also, these processes will be captured in a forthcoming Defense FAR Supplement (DFARS) / Procedures, Guidance, and Information (PGI) case.

My action officers for questions regarding this correspondence are Mae Bartley, [mae.bartley@osd.mil](mailto:mae.bartley@osd.mil), 703-602-8011, for procurement policy; Wendy Despres, [wendy.despres@osd.mil](mailto:wendy.despres@osd.mil), 703-604-0157 ext 145 for small business policy; and Don Jean of the Business Transformation Agency, [donald.jean@bta.mil](mailto:donald.jean@bta.mil), 703-607-5742 for eSRS deployment.



James I. Finley

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(ATTN: ACQUISITION EXECUTIVE)**

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**DRAFT**

**ELECTRONIC SUBCONTRACTING REPORTING SYSTEM  
(eSRS)**

**Deployment Plan**

**for**

**The Department of the Air Force**

## Background

The Electronic Subcontracting Reporting System (eSRS) is an internet-based system that was launched by the SBA to enable contractors to report their subcontracting accomplishments electronically. The subcontracting data was submitted previously on the paper-based Standard Forms (SF) 294 and 295. For the eSRS, these forms will be replaced by the electronic Individual Subcontracting Report (ISR, formerly the SF 294) and Summary Subcontracting Report (SSR, formerly the SF 295). The purpose of this document is to provide the methodology by which The Department of the Air Force (AF) will implement eSRS, starting with the FY08 year-end subcontracting reporting.

## Implementation Overview

<i>Task</i>	<i>Personnel</i>	<i>Target Date</i>
Distribution of Dr. Finley memo directing Oct 08 eSRS implementation to AF	DUSD (A&T)	19 July 08
Verify that appropriate contracts in the Federal Procurement Data System Next Generation (FPDS-NG) are marked to require sub-contract plans	Secretary of the Air Force Contracting Business Systems (SAF/AQCI)	29 July 08
MAJCOM Agency Coordinator (AC) Train the Trainer Session	Business Transformation Agency Personnel (BTA)	6 Aug 08
Identify potential contracts requiring use of eSRS	Contracting Business Information System (CBIS)	11 Aug
Send notification letter to MAJCOM/ FOA/ DRU regarding the implementation of the eSRS	Deputy Assistant Secretary Contracting	13 Aug 08
CBIS results distributed to bases	AF & MAJCOM ACs	13 Aug 08
Register MAJCOM ACs	AF & MAJCOM ACs	15 Aug 08
eSRS notification to Central Contractor Registered vendors	BTA	18 Aug 08
Verify organizational hierarchy	AF & MAJCOM ACs	29 Aug 08
Notify Phase 1 Contractors* regarding eSRS use for Oct 08	Contracting Officials (COs)	NLT: 29 Aug
Train AF E-Business System Administrators (EBSAs) as Base ACs via Web Training	BTA	14-16 Oct 08
Register AF EBSAs as Base ACs	EBSAs & MAJCOM ACs	14-17 Oct 08
Identify, register and train AF COs & Designated Government Users (DGUs)	EBSAs	15-31 Oct 08
Contractors submit ISRs & SSRs in eSRS	Contractors	Oct 08
Contracting Officials Acknowledge Receipt / Reject ISRs & SSRs in eSRS per FAR Part 19.705-6(h)	COs	Nov 08
COs incorporate FAR clause 52.219-9 at the next modification (Phase 2**)	COs	Ongoing

**\*Phase 1:** Contractors who currently have FAR clause 52.219-9 (Apr 2008) in their contracts are required to use eSRS for 08 EOY reports. Other contractors with subcontracting plans are encouraged to use eSRS at this stage after coordinating with their Contracting Officer.

**\*\*Phase 2:** During routine contract modifications, COs will include the updated FAR clause 52.219-9.

## Roles and Permissions

Roles and permissions in eSRS are based on individual registration. Individuals registering must have their valid Department of Defense Agency Activity Codes (DoDAAC) to ensure correct registration. AF will use three permission levels in eSRS:

- Agency Coordinator (AC) is essentially a system administrator. These individuals have full access to eSRS for their organization and below in their organizational structure. ACs can manage new agency registrations, view/ accept/ reject contractor reports and run reports on data. For AF, the Agency Coordinators will be:
  - AF level: Secretary of the Air Force Contracting Business Systems (SAF/AQCI) Personnel: Federal Procurement Data System Lead and Alternate. Agency ACs will also attend the federal eSRS User Group meetings.
  - MAJCOM level: representatives from the Major Commands (MAJCOM) to the contracting Functional Requirements Board (FRB)
  - Base Level: the Electronic Business System Administrators (EBSAs)
- Contracting Official (CO) users can view/ accept/ reject contractor reports and run reports on data from their registered level (DoDAAC) and below. The COs in the AF are:
  - Contracting Officers or designated contracting office personnel for contracts requiring ISRs or SSRs
- Designated Government User (DGU) can view accepted contractor reports and run reports on data from their registered level (DoDAAC) and below. DGUs for the AF will be:
  - Small Business Specialist and Directors
  - Contracting Officers' designees, such as Contracting Officer Representatives

## System Registration Hierarchy

- AF Agency Coordinator (AC) and Alternate are located at SAF/AQC headquarters and will approve registrations for MAJCOM ACs. The AF AC and Alternate will also be able to administer the privileges and rights of users as needed.
- MAJCOM ACs will identify and approve registrations for the Electronic Business System Administrators (EBSAs) at their bases. The MAJCOM ACs will also be able to administer the privileges and rights of users as needed.
- EBSAs will identify and approve registrations for COs and DGUs for their respective organizations.

# Training

## Training Methodology

- AF and MAJCOM ACs: An initial training session for Agency Coordinators and MAJCOM ACs will be provided by BTA via a classroom session in August 2008.
- EBSA ACs: Online Train-the-Trainer sessions for EBSAs will be provided via the web-based presentations by BTA in early October 2008. PowerPoint presentations and eSRS User Guides are also available.
- COs & DGUs: PowerPoint presentations and eSRS User Guides are available for your use. Training is to be completed in October 2008.

## Training Materials and Support

- User Guides - <http://www.esrs.gov>
- PowerPoint slides on eSRS basics, reporting and registration - [http://www.acq.osd.mil/dpap/pdi/eb/electronic\\_subcontracting\\_reporting\\_system.html](http://www.acq.osd.mil/dpap/pdi/eb/electronic_subcontracting_reporting_system.html)
- Helpdesk assistance - [dodesrshelpdesk@bta.mil](mailto:dodesrshelpdesk@bta.mil)

## Communication Plan

Formal communication documents will be distributed as identified in the implementation overview. Additional methods include notifying AF contracting personnel by:

- Posting the information on the Air Force Contracting website
- Emailing the announcement to the *What's New in Air Force Contracting* subscribers

We will also put an article in the AF Small Business (SB) newsletter and post it to our SAF/SB website.