



**DEFENSE CONTRACT MANAGEMENT AGENCY**  
SMALL BUSINESS CENTER – COMPREHENSIVE SUBCONTRACTING PROGRAM DIVISION  
18901 S. WILMINGTON AVE.  
BUILDING DH2, SUITE 224M  
CARSON, CA 90746

7 March 2014

Mr. Mick Maurer  
President  
Sikorsky Aircraft Corporation (SAC)  
6900 Main Street  
Stratford, CT 06615

Dear Mr. Maurer:

On February 4-6, 2014, Judy Collier, Program Manager, DCMA Small Business Center, conducted a review of your FY13 Small Business Subcontracting Program to assure compliance with applicable laws and regulations. The review covered your company's overall subcontracting program on contracts covered under the FY13 DOD Comprehensive Subcontract Plan (Test Program).

As a result of the review, your Small Business Program is rated Outstanding. Thank you for your commitment to the objectives of the small business program.

In addition to yourself and Ms. Amy Johnson, Director, Supply Management, please convey my sincere appreciation to Mr. Francisco Vasquez, SBLO, for his cooperation and detailed preparedness during the review process.

The results of our review will be forwarded to the appropriate DOD, Military Service and other Defense Agency Small Business Program Offices. When requested by the DOD buying offices, we will provide a copy of the enclosed DCMA Form 640 with the results of our review.

**Please keep in mind that the dissemination of this review is for official government use only and distributed only within government agencies or directly through the subject contractor. Any further distribution is at the contractor's discretion.**

If you have any questions or if you need further assistance, please contact Ms. Judy Collier at

(b) (6)

(b) (6)

Sincerely,

(b) (6)

Margaret Trimble-Williams  
Group Chief  
Comprehensive Subcontracting Program Group  
DCMA Small Business Center

LMC0001585

Enclosure:  
SAC FY13 640 Review

Shane Eddy, Senior VP of Operations, SAC  
Janet Duffy, VP of Supply Chain, SAC  
Amy M. Johnson, Director Supply Management, SAC  
Keith Richardson, Manager Business Process Management, SAC  
Francisco Vasquez, SBLO, SAC  
Col. Gregg B. Monk, Commander, DCMA  
Judy Collier, Program Manager, DCMA  
Joseph McDonnell, Cost Monitor, DCMA  
Kimberly Gaskins, DACO, DCMA  
James A. Baltrush, ACO, DCMA  
Sandi Liu, SBA  
Stephanie Lewis, SBA

Military Services:

Carol White – Air Force  
Teresa Rendon – Air Force  
Jean Smith – Air Force  
Rachael Harris – Air Force  
Tracey Pinson-Dennis – Army  
Pamela Monroe – Army  
Lee Rosenberg – MDA  
Jerrol Sullivan – MDA  
Laura Anderson – MDA  
Sean Crean – Navy  
Kenneth Carkhuff – NAVAIR  
Emily Harman – Navy  
Brad Taylor – Navy  
Patricia Obey – Navy  
Linda Oliver – OSD  
Janice Buffler – OSD  
Wendy Despres – OSD

**DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA)  
REVIEW OF CONTRACTOR'S COMPREHENSIVE SUBCONTRACTING PROGRAM**

**PART I – GENERAL INFORMATION**

<b>1. CONTRACTOR:</b> Name: Sikorsky Aircraft Corporation (SAC) Address 1: 6900 Main Street Address 2: City/State/Zip: Stratford, CT 06615 CAGE: 78286                      DUNS: 83-555-1474	<b>1.a. SMALL BUSINESS LIAISON OFFICER (SBLO)</b> Name: Francisco Vasquez Phone: (b) (6)                      FAX: (b) (6) E-mail: (b) (6)
<b>2. PROGRAM MANAGER, COMPREHENSIVE PROGRAM</b>  Name: Judy A. Collier Phone: (b) (6)                      FAX: E-mail: (b) (6)	<b>1.b. ALTERNATE SMALL BUSINESS LIAISON OFFICER</b> Name: Phone:                      FAX: E-mail:  <b>3. GROUP CHIEF, COMPREHENSIVE PROGRAM PROGRAM</b> Name: Margarette Trimble-Williams Phone: (b) (6)                      FAX: (b) (6) E-mail: (b) (6)
<b>4. SMALL BUSINESS ADMINISTRATION (SBA) COMMERCIAL MARKETING REPRESENTATIVE (CMR)</b> Name: Sandy Liu Phone: (b) (6)                      FAX: (b) (6) E-mail: (b) (6)	<b>5. ADMINISTRATIVE CONTRACTING OFFICER</b> Name: Kimberly Gaskins Phone: (b) (6)                      FAX: E-mail: (b) (6)

DCMA/SMALL BUSINESS ADMINISTRATION (SBA), JOINT REVIEW:

