

- b. Perform trend analysis of historical small business goal achievements (*last 5 years, if available*) from eSRS. Describe the underlying cause of trends, positive or negative. See Exhibit II.

Describe:

categories show flat performances and a five year average of [REDACTED]

[REDACTED] Lockheed Martin Aeronautics mitigation plan is proving to be working.

3. Individual Subcontracting Report (ISRs) performance– (Not applicable to Commercial or Comprehensive Plans) FAR 52.219-9(l)(1)

- a. Were ISRs submitted accurately in accordance the FAR 52.219-9(l)(1) and ISR instructions at eSRS.gov [Field 11]:? ☐ YES ☐ NO

Describe:

- (1) FAR 52.219-9(l)(1)(i): During contract performance, were ISRs submitted within thirty days of March 31 and September 30? Exhibit III ☐ YES ☐ NO

- (2) FAR 52.219-9(l)(1)(i): Were final ISRs submitted for each contract within thirty days of contract completion? ☐ YES ☐ NO

- (3) FAR 52.219-9(l)(1)(ii): If options were included on the requirement, was the dollar goal inserted on the ISR a sum of the base period through the current option? ☐ YES ☐ NO

- (4) FAR 52.219-9(l)(1)(iii): Did the contractor acknowledge receipt or reject the ISRs from the subcontractor(s)? See Exhibit ☐ YES ☐ NO
☐ NOT APPLICABLE

- b. Perform analysis of all regular and final individual subcontracting reports (ISRs). Including analysis of ISR's, do the contractor's records demonstrate a good faith effort in accordance with FAR 19.701 as determined by FAR 19.705-7(d)?

☐ YES ☐ NO - See Exhibit III.

Part III – Contractor's Small Business Program

1. Review of Small Business Program in accordance with FAR 52.219-9

a. FAR 52.219-9(d)(1) Does the contractor express goals in terms of percentage of total planned subcontracting dollars for each small business category, in all plans?

☒ YES ☐ NO

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

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

d. FAR 52.219-9(d)(4) Briefly describe the methodology used by the contractor to develop subcontracting goals. Is the contractor adhering to the method described in the plans to develop subcontracting goals? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin utilizes a "bottoms up" forecasting process from all the Business Areas. (b) (4)

he goals are rolled up to the Corporate Director, and are aggregated to determine corporate performance targets. The methodology used is acceptable.

e. FAR 52.219-9(d)(5) Briefly describe the methodology utilized by the contractor to identify potential sources for solicitation purposes. Is the contractor adhering to the method described in the approved small business subcontracting plans? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin's methodology to identify potential Small Business sources includes participation and sponsorship of various Small Business conferences and events hosted internally or externally by DoD, other agencies, NASA, and local government organizations. They utilize social media as well.

. The purchase order sampled showed few instances in which this segment identified new sources for major systems traditionally subcontracted to Large that resulted in a split award situation. A listing of organizations contacted and outreach participation was examined. The contractor's methods are considered acceptable.

- f. FAR 52.219-9(d)(6) Are indirect costs included in establishing subcontracting goals? Briefly describe and analyze the methodology utilized by the contractor to determine share of indirect costs for small business, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns. ☒ YES ☐ NO ☐ NOT APPLICABLE

If applicable, is the contractor adhering to the method described in the small business subcontracting plans? ☒ YES ☐ NO

DESCRIBE:

(b) (4)

note that this is the last year that IS& GS will report under Lockheed Martin as this segment was sold and they only kept a small portion of its products that will report under MST in FY17. Further, Lockheed Martin acquisition of Sikorsky Aircraft was completed in FY16; however, this segment is reporting under a separate CSP plan until fully integrated to its parent company. Lockheed Martin non-DOD customers are Homeland Security, Department of Commerce, Department of Energy, Department of Justice, Department of State, Department of Transportation, NASA, Intelligence Community and foreign governments. The DCMA reviewer validated the methodology used and allocations. The methodology and application was found to be accurate.

- g. FAR 52.219-9(d)(7) Is the name of individual employed by the contractor who administers the subcontracting program included in the plans, with a description of the duties?

☒ YES ☐ NO Are they fulfilling the small business duties as described in the plans?

