



Small Business Subcontracting Plans - FAQ

- Q The Office of Research has informed me that I need to work with the Purchasing Services Department to develop a small business subcontracting plan. What are my next steps?**

A Send your final budget and [Small Business Subcontracting Plan Checklist](#) to subcontractingplans@cfo.pitt.edu at least **10 days prior** to your budget deadline date.

The inbox, subcontractingplans@cfo.pitt.edu, is covered by multiple Procurement Specialists, and utilizing it will ensure the quickest turn-around time on the preparation of your small business subcontracting plan.

⇒ View this guide, [Preparing Small Business Subcontracting Plans - Step-by-Step](#), for at-a-glance instructions and important tips on getting the quickest turn-around time.

- Q Do I need to follow a specific timeline when submitting my final budget and Small Business Subcontracting Checklist to the Purchasing Services Department?**

A Yes. Purchasing Services needs at least **10 business days** to properly review your final budget and to ensure the development of the most competitive plan. A well-developed plan will give you the best possible opportunity to receive the award.

- Q If equipment is listed in my plan (e.g. computers), how much detail do I need to provide?**

A Using computers as the example, you would (at minimum) list the following details on the summary of materials worksheet in your final budget:

- type of computer (handheld device, PC, MAC, Notebook, etc...)
- system requirements
- software requirements
- hardware requirements
- whether you already have the equipment or need to purchase it
- etc...

Apply this level of detail to any piece of equipment shown in your plan.

⇒ **Tip:** *Include as much detail as possible to ensure development of the most competitive plan. A well-developed plan will give you the best possible opportunity to receive the award.*

4. **Q What are my responsibilities *after* I have submitted a Subcontracting plan?**

A Developing your plan is only the beginning. Once your subcontracting plan has been awarded, your department is responsible for managing and tracking spend according to your small business subcontracting plan.

For information about reporting Small Business or DBE spend, refer the last section (page 5, “After Submission”) of the [Guide to the Preparation of *Small/Disadvantaged Business Subcontracting Plans](#).

After you have reviewed the *After Submission* instructions, you may find the following resources helpful.

- [Individual Subcontract Reports \(ISR\) Sample](#)
- [Summary Subcontract Report \(SSR\) Sample](#)

5. **Q What will happen if I do not meet the spend goals detailed in my subcontracting plan?**

A The University of Pittsburgh could be held liable for fines.

As stated the first paragraph of the [Guide to the Preparation of *Small/Disadvantaged Business Subcontracting Plans](#), legislation enacted in 1989 outlines financial penalties referred to as “liquidated damages” for the prime contractor (i.e. University of Pittsburgh) in the amount of the actual cash value for any shortfall not realized per Small Business Administration small/diverse business subcontracting plan goals [FAR 19.702](#).

It is important to formulate a realistic small business subcontracting plan and execute its budgeting details. As indicated above, there are potential monetary penalties for not meeting goals. Moreover, non-compliance issues, such as not meeting goals set in the Small Business Subcontracting Plan, are documented by federal agencies and could affect all future funding applicants at the University.

The fact that goods and services from a small business vendor may cost more is not considered by the government to be an acceptable excuse for not using them, unless the cost is prohibitive.

⇒ **Tip:** *Your department is responsible for managing and tracking spend on you small business subcontracting plan.*

6. **Q In General, How do I know whether I will need to prepare a small business subcontracting plan?**

A If you are submitting a proposal for a federally sponsored research project that exceeds \$700,000, regardless of the federal agency (NIH, DOD, etc...), contact the University of Pittsburgh [Office of Research](#) for guidance in determining whether you need to prepare a subcontracting plan.

If the Office of Research directs you to the Purchasing Services department, you will need to email your **final** budget and a [Small Business Subcontracting Plan Checklist](#) to the Purchasing Services Department to: subcontractingplans@cfo.pitt.edu. For more information, view this [step-by-step](#) guide for working with the Purchasing Services department to develop a small business subcontracting plan.

7. **Q Why does the University require small business subcontracting plans?**

A In accordance with the law - [FAR Subpart 19.7](#), all federally sponsored contracts in excess of \$700,000 require implementation of a subcontracting plan with established goals for expenditures to Small Businesses or DBE suppliers. See [FAR Subpart 19.7](#) for further details.

8. **Q How do I prepare a small business subcontracting plan?**

A See the first [Q&A](#)

9. **Q How do I find a certified Small Business or DBE?**

A Refer to following resources if you need to source supplemental DBE suppliers throughout the contract term:

- [University of Pittsburgh Non-Contracted DBE Suppliers](#)
- [System for Award Management \(formerly the Central Contract Registration or CCR Database\)](#)
- [Small Business Administration \(SBA\) Database](#)
- Contact Jennifer Barnes, Diversity and Sustainability Coordinator, at jbarnes@cfo.pitt.edu

10. Q Whom should I contact if I have questions?

A Send all small business subcontracting plan inquiries to subcontractingplans@cfo.pitt.edu.

A Contact Jennifer Barnes with inquiries regarding Diversity or Disadvantaged Business Enterprises (DBE). Renee Galloway has retired from the University as of April 1, 2019.

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Contact Information

Jennifer Barnes

jbarnes@cfo.pitt.edu

Diversity and Sustainability Coordinator

University of Pittsburgh - Purchasing Services Department