☐ Yes                      ☒ No IF NOT, WHY NOT: Virtual Review

Review setting:    on-site review    ☐    virtual review    ☒

<b>6. PERIOD COVERED BY THIS REVIEW:</b> 6.a. From: 1 October 2012	<b>7.a. DATE OF THIS REVIEW:</b> Feb. 4-6, 2014 <b>7.b. TYPE OF REVIEW:</b> Virtual Review	<b>8.a. DATE OF LAST REVIEW DATA:</b> 25 January, 2013 <b>8.b. TYPE OF LAST REVIEW DATA</b> Site Review
6.b. To: 30 September 2013	<b>7.c. RATING OF THIS REVIEW</b> Outstanding	<b>8.c. RATING OF LAST REVIEW DATA:</b> Highly Successful
	<b>7.d. RISK OF THIS REVIEW:</b> Moderate	<b>8.d. RISK OF LAST REVIEW DATA</b> Moderate

**9. DOD RATIOS:**

a. Total Annual Company Sales: [REDACTED]

b. Total dollar value of contracts that are with DoD (including those without plans): [REDACTED]

**10. TYPE OF SUBCONTRACT PLAN(S):**

☐ Individual Plan(s): Number of plans:

☐ Commercial Plan: Approving authority:                      Period Covered From:                      Period Covered To:

☒ Comprehensive Plan: Approving authority: Margarette Trimble-Williams    Period Covered From: 1Oct12    Period Covered To: 30Sep13

☐ Master Plan: Approving authority:                      Period Covered From:                      Period Covered To:

☐ Other: Specify Type

**PART II – CONTRACTOR'S COMPREHENSIVE SUBCONTRACTING PERFORMANCE**

## SUBCONTRACTING PERFORMANCE FACTORS

*Compliance with FAR requirements in this part establish the basic requirements for an acceptable rating*

1. OVERALL SUBCONTRACTING PERFORMANCE – SUMMARY SUBCONTRACTING REPORT (SSR) SUBMISSION  
(FAR 52-219-9(d) (1), (2) & (10) (iii) & (iv))

- a. WERE SSR REPORTS SUBMITTED IN ACCORDANCE WITH FAR REQUIREMENTS AND SSR INSTRUCTIONS?  
☒ YES    ☐ NO. Identify deficiencies: SAC submitted on time for October 2013, however due to verification issues with their internal purchasing system that separated the report it was resubmitted in January 2014.
- b. VERIFY ACCURACY OF SSR REPORTS: The original SSR was submitted incorrectly in October 2013. This was not discovered until December 2013 after the DCMA Program Manager had accepted the original submission. The root cause was the mechanism to differentiation of small business spend to the appropriate socioeconomic category was not included in an upgrade to Sikorsky's SAP system upgrade for the fourth quarter of FY13. As a result the SSR was rejected and resubmitted to ensure the correct percentages were able to be verified during the 640 Review. The SSR was verified to ensure the goals and percentages were correctly reported.
- c. PERFORM TREND ANALYSIS OF PAST PERFORMANCE AND DISCUSS TRENDS, POSITIVE OR NEGATIVE:

	Total Subcontracting Dollars (per the SSR)		Small Business			
Fiscal Year	\$ Goal	\$ Actual	\$ Goal	\$ Actual	% Goal	% Actual

	Small Disadvantaged Business				Women-Owned Small Business			
Fiscal Year	\$ Goal	\$ Actual	% Goal	% Actual	\$ Goal	\$ Actual	% Goal	% Actual

	HBCU/MI				Hub-Zone Businesses			
Fiscal Year	\$ Goal	\$ Actual	% Goal	% Actual	\$ Goal	\$ Actual	% Goal	% Actual

	Veteran-Owned Small Business				Service Disabled Veteran-Owned Small Business			
Fiscal Year	\$ Goal	\$ Actual	% Goal	% Actual	\$ Goal	\$ Actual	% Goal	% Actual

Special Note: The 2010 program reviews determined 2009 SSRs invalid. Thus, they are omitted from the -table above. DCMA will only evaluate the actual achievement reported in 2010, 2011, 2012, and 2013.

SAC has continued to meet and exceed all negotiated small business subcontracting goals since FY12. SAC did meet and exceed their SB goal.

**Small Disadvantaged Business (SDB):**

SAC has not been able to meet the DOD minimum subcontracting goal. SAC did meet and exceed their SDB goal.

**Women Owned Small Business (WOSB):**

SAC continues to exceed the DoD minimum subcontracting goal. SAC did meet and exceed their WOSB goal.

**HUBZone Small Business:**

SAC did meet its negotiated HUBZone goal.

**Veteran Owned Small Business (VOSB):**

SAC did meet and exceed its VOSB goal.

**Service Disabled Veteran Owned Small Business (SDVOSB):**

SAC did meet and exceed its SDVOSB goal.

**2. FOR COMPREHENSIVE SUBCONTRACTING PLANS ONLY INITIATIVES:**

- a. Describe the efforts the firm uses to achieve all negotiated initiatives? Describe:

[REDACTED]

[REDACTED] Sikorsky is on track to meet this goal by year end FY14.

[REDACTED] Sikorsky has met this goal.

[REDACTED]  
Sikorsky has met this goal.

[REDACTED] Sikorsky has met this goal.

[REDACTED] Sikorsky has met this goal.

Is the firm making adequate progress to meet all milestones for all negotiated initiatives? ☒ Yes ☐ No

b. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals? ☐ Yes ☒ No

[REDACTED] Sikorsky has met this goal.

[REDACTED] . Sikorsky did not achieve this goal.

Describe the method the firm uses to improve performance by small business in the selected industry categories?