☒ YES ☐ NO

DESCRIBE:

Lockheed Martin holds a Corporate CSP plan that is administered at the Corporate level by Susannah Raheb as correctly identified in their FY16 CSP plan and also managed at the business unit level by the Supplier Diversity Business unit leads who conduct day to day management of the small business program to include daily interaction with buyers.

- h. FAR 52.219-9(d)(8) Briefly describe the efforts by the contractor to ensure small business concerns have an equitable opportunity to compete for subcontracts. Is the contractor adhering to the method described in the plans to assure equitable subcontracting opportunities exist for small business? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin CSP, procurement procedures and records document in detail their efforts to meet FAR 52.219-9(d)(8) requirements. A common factor seen among all the efforts documented in FY16 is the inclusion of [REDACTED] requirements such as [REDACTED] Additionally, Lockheed Martin ensure their solicitations are fairly placed and do not hinder small business participation. Lockheed Martin also publicizes prospective subcontracting opportunities through various means that small business suppliers have access such as: The Bulletin Board of Immediate Needs, Supplier Information Sessions, Small Business Innovative Research program, Mentor Protégé program, Indian Incentive Program, and Supplier Wire. Lockheed Martin's efforts are considered adequate.

- i. FAR 52.219-9(d)(9)

(1) Are there assurances that the offeror will include the clause FAR 52.219-8 "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities? ☒ YES ☐ NO

Is the contractor adhering to this assurance? ☒ YES ☐ NO See Exhibit I

- (2) Is FAR 52.219-9 included in subcontracts over \$650,000 (prior to 1 October 2015) \$700,000 (after 1 October 2015) (\$1.5 million for construction of any public facility with further subcontracting possibilities) [Field 35]. ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO ☐ NOT APPLICABLE
See Exhibit I
- (3) Are there subcontracting plans in place with their subcontractors who have subcontracts over \$650,000 (prior to 1 October 2015) \$700,000 (after 1 October 2015) (\$1.5 million for construction of any public facility with further subcontracting possibilities) with large businesses? ☒ YES ☐ NO
Is the contractor adhering to this assurance [Field 35]? ☒ YES ☐ NO
☐ NOT APPLICABLE See Exhibit I

j. FAR 52.219-9(d)(10) Are there assurances that the offeror will –

- (1) Cooperate in studies or surveys as may be required in accordance with FAR 52.219-9(d)(10)(i) and FAR 52.219-8(c)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
- (2) Submit periodic reports to determine extent of compliance to plans in accordance with FAR 52.219-9(d)(10)(ii)?
☒ YES ☐ NO Is the contractor adhering to this assurance? ☒ YES ☐ NO
- (3) Include assurances the contractor will submit Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in accordance with FAR 52.219-9(d)(10)(iii)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
- (4) Ensure that its subcontractors agree to submit Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in accordance with FAR 52.219-9(d)(10)(iii)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
☐ NOT APPLICABLE See Exhibit I
- (5) Provide its prime contract number, its DUNS number, and the e-mail address of the offeror's official responsible for acknowledging receipt of or rejecting the ISRs, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their ISRs in accordance with FAR 52.219-9(d)(10)(v)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
☐ NOT APPLICABLE
- (6) Require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the e-mail address of the subcontractor's official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans in accordance with FAR 52.219-9(d)(10)(vi)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO ☐ NOT APPLICABLE

k. FAR 52.219-9(d)(11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plans including:

- (1) Source lists (e.g. SAM), guides, and other data the contractor uses to identify small businesses in accordance with FAR 52.219-9(d)(11)(i). Is the contractor maintaining records as described in the plans [Field 14]? ☒ YES ☐ NO**

DESCRIBE:

Lockheed Martin FY16 CSP includes a section "Record Keeping" that indicates the company shall maintain records of activities such as source lists to demonstrate policies and procedures are being implemented and assure compliance with requirements and goals reflected in the subcontract plan. Lockheed Martin records validate their participation in over 100 events sponsored by various governmental organizations and a total of 14 Supplier Wire Webinars. Lockheed Martin Aeronautics provided a listing of organizations contacted for sources that include PTAC's and Databases utilized such as SBA SAM database. The contractor procurement system can be queried to identify buyers access to various tools such as the SBA SAM. However, the main source of procurement is their Supplier Marketing Portal which holds over 40,000.