[REDACTED] . However, Sikorsky was unable to achieve this goal.

c. List the major programs (s) the firm is monitoring as requested by the customer.



Currently, there aren't any customer requests through DCMA for program level reporting.

Program Name	Discuss:	Add/Remove
		<input type="checkbox"/> Add <input type="checkbox"/> Remove
		<input type="checkbox"/> Add <input type="checkbox"/> Remove
		<input type="checkbox"/> Add <input type="checkbox"/> Remove
		<input type="checkbox"/> Add <input type="checkbox"/> Remove

- d. Did the firm fully comply with the request to provide program specific information as requested by the customer?  
☐ Yes ☒ No Not Applicable

- e. **PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN (SF 295/SSR).**  
 Indicate by analysis and contractor concurrence, one or more of the plan's goals **may not be** attained by end of performance.

COMPREHENSIVE PLAN	Goal May Not Be Met – Check Box(es) where goals may not be met						Demonstrated Good Faith Effort
	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB	
Midyear SF295/SSR Date Range: Oct 1, 2012 – Mar 31, 2013	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

[REDACTED] . Sikorsky is currently exceeding its FY13 goals for SB, SDB, WOSBs, VOSBs and SDVOSBs. Sikorsky is below the HUBZone spend goal.

- f. **PERFORM FINAL ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN (SF 295/SSR).**

COMPREHENSIVE PLAN	All Goals Were Met	Goals Not Met – Check Box(es)						Demonstrated Good Faith Effort
		SB	SDB	WOSB	HUBZ	VOSB	SDVOSB	
Year End SF295/SSR Date Range: Oct 1, 2012 – SEP 30, 2013	<input checked="" type="checkbox"/> YES <input type="checkbox"/> No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> YES <input type="checkbox"/> No

Recommended Action:

[REDACTED] . Sikorsky met all of its FY13 goals for SBs, SDBs, WOSBs, HUBZone, VOSBs and SDVOSBs.

### PART III – CONTRACTOR'S COMPREHENSIVE SMALL BUSINESS PROGRAM ADMINISTRATION PROGRAM ADMINISTRATION FACTORS

*Compliance with FAR requirements in this part establish the basic requirements for an acceptable rating*

#### REVIEW OF SMALL BUSINESS PROGRAM (FAR 52.219-9)

1. ARE THERE WRITTEN PROCEDURES IN PLACE REGARDING SMALL BUSINESS PROGRAM ADMINISTRATION FOR:

- a. FAR 52.219-9 (d) (1) Does the firm express goals in terms of percentage of totals planned subcontracting dollars for each small business category, in all plans? ☒ YES ☐ NO DESCRIBE HERE:

The SAC FY13 Comprehensive Subcontracting Plan (CSP) [REDACTED]

does comply with FAR 52.219-9 (d)(1). [REDACTED]

The SAC SBLO Handbook [REDACTED]

[REDACTED] does comply with FAR 52.219-9 (d)(1). DCMA finds this be acceptable.

- b. FAR 52.219-9 (d) (2) Are there statements of total dollars planned to be subcontracted for each small business category in all plans? ☒ YES ☐ NO DESCRIBE HERE:

The SAC FY13 Comprehensive Subcontracting Plan (CSP) [REDACTED]

[REDACTED] and does comply with FAR 52.219-9 (d) (2). [REDACTED]

The SAC SBLO Handbook [REDACTED]

[REDACTED] and does comply with FAR 52.219-9 (d)(2). DCMA finds this be acceptable.

- c. FAR 52.219-9 (d) (3) Is there a description of the principal types of supplies and services to be subcontracted for each small business category? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

[REDACTED]

DCMA has concluded that the provided support documentation does substantiate compliance with FAR 52.219-9(d)(3). DCMA finds this to be acceptable.

- d. FAR 52.219-9 (d) (4) Briefly describe and analyze the methodology used by the firm to develop subcontracting goals. Is the firm adhering to the method described in the plan to develop subcontracting goals? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

The SAC SBLO Handbook [REDACTED]

[REDACTED] and does comply with FAR 52.219-9 (d)(4). DCMA finds this be acceptable.

- e. FAR 52.219-9 (d) (5) Briefly describe and analyze the methodology utilized by the firm to identify small business sources. Is the firm adhering to the method described in the plan to develop small business sources? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]



[REDACTED]  
[REDACTED] This was documented and provided to the DCMA Program Manager for verification purposes.

[REDACTED]. However, it does further expand upon this process with [REDACTED] which provides an accurate flow-chart of [REDACTED].

During the Review the SBLO demonstrated correct and proper usage in identifying a HUBZone via SAM and through the Small Business Dynamic Search Website. [REDACTED]

[REDACTED] This was seen in the verification of the event log. Sikorsky does comply with FAR 52.219-9 (d) (5). DCMA finds this be acceptable.

- f. FAR 52.219-9 (d) (6) Briefly describe and analyze the methodology utilized by the firm to determine and allocate indirect subcontracting dollars for the SF295/SSR (and the SF 294, if applicable). Are they adhering to the policy, and or the method described in the plan to determine indirect costs? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

The SB subcontracting data calculation is consistent with Summary Subcontract Report (SSR) instructions. [REDACTED]

[REDACTED]

[REDACTED] This was verified during the review. This is found to be acceptable. Sikorsky does comply with FAR 52.219-9 (d)(6). DCMA finds this be acceptable.

- g. FAR 52.219-9 (d) (7) Briefly describe and analyze the small business related duties of the individual who administers the subcontracting program/plan. Are they fulfilling the small business duties as described in the plan? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The DCMA Program Manager examined the extended listing of duties and responsibilities and has found this contractor to be performing their duties at the highest level of competence. Sikorsky does comply with FAR 52.219-9 (d)(7). DCMA finds this be acceptable.

- h. FAR 52.219-9 (d) (8) Briefly describe and analyze the efforts by the firm to ensure equitable subcontracting opportunities exist for small businesses. Is the firm adhering to the method described in the plan to assure equitable subcontracting opportunities exist for small business? ☐ YES ☐ NO DESCRIBE HERE:

DCMA has analyzed efforts employed by SAC buyers who are required to use suppliers from its parent company's, United Technologies Companies (UTC), supplier database with emphasis on utilizing UTC [REDACTED] suppliers. [REDACTED] the document was provided for review to the DCMA Program Manager.

[REDACTED]

[REDACTED]. These were found to be acceptable as evidenced by the examples in Exhibit 1. Sikorsky does comply with FAR 52.219-9 (d)(8). DCMA finds this be acceptable.

- i. FAR 52.219-9 (d) (9) Briefly describe and analyze the methodology utilized by the firm for maintaining records of purchases over \$650,000, (\$1.5M for construction) with large businesses that require subcontracting plans. Is the firm adhering to the method described in the plan? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

[REDACTED] Evidence that SAC is appropriately maintaining records are recorded on the Exhibit 1 of this report.

[REDACTED]

A sample of "flow-down" compliance with FAR 52.219-9 clause was requested for Large Business awarded purchase orders over \$650,000. A sample size of 9 was selected for review of the compliance flow-down. All subcontracting plans were found to be acceptable. Sikorsky complies with FAR 52.219-9 (d) (9). DCMA found this to be acceptable.

- j. FAR 52.219-9 (d) (10) Does the firm cooperate in studies or surveys as may be required, submit periodic reports to determine extent of compliance to plans. Submit ISR, Subcontracting Report for Individual Contracts, and/or SSR, Summary Subcontract Report, in accordance with 52.219-9, and ensure that its subcontractors agree to submit ISR and SSR. ☐ YES ☒ NO DESCRIBE HERE:

The original SSR was submitted incorrectly in October 2013. This was not discovered until December 2013 after the DCMA Program Manager had accepted the original submission. The root cause was the mechanism to differentiate the small business spend to the appropriate socioeconomic category was not included in an upgrade to Sikorsky SAP system upgrade for the fourth quarter of FY13. As a result the SSR was rejected and

resubmitted to ensure the correct percentages were able to be verified during the 640 Review. The SSR was verified to ensure the goals and percentages were correctly reported. Sikorsky provided the DCMA Program Manager a summary of the incident including a corrective action that testing will be verified with process owner to ensure that this will not be a reoccurring problem. There was no NASA for FY 13 subcontracting for ISR Submittal.

SAC has submitted the SSR as required by FAR 52.219-9 (d)(1), and ensures that their subcontractors who received/receives a subcontract \$500,000, \$550,000 or \$650,000 or over submits ISR via eSRS for review and approval of the SBLO (detailed in Part III, 1.j.). ISRs for the applicable subcontractor were requested from Sikorsky by the DCMA Program Manager. [REDACTED]

[REDACTED] In addition to flowing down 52.219-9 in the Sikorsky Term and Conditions comply with the instructions. The supporting ISRs were not provided for any of the Small Business Plans in exhibit 1.

Sikorsky is not in compliance with FAR 52.219-9 (d) (10). **DCMA does not find this acceptable.** It is recommended that Sikorsky be able to provide supporting documentation to ensure the subcontractors with applicable Small Business Plans are submitting ISRs in accordance with FAR 52.219-9 (d) (10). Please see the corrective action in Part V Summary and Recommendations.

- k. FAR 52.219-9 (d) (11) (i) Briefly describe and analyze the Source lists (e.g. CCR), guides, and other data the firm uses to identify small businesses. Is the firm adhering to the method described in the plan? ☒ YES ☐ NO  
DESCRIBE HERE:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] During the review the SBLO was able to demonstrate the ability to navigate www.sam.gov, Small Business Dynamic Search in addition to Sikorsky's internal data base SA8068 Supplier Information Forms. Sikorsky does comply with FAR 52.219-9 (d)(11)(i). DCMA finds this be acceptable.