- (2) List organizations that are contacted by the contractor in an attempt to locate sources that are small businesses in accordance with FAR 52.219-9(d)(11)(ii). Is the contractor maintaining records as described in the plans [Field 15] ?**

☒ YES ☐ NO

DESCRIBE:

LM maintains records of corporate and local sponsored events to locate small businesses. A list of organizations, PTACS and databases used in FY16 was provided during the review and validated. Lockheed Martin records show they sponsor and held office at multiple organizations. Some sponsorships include: National Veteran Owned Business Association (NaVOBA); National Minority Supplier Development Council and Minority Educational Development; National Center for American Indian Enterprise Development; National Small Business Administration; Federal Business Council, Inc.; Women's Business Enterprise National Council; National Defense Industrial Association; and Women Impacting Public Policy (WIPPP). Lockheed Martin connects with these affiliations by obtaining immediate bulletins based needs to help find

- (3) Records for each subcontract of more than \$150,000 in accordance with FAR 52.219-9(d)(11)(iii). See Exhibit I. Is the contractor maintaining records as described in the plans [Field 18]? ☒ YES ☐ NO ☐ NOT APPLICABLE**

DESCRIBE:

LM maintains all purchase order records electronically. Lockheed Martin Aeronautics sample of purchase orders over \$150,00 show records are being kept. (b) (4)

The FAR makes no distinction between competitive or non competitive awards to implement this requirement. It applies to all awards.

- (4) Records of any outreach efforts to contact trade associations, business development organizations, conferences and trade fairs and veteran service organizations in accordance with FAR 52.219-9(d)(11)(iv). Is the contractor maintaining records as described in the plans [Field 19]? ☒ YES ☐ NO**

DESCRIBE:

Lockheed Martin provided records of attendance and participation to various outreach events in FY16. The records indicated name of event, attendee, location and dates. Lockheed Martin was an active participant of over 100 outreach efforts during this review period. The contractor was found in compliance with this requirement.

k. FAR 52.219-9(d)(11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plans including:

- (1) Source lists (e.g. SAM), guides, and other data the contractor uses to identify small businesses in accordance with FAR 52.219-9(d)(11)(i). Is the contractor maintaining records as described in the plans [Field 14]? ☒ YES ☐ NO

DESCRIBE:

requirements and goals reflected in the subcontract plan. Lockheed Martin records validate their participation in over 100 events sponsored by various governmental organizations and a total of 14 Supplier Wire Webinars. Lockheed Martin Aeronautics provided a listing of organizations contacted for sources that include PTAC's and Databases utilized such as SBA SAM database. The contractor procurement system can be queried to identify buyers access to various tools such as the SBA SAM. However, the main source of procurement is their Supplier Marketing Portal which holds over 16,000 thousand suppliers large and small. The contractor is maintaining records in accordance with FAR 52.219-9 (d)(11)(i).

- (2) List organizations that are contacted by the contractor in an attempt to locate sources that are small businesses in accordance with FAR 52.219-9(d)(11)(ii). Is the contractor maintaining records as described in the plans [Field 15] ?

☒ YES ☐ NO

DESCRIBE:

LM maintains records of corporate and local sponsored events to locate small businesses. A list of organizations, PTACS and databases used in FY16 was provided during the review and validated. Lockheed Martin records show they sponsor and held office at multiple organizations. Some sponsorships include: National Veteran Owned Business Association (NaVOBA); National Minority Supplier Development Council and Minority Educational Development; National Center for American Indian Enterprise Development; National Small Business Administration; Federal Business Council, Inc.; Women's Business Enterprise National Council; National Defense Industrial Association; and Women Impacting Public

- (3) Records for each subcontract of more than \$150,000 in accordance with FAR 52.219-9(d)(11)(iii). See Exhibit I. Is the contractor maintaining records as described in the plans [Field 18]? ☒ YES ☐ NO ☐ NOT APPLICABLE

DESCRIBE:

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DESCRIBE:

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- (1) Source lists (e.g. SAM), guides, and other data the contractor uses to identify small businesses in accordance with FAR 52.219-9(d)(11)(i). Is the contractor maintaining records as described in the plans [Field 14]? ☒ YES ☐ NO

DESCRIBE:

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- (2) List organizations that are contacted by the contractor in an attempt to locate sources that are small businesses in accordance with FAR 52.219-9(d)(11)(ii). Is the contractor maintaining records as described in the plans [Field 15]? ☒ YES ☐ NO

DESCRIBE:

and held office at multiple organizations. Some sponsorships include: National Veteran Owned Business Association (NaVOBA); National Minority Supplier Development Council and Minority Educational Development; National Center for American Indian Enterprise Development; National Small Business Administration; Federal Business Council, Inc.; Women's Business Enterprise National Council; National Defense Industrial Association; and Women Impacting Public Policy (WIPP). Lockheed Martin engages with these affiliations by sharing immediate bulletin boards needs to help find qualified suppliers. Lockheed Martin's records are in accordance with this requirement.

- (3) Records for each subcontract of more than \$150,000 in accordance with FAR 52.219-9(d)(11)(iii). See Exhibit I. Is the contractor maintaining records as described in the plans [Field 18]? ☒ YES ☐ NO ☐ NOT APPLICABLE

DESCRIBE:

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Lockheed Martin provided records of attendance and participation to various outreach events in FY16. The records indicated name of event, attendee, location and dates. Lockheed Martin was an active participant of over 100 outreach efforts during this review period. The contractor was found in compliance with this requirement.

- (5) Records of internal guidance and encouragement to buyers through (A) workshops, seminars, training, etc. and (B) monitoring performance to evaluate compliance with program requirements in accordance with FAR 52.219-9(d)(11)(v). Is the contractor maintaining records as described in the plans [Field 20]?

☒ YES ☐ NO

DESCRIBE:

Lockheed Martin maintains records of completed Supplier Diversity training. Records were provided during the review and validates 1,769 procurement professionals completed training in FY 2016. This is an annual requirement for their buyers and also includes the Business Area level for Supply Chain, Business Development and Program professionals.

Lockheed Martin Aeronautics provided documentation of their quarterly new hire training for new buyers and subcontract administrators (attendance rosters). There were other records presented that support this company encouragement to buyers such as the Aeronautics 2016 annual buyers awards in which 53 buyers and advocates were recognized for their support of Aeronautics Small Business objectives (including new small business suppliers, contract support, MBE/DBE).

- (6) FAR 52.219-9(d)(11)(vi) Records on a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement. Is the contractor maintaining records as described in the plans [Field 21]? ☒ YES ☐ NO ☐ NOT APPLICABLE to Commercial Plans

DESCRIBE:

Lockheed Martin award data can be found in their Exostar system and captures supplier information including name, address, NAICS codes and size certifications. Exostar feeds into Lockheed Martin's Procure to Pay System (LM P2P) which is where requisitions, purchase orders and invoices are created. Records are being maintained.

I. FAR 52.219-9(e) In order to effectively implement this plan to the extent consistent with efficient contract performance the contractor shall perform the following functions:

- (1) Is the contractor assisting small businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules to facilitate the participation by such concerns in accordance with FAR 52.219-9(e)(1)? ☒ YES ☐ NO

DESCRIBE:

The company has policies and procedures in place to assist procurement personnel when placing a purchase order. LMAP 2.320, entitled "Identifying Potential Sources for Competitive Solicitations", provides guidance on the process for competitive solicitations. Per this procedure, buyers shall consider, to the maximum extent practicable, all categories of small business concerns. This procedure also outlines when competitions can be limited to small business concerns. LMAP 3.110, entitled "Selecting a Solicitation Type and General Solicitation Requirements", explains how to select a

- (2) Is the contractor providing adequate and timely consideration of small businesses in all "make-or-buy" decisions in accordance with FAR 52.219-9(e)(2)? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin's policy statement CPS-018 allows each business unit to develop their own make or buy program that is consistent with regulations, policies and procedures and includes small business subcontracting requirements. The Supply Chain council is part of the decision making process. Lockheed Martin Aeronautics make or buy policy was examined and it complies with the corporate policy.

- (5) Records of internal guidance and encouragement to buyers through (A) workshops, seminars, training, etc. and (B) monitoring performance to evaluate compliance with program requirements in accordance with FAR 52.219-9(d)(11)(v). Is the contractor maintaining records as described in the plans [Field 20]?

☒ YES ☐ NO

DESCRIBE:

buyers such as the Aeronautics 2016 annual buyers awards in which 53 buyers and advocates were recognized for their support of Aeronautics Small Business objectives (bringing new small business suppliers, outreach support, MP/F-35 initiatives and data and forecasting reporting). Buyers are nominated by the senior management for efforts to develop small businesses and are recognized by not only their senior management but the Vice President of Supply Chain Management. Records are considered complete.