- l. FAR 52.219-9 (d) (11) (ii) List organizations that are contacted by the firm in an attempt to locate sources that are small businesses. Is the firm utilizing the list of organizations described in the plan? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

the information that is provided in the FY13 CSP. During the 640 review Sikorsky was able to demonstrate to the Program Manager they are effectively utilizing these sources as evidenced by meeting all of their goals and by providing a sample exercise to lookup vendors, and verification of attendance at several of the events of the [REDACTED]. Sikorsky does comply with FAR 52.219-9 (d)(11)(ii). DCMA finds this be acceptable.

m. FAR 52.219-9 (d) (11) (iii) Briefly describe and analyze the methodology utilized by the firm for maintaining records of purchases over \$150,000. Are they adhering to the method described in the plan? ☒ YES ☐ NO  
DESCRIBE HERE:

[REDACTED]

The PUR02-02-004 purchasing guidance procedure was provided to the DCMA Program Manager for review, and was determined adequate. Evidence that SAC is appropriately maintaining records are recorded on the Exhibit 1 of this report. Sikorsky complies with FAR 52.219-9 (d) (11)(iii). DCMA finds this to be acceptable.

n. FAR 52.219-9 (d) (11) (iv) Briefly describe and analyze the records the firm maintains to document outreach efforts with trade associations business development organizations, conferences, trade fairs, and veteran service organizations, to locate small businesses. Is the firm maintaining records as described in the plan? ☒ YES ☐ NO  
DESCRIBE HERE:

[REDACTED] During the review a calendar of Small Events were provided to the Program Manager in addition to a list of attendees. [REDACTED]

[REDACTED]

[REDACTED] Attendance records were verified by the DCMA Program Manager and found to be acceptable. It was evident by the attendance records that the SBLO was utilizing [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Sikorsky does comply with FAR 52.219-9 (d)(11). DCMA finds this be acceptable.

o. FAR 52.219-9 (d) (11) (v) Briefly describe and analyze the records the firm maintains to document internal guidance and encouragement to buyers through (A) workshops, seminars, training, etc. and (B) monitoring performance to evaluate compliance with program requirements. Are they maintaining records as described in the plan? ☒ YES ☐ NO  
DESCRIBE HERE:

A copy of the training was provided to the DCMA Program Manager for review. The training was found to be complete and accurate to address the buyer's role in the Small Business and Purchasing process.



[REDACTED] This was confirmed by the SBLO and verified by the DCMA Program Manager. [REDACTED] This results in [REDACTED], which is in line with [REDACTED] and SAC Handbook adequate. Sikorsky is in compliance with FAR 52.219-9(d)(11)(v). DCMA finds this to be acceptable.

- p. FAR 52.219-9 (d) (11) (vi) Briefly describe and analyze the methodology the firm uses, on a contract-by-contract basis, to record support award data, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement. Are they maintaining records as described in the plan?  
☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

[REDACTED] It should be noted that the system upgrade with the SAP system during the 3<sup>rd</sup> quarter did have an effect on the SSR submitted in October 2013. During the system upgrade the 4<sup>th</sup> quarter was not able to accurately differentiate small businesses subcategories which resulted in the miscalculation of the supporting figures in the SSR. During the review validation of HUBZone was demonstrated by the SBLO through www.sam.gov and the Small Business Dynamic System.

Fourteen Sample purchase order were requested and provided for review to verify Small Business categories. All fourteen were found to be correctly categorized. See Exhibit 1. Sikorsky does comply with FAR 52.219-9 (d)(11)(vi). DCMA finds this be acceptable.

- q. FAR 52.219-9 (e) (1) Briefly describe and analyze the methodology utilized by the firm to assist small businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Are they adhering to the method described in the plan? ☒ YES ☐ NO  
 DESCRIBE HERE:

[REDACTED] However, there were no examples during FY13 for the DCMA Program Manager to review.

[REDACTED]  
 Sikorsky does comply with FAR 52.219-9 (e)(1). DCMA finds this be acceptable.

- r. FAR 52.219-9 (e) (2) Briefly describe and analyze the methodology utilized by the firm to provide adequate and timely consideration of small businesses in all "make-or-buy" decisions. Is the firm adhering to the method described in the plan? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

[REDACTED]

[REDACTED]. In 2013 [REDACTED] did not negatively impact Small Business and [REDACTED]. The DCMA program Manager reviewed several examples for verification purposes. DCMA finds this to be in compliance with FAR 52.219-9 (e) (2). DCMA finds this to be acceptable.

- s. FAR 52.219-9 (e) (3) Briefly describe and analyze the methodology utilized by the firm to counsel and discuss subcontracting opportunities with small businesses. Is the firm adhering to the method described in the plan? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

[REDACTED]

The documents were analyzed and found to be acceptable as drafted. SAC has provided the methodology required to track counseling and discussions of subcontracting opportunities with small businesses. DCMA finds this to be in compliance with FAR 52.219-9 (e) (3). DCMA finds this to be acceptable.

- t. FAR 52.219-9 (e) (4) Briefly describe and analyze the methodology utilized by the firm to provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as a small business for the purpose of obtaining a subcontract. Is the firm adhering to the method described in the plan? ☒ YES ☐ NO DESCRIBE HERE:

[REDACTED]