- (6) FAR 52.219-9(d)(11)(vi) Records on a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement. Is the contractor maintaining records as described in the plans [Field 21]? ☒ YES ☐ NO ☐ NOT APPLICABLE to Commercial Plans

DESCRIBE:

Lockheed Martin award data can be found in their Exostar system and captures supplier information including name, address, NAICS codes and size certifications. Exostar feeds into Lockheed Martin's Procure to Pay System (LM P2P) which is where requisitions, purchase orders and invoices are created. Records are being maintained.

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- (1) Is the contractor assisting small businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules to facilitate the participation by such concerns in accordance with FAR 52.219-9(e)(1)? ☒ YES ☐ NO

DESCRIBE:

The company has policies and procedures in place to assist procurement personnel when placing a purchase order. LMAP 2.320, entitled "Identifying Potential Sources for Competitive Solicitations", provides guidance on the process for competitive solicitations. Per this procedure, buyers shall consider, to the maximum extent practicable, all categories of small business concerns. This procedure also outlines when competitions can be limited to small business concerns. LMAP 3.110, entitled "Selecting a Solicitation Type and General Solicitation Requirements", explains how to select a

- (2) Is the contractor providing adequate and timely consideration of small businesses in all "make-or-buy" decisions in accordance with FAR 52.219-9(e)(2)? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin's policy statement CPS-018 allows each business unit to develop their own make or buy program that is consistent with regulations, policies and procedures and includes small business subcontracting requirements. The Supply Chain council is part of the decision making process. Lockheed Martin Aeronautics make or buy policy was examined and it complies with the corporate policy.

- (5) Records of internal guidance and encouragement to buyers through (A) workshops, seminars, training, etc. and (B) monitoring performance to evaluate compliance with program requirements in accordance with FAR 52.219-9(d)(11)(v). Is the contractor maintaining records as described in the plans [Field 20]?

☒ YES ☐ NO

DESCRIBE:

Lockheed Martin maintains records of completed Supplier Diversity training. Records were provided during the review and validates 1,760 procurement professionals completed training in FY 2016. This is an annual requirement for their buyers and also includes the Business Area level for Supply Chain, Business Development and Program professionals. Lockheed Martin Aeronautics provided documentation of their quarterly new hire training for new buyers and subcontract administrators (attendance rosters). There were other records presented that support this company encouragement to buyers such as the Aeronautics 2016 annual buyers awards in which 53 buyers and advocates were recognized for their support of Aeronautics Small Business objectives. Aeronautics also small business training, outreach program. LMC 05

- (6) FAR 52.219-9(d)(11)(vi) Records on a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement. Is the contractor maintaining records as described in the plans [Field 21]? ☒ YES ☐ NO ☐ NOT APPLICABLE to Commercial Plans

DESCRIBE:

Lockheed Martin award data can be found in their Exostar system and captures supplier information including name, address, NAICS codes and size certifications. Exostar feeds into Lockheed Martin's Procure to Pay System (LM P2P) which is where requisitions, purchase orders and invoices are created. Records are being maintained.

- I. FAR 52.219-9(e) In order to effectively implement this plan to the extent consistent with efficient contract performance the contractor shall perform the following functions:

- (1) Is the contractor assisting small businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules to facilitate the participation by such concerns in accordance with FAR 52.219-9(e)(1)? ☒ YES ☐ NO

DESCRIBE:

competitive solicitations. Per this procedure, buyers shall consider, to the maximum extent practicable, all categories of small business concerns. This procedure also outlines when competitions can be limited to small business concerns. LMAP 3.110, entitled "Selecting a Solicitation Type and General Solicitation Requirements", explains how to select a solicitation type and provide general solicitation requirements. LMAP 2.100, entitled "Supporting Lockheed Martin's Proposal Process," describes the process for supporting Lockheed Martin's proposal process.

- (2) Is the contractor providing adequate and timely consideration of small businesses in all "make-or-buy" decisions in accordance with FAR 52.219-9(e)(2)? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin's policy statement CPS-018 allows each business unit to develop their own make or buy program that is consistent with regulations, policies and procedures and includes small business subcontracting requirements. The Supply Chain council is part of the decision making process. Lockheed Martin Aeronautics make or buy policy was examined and it complies with the corporate policy.