The DCMA Program Manager reviewed the Sikorsky U.S. Government Provisions



**FAR 52.219-9(d)(11)(iii)**

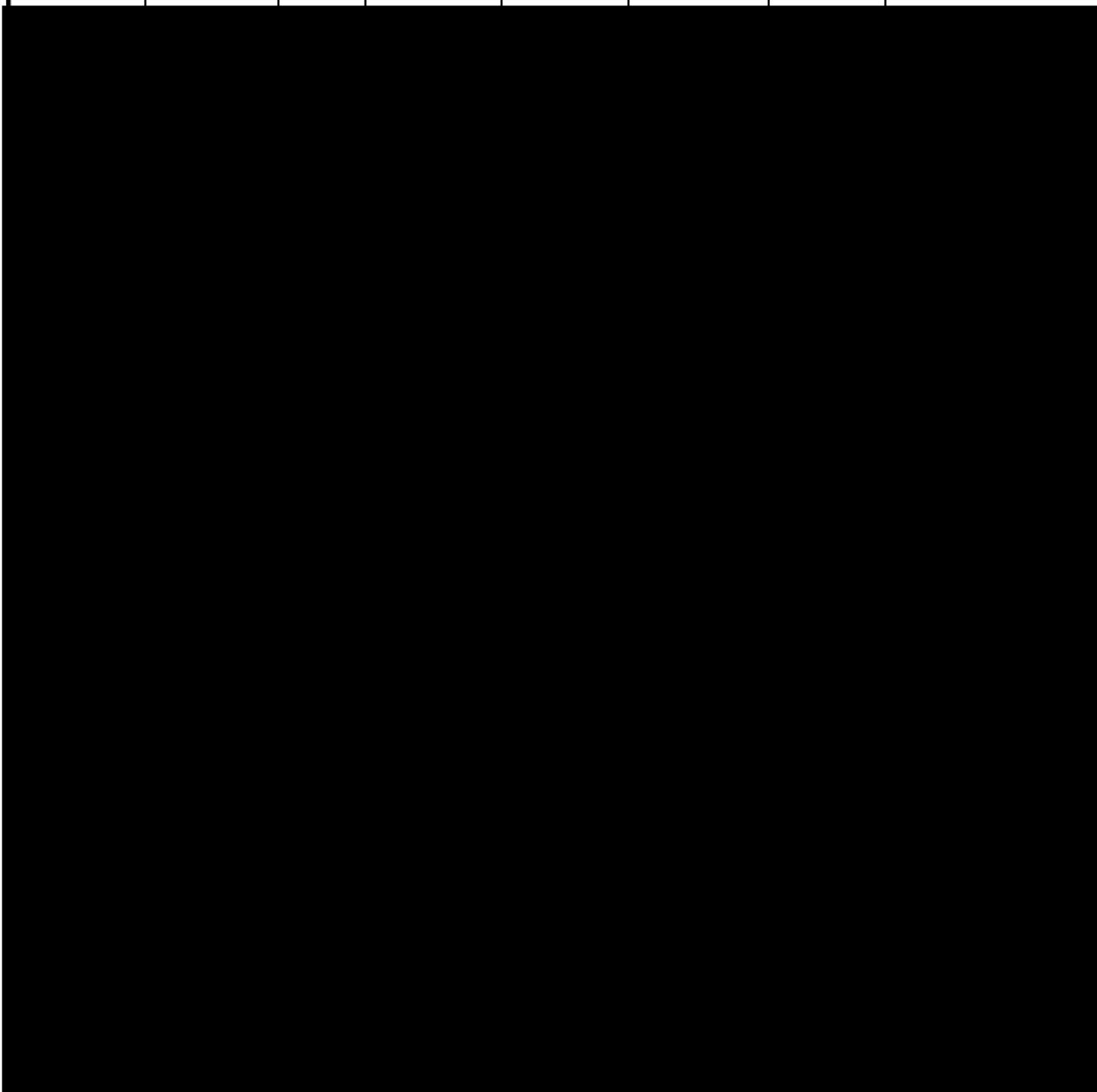
<u>Size</u>	<u>P.O. #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>\$ Amount</u>	<u>Item Procured</u>	<u>Reason Code</u>	<u>Remarks</u>
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SAMPLES OF P.O. TO SMALL BUSINESS TO VERIFY CERTIFICATIONFAR 52.219-9(e)(4i)

<u>Size</u>	<u>P.O. #</u>	<u>Date</u>	<u>Vendor Name</u>	<u>\$ Amount</u>	<u>Item Procured</u>	<u>Sys Shows</u>	<u>Self-Certification Shows</u>
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**REASON CODES FOR SB/SDB/WOSB/HUBZone/SDVOSB NOT SELECTED/SOLICITED: (1) SOLE SOURCE / (2) SINGLE SOURCE / (3) SOURCE CONTROLLED DRAWING / (4) CUSTOMER DIRECTED / (5) NO KNOWN SB SOURCE / (6) SB SOLICITED, NOT SELECTED**

**PART IV – SUPPLEMENTAL DATA  
VALIDATION OF INFORMATION IN THIS PART MAY BE USED TO JUSTIFY HIGHER RATINGS**

1. HAS A COMPANY-WIDE SB POLICY STATEMENT BEEN ISSUED BY CURRENT SENIOR MANAGEMENT AND DISSEMINATED THROUGHOUT THE COMPANY?

☒ YES. Issued By: [REDACTED] Title: [REDACTED] Date: [REDACTED]

☐ NO. COMMENTS:

2. SBLO APPOINTMENT/AUTHORITY PLACEMENT IN THE ORGANIZATION:

- a. HAS THE SBLO BEEN FORMALLY APPOINTED BY SENIOR LEVEL MANAGEMENT?

☒ YES. Where are the duties and responsibilities defined?

Mr. Francisco Vasquez has been officially appointed the Division, SBLO since January 10, 2012.