- (3) Is the contractor counseling and discussing subcontracting opportunities with small businesses in accordance with FAR 52.219-9(e)(3)? ☒ YES ☐ NO

DESCRIBE:

The company attended 139 events in FY 2016, of which 15 were Lockheed Martin-hosted events (matchmaking and training). (b) (4)

- (4) Is the contractor confirming a HUBZone small business concern is a certified HUBZone small business by accessing the System for Award Management (SAM) database or by contacting SBA in accordance with FAR 52.219-9(e)(4) and FAR 52.219-8(d)(2)? See Exhibit I ☒ YES ☐ NO

- (5) Is the contractor providing notice to subcontractors concerning penalties and remedies for misrepresentations of business status as a small business for the purpose of obtaining a subcontract in accordance with 15 U.S.C. 645(d) and FAR 52.219-9(e)(5) [Field 22]? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin includes the penalty clause for size misrepresentation on its electronic supplier registration database. In order to do business with Lockheed Martin, suppliers need to register on this database. The reviewer validated the clause is part of their electronic supplier certification and must be agreed in order to register.

- (6) Is the contractor providing notice to inform each unsuccessful small business offeror in writing of the name and location of the apparent successful offeror prior to award of the contract in which a small business concern received a small business preference for subcontracts over the Simplified Acquisition Threshold in accordance with FAR 52.219-9(e)(6)? ☒ YES ☐ NO ☐ NOT APPLICABLE

2. Other Regulatory Compliance

- a. Has the contractor provided the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems for small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns in accordance FAR 52.219-8(b)? ☒ YES ☐ NO

DESCRIBE:

This review covers purchase orders issued by DoD only. The review validates the flow-down of this clause in Lockheed Martin DoD purchase orders. The contractor also implemented focus initiatives in particular with their biggest program, the F35 to ensure maximum opportunities are optimized.

- (3) Is the contractor counseling and discussing subcontracting opportunities with small businesses in accordance with FAR 52.219-9(e)(3)? ☒ YES ☐ NO
DESCRIBE:

[REDACTED]
[REDACTED] Lockheed Martin offers a variety of training, [REDACTED]
[REDACTED]

- (4) Is the contractor confirming a HUBZone small business concern is a certified HUBZone small business by accessing the System for Award Management (SAM) database or by contacting SBA in accordance with FAR 52.219-9(e)(4) and FAR 52.219-8(d)(2)? See Exhibit I ☒ YES ☐ NO

- (5) Is the contractor providing notice to subcontractors concerning penalties and remedies for misrepresentations of business status as a small business for the purpose of obtaining a subcontract in accordance with 15 U.S.C. 645(d) and FAR 52.219-9(e)(5) [Field 22]? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin includes the penalty clause for size misrepresentation on its electronic supplier registration database. In order to do business with Lockheed Martin, suppliers need to register on this database. The reviewer validated the clause is part of their electronic supplier certification and must be agreed in order to register.

- (6) Is the contractor providing notice to inform each unsuccessful small business offeror in writing of the name and location of the apparent successful offeror prior to award of the contract in which a small business concern received a small business preference for subcontracts over the Simplified Acquisition Threshold in accordance with FAR 52.219-9(e)(6)? ☒ YES ☐ NO ☐ NOT APPLICABLE

2. Other Regulatory Compliance

- a. Has the contractor provided the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems for small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns in accordance FAR 52.219-8(b)? ☒ YES ☐ NO
DESCRIBE:

This review covers purchase orders issued by DoD only. The review validates the flow-down of this clause in Lockheed Martin DoD purchase orders. The contractor also implemented focus initiatives in particular with their biggest program, the F35 to ensure maximum opportunities are optimized.