[REDACTED]

☐ NO. COMMENTS:

- b. IS THE SBLO APPOINTED AT AN APPROPRIATE LEVEL TO EFFECTIVELY ADMINISTER THE PROGRAM?

☒ YES. DESCRIBE:

[REDACTED]

☐ NO. COMMENTS

- c. TO WHOM DOES THE SBLO REPORT? Name: [REDACTED] Title: [REDACTED]

- d. SBLO IS A: ☐ Corporate ☒ Division

[REDACTED]

- e. IS THERE AN ORGANIZATION CHART THAT DISPLAYS THE POSITION OF THE SBLO WITHIN THE ORGANIZATION?

☒ YES. See below.

☐ NO. COMMENTS:

**Sikorsky Aircraft Corporation  
Organization Structure**



**3. MONITORING SB PROGRAM PERFORMANCE AND REQUIREMENTS:**

- a. ARE SENIOR MANAGEMENT AND STAFF BRIEFED REGULARLY ON ACHIEVEMENT AND/OR PROGRAM DEFICIENCIES?

☒ YES. COMMENTS:

[REDACTED]

☐ NO. COMMENTS:

- b. WHAT DOES CONTRACTOR DO TO IMPROVE OVERALL PROGRAM PERFORMANCE IF OVERALL PROGRAM GOALS ARE NOT BEING MET? (*Identify any Corrective Action Plan(s) implemented*)

[REDACTED]. These allow the responsible stake holder to adapt strategies to mitigate risk in not meeting the goals.

**4. SUPPLEMENTAL INFORMATION**

- a. Discuss the firm's use of strategic sourcing teams or other groups within the firm, that may assist the SBLO in the development of business subcontracting sources and the goal setting process. (If so, define its role in goal development and its role during plan performance). DESCRIBE:

[REDACTED]

- b. Discuss any successes the firm has made in subcontracting opportunities, those which were normally awarded to a large business, that have been redirected to a small business. DESCRIBE:

Sikorsky has made an effort to increase subcontracting opportunities, those which were normally awarded to a large business, that have been redirected to a small business, for example, [REDACTED].

Through this action and combination of focusing on increasing subcontracting opportunities to [REDACTED] they were able to increase their subcontracting with this particular vendor [REDACTED].

[REDACTED]

[REDACTED] is a continued success story from FY12 where, [REDACTED]

- c. Discuss any procurement actions the firm may have reserved for small business. DESCRIBE:

[REDACTED]

- d. Discuss the firm's use of Corporate, Blanket and Long Term Agreements and how they may affect small business dollars. DESCRIBE:

[REDACTED]

- e. Discuss the extent of use and the firm's internal written guidance for credit card purchases. DESCRIBE:

[REDACTED].

- f. Discuss the firm's use of the internet or web-site as tools to advertise its ongoing and future procurement requirements. DESCRIBE:

[REDACTED]

- g. Discuss the firm's use of Mentor/Protégé agreements to increase small business subcontracting opportunities. If the firm is not participating in the Mentor Protégé program, are they considering participating in the program? DESCRIBE:

[REDACTED]

- h. Discuss the firm's initiatives/accomplishments made to ensure more small businesses are able to compete in more "high-tech" procurements. DESCRIBE:

[REDACTED]

- i. Discuss how the firm monitors its individual subcontracting goals/plans and readjusts its internal focus in achieving goals that may be in doubt of being attained. DESCRIBE:

Not Applicable to CSP Plan Participates.

- J. Discuss any planned procurement actions, or procurement actions, or procurements addressed specifically within the subcontracting plan that had to be redirected to another business size category. DESCRIBE:



5. NOTEWORTHY ACTIVITIES TO JUSTIFY A HIGHLY SUCCESSFUL OR OUTSTANDING RATING:

REVIEW AND DISCUSS CONTRACTOR'S ACTIVITIES THAT ARE CONSIDERED NOTEWORTHY TO JUSTIFY A HIGHLY SUCCESSFUL OR OUTSTANDING.

6. ADDITIONAL REMARKS. DESCRIBE IN DETAIL HOW A CONTRACTOR HAS MET THE CRITERIA TO JUSTIFY A RATING THAT IS HIGHER THAN ACCEPTABLE.

- Sikorsky met 6 out of 6 goals.
- Sikorsky exceeded 5 out of 6 goals.
- SAC has met all of its FY13 negotiated Initiatives
- SAC met one of its FY13 negotiated Target Industries.
- [REDACTED]
- SAC has implemented new policies that drive the program to have contributory ownership of goals.

Outstanding – Describe how the contractor has had exceptional success with initiatives to assist, promote and utilize small business (SB), small disadvantaged business (SDB), women-owned small business (WOSB), HUBZone small business, veteran-owned small business (VOSB), and service-disabled VOSB (SD/VOSB). Describe how the contractor has an exemplary program that could be used as a model by other contractors in similar industries.

Highly Successful – Describe how the contractor has had significant success with initiatives to assist, promote, and utilize SB, SDB, WOSB, HUBZone small business, VOSB, and SD/VOSB. Describe how the contractor has gone above and beyond the required elements of the program. Provide documentation and stories to support such efforts.

## PART V – SUMMARY AND RECOMMENDATIONS

### 1. PROGRAM RATING:

The following rating criteria should be used to determine the contractor's rating. Note that the rating criteria are the same as SBA per the November 12, 2009 DCMA/SBA Memorandum of Understanding.

☒ **Outstanding - Exceeds** the negotiated small business goal and 2 additional category goals on 90% or more of the subcontracting plans reported for the fiscal year under review. Has exceptional success with numerous specific initiatives to assist, promote and utilize Small Business (SB), Small Disadvantaged Business (SDB), Women-Owned Small Business (WOSB), HUBZone Small Business (HUBZone), Veteran-Owned Small Business (VOSB), Service-Disabled Veteran Own Small Business (SDVQSB); Alaska Native Corporations (ANC's) and Tribal Native American concerns, except in instances where the Large Prime Contractor (LPC) can provide a reason the Commercial Marketing Representative (CMR) or DCMA representative deems justifiable as to why the LPC has not had exceptional success in those categories.

☐ **Highly Successful - Met or exceeded** the negotiated goals in three small business categories on 80% of the subcontracting plans reported for the fiscal year under review. Has moderate success with some initiatives to assist, promote and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB as described above in the criteria for a rating of Outstanding. Demonstrates focused efforts to go

above and beyond the required elements of the subcontracting program and provides documentation of achievements and success stories to support such efforts. The contractor demonstrates existing policies and process that ensures 85% on-time and accurate submission of required reports in eSRS as a prime contractor and 80% on-time submission of reports from their subcontractors.

☐ **Acceptable – Always** demonstrates a good-faith effort to meet **all** of its goals on subcontracting plans reported for the fiscal year being reviewed, but falls short of thresholds to receive a rating of Highly Successful. Provides reasonable and supportable explanations why certain goals could not be achieved. Demonstrates compliance with the mandatory elements of their subcontracting plans and implementing regulations. ISRs and SSRs submitted accurately within 30 days after the end of applicable reporting periods 70% of the time.

☐ **Marginal - Deficient** in meeting key subcontracting plan elements or the contractor has failed to satisfy one or more requirements of a corrective action plan from the prior review. Fail to comply with the submission requirements in eSRS on the majority of their contracts with subcontracting plans and no evidence of flow-down to applicable subcontractors. There is evidence of corporate and/or senior management commitment to bring their subcontracting program to an acceptable level and has demonstrated a commitment to apply the necessary resources to do so. A corrective action plan is required, and the Administrative Contracting Officer(s) (ACO) and SBA CMR(s) must be notified.

☐ **Unsatisfactory – Noncompliant** with the contractual requirements of DFARS and FAR 52.219-8 and 52.219-9. Contractor's management shows little interest in bringing its program to an acceptable level or is generally uncooperative. For example, recommendations made by SBA or DCMA on previous reviews have never been implemented. A corrective action plan is required, and the ACO(s) and SBA CMR(s) must be notified

## 2. RISK RATING:

The following rating criteria should be used to determine the contractor's rating.

- ☐ **High** - High Risk is assigned when the contractor is not meeting contract negotiated and DoD goals.
- ☒ **Moderate** - Moderate Risk may be assigned when the contractor is meeting contract negotiated goals but not DoD goals.
- ☐ **Low** – Low Risk may be assigned when the contractor is meeting contract negotiated and DoD goals.

## 3. RATINGS SUMMARY, RECOMMENDATIONS, AND FOLLOW-UP OF CORRECTIVE ACTIONS(S):

- 1 "Negotiated goals" refers to the dollar and percentage goals in the approved subcontracting plan. (For rating purposes, the reviewer will compare the percentage goals to the percentage achievements.)
- 2 Examples of such initiatives include, but are not limited to, participating in a Mentor-Protégé program, performing compliance reviews at subcontractors' sites, administering a buyer incentive program, participating in trade fairs, promoting registration in the CCR, and contracting suppliers to encourage SDB and HUBZone certification.
- 3 For example, recommendations made by SBA or DCMA on previous reviews have never been implemented.

### DISCUSS:

#### Risk Rating:

Sikorsky's FY13 program risk rating is "Moderate." The "moderate" rating is assigned when a contractor is meeting negotiated goals but not DOD goals.

#### Performance Rating:

Sikorsky's Small Business Program Performance is rated "Outstanding" for FY13.

#### Follow-up of Corrective Actions:

It is recommended that Sikorsky be able to provide supporting documentation to ensure the subcontractors with applicable Small Business Plans are submitting ISRs in accordance with FAR 52.219-9 (d) (10).

**4. EXIT INTERVIEW PARTICIPANTS:****Government:**

1. Judy Collier
2. Kimberly Gaskins, DACO
3. Alexander Yip, Cost Monitor

**Contractor:**

1. Francisco Vasquez, SBLO
2. Amy Johnson, Director Supply Chain Management
3. Keith Richardson, Manager Business Process Management
4. John Palumbo, Vice President of Product Centers

**5. REVIEW STATUS:**

Indicate the status of this 640 Review. Once a review is closed, you'll need to create a new review.

☐ Open

☒ Closed

**6. NAME of SMALL BUSINESS SPECIALIST:****7. DATE:**

**SIGNATURE:** \_\_\_\_\_  
Judy A. Collier

\_\_\_\_\_  
03/07/2014