- b. Has the contractor established procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in accordance with FAR 19.702 and FAR 52.219-8(b)? [Field 10]

☒ YES ☐ NO

Is the contractor ensuring timely payment of subcontractors? [Field 10] ☒ YES ☐ NO

NO DESCRIBE:

The contractor has procedures in place that covers all suppliers. The procedures are LMAP 10.410 entitled "Processing Accounts Payable Notices" and CorpDoc 3, entitled "Payments, Taxes and Duties". (b) (4)

- c. FAR 52.232-40: Providing Accelerated Payments to Small Business Subcontractors. If this clause is included in their prime contract(s) is the contractor making the required accelerated payments to their small business subcontractor(s), as prescribed? [Field 23] ☒ YES ☐ NO ☐ NOT APPLICABLE

- d. Has the contractor adequately addressed all previous Corrective Action Plans (CAPs) [Field 24]? ☒ YES ☐ NO ☐ NOT APPLICABLE.
If applicable, describe the previous findings/deficiencies and the corrective actions implemented.

3. Additional Program Administration

- a. Has a company-wide small business policy statement been issued by current senior management and disseminated throughout the company [Field 25]? ☒ YES

Issued By: Marilyn A Hewson

Title: Chairman, President and CEO

Date: January 12, 2016

☐ NO

- b. Small Business Liaison Officer (SBLO) appointment/authority placement in the organization:

(1) Has the SBLO been formally appointed by senior level management to effectively administer the program [Field 26]? ☒ YES ☐ NO

(2) SBLO is a: ☒ Corporate ☐ Division (if a division SBLO, describe the relationship between this division and the corporate SBLO).

Comments:

(3) Is there an organization chart that displays the position of the SBLO within the organization [Field 27]? ☒ YES ☐ NO

c. Monitoring small business program performance and requirements:

- (1) Are senior management and staff briefed regularly on achievement and/or program deficiencies [Field 28]? ☒ YES ☐ NO**

Comments:

Senior Management and Staff are briefed monthly. Lockheed Martin utilizes a report card that shows progress towards goals, initiatives and also discusses shortfalls and remedies. This briefing is conducted at the corporate and business area levels with their appropriate senior management.

A review of their EAC brief shows great detail on spend drivers such as

- (2) What does the contractor do to improve subcontracting performance if goals are not being met [Field 29]?**

Lockheed Martin's Procedure OPM-002, states a set of steps to be followed in the event the performance is not being met. The SBLO will promptly notify Corporate Supplier Diversity of any significant performance problems or risks to achieving annual goals as well as submit quarterly program recovery plans that establish corrective actions for any subcontracting goals or initiatives not being met. The contractor met all negotiated goals and initiates at the corporate level.

d. Small Business Subcontracting Procedures

- (1) Does the contractor have company policies or procedures in place for the small business subcontracting program [Field 30]? ☒ YES ☐ NO**

Comments:

Lockheed Martin's policies and procedures are included as part of their records provided during this review. They include Operations & Program Management (OPM)-002 - Supplier Diversity Program, LMAP 5.710 - Complying with Socioeconomic Requirements; LMAP 2.320 - Identifying Potential Sources for Competitive Solicitations and LMAP 12.450 - Supplier Diversity Program promote participation of small business and the categories of small business. These policies and procedures are updated to reflect the implementation of new FAR requirements.

- (2) Do the policies or procedures promote participation of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns? ☒ YES ☐ NO ☐ NOT APPLICABLE**

Comments:

The policies and procedures are set to meet all FAR part 19, 52.219-9 and DFARS requirements. No factors noted that could hinder participation of small business concerns.

**Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only - If not applicable skip to Part V**

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

[REDACTED]

[REDACTED] . All milestones developed for these initiatives were achieved.

[REDACTED]

Is the firm making adequate progress to meet all milestones for all negotiated initiatives?

☒ **YES** ☐ **NO**

2. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals?

☒ **YES** ☐ **NO**

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

Lockheed Martin designated two commodity areas in FY 2016: (b) (4)
These industry categories were selected to increase small business performance. Goals were established for both commodities.
[REDACTED] goals were exceeded as follows: [REDACTED]

[REDACTED] If this is possible, Lockheed Martin could be the first major DoD contractor that breaks with old rules of [REDACTED] brings an innovative spin of [REDACTED]

[REDACTED] goals were exceeded as follows: [REDACTED]

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

Program Name	Discuss:	Add/Remove	
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
FAST, AEHF, DESPII, F2AST, JAGM, THAAD,		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Counterm		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add	<input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ **YES** ☐ **NO**

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

**Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only - If not applicable skip to Part V**

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

[REDACTED] their FY16 milestones were achieved. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Is the firm making adequate progress to meet all milestones for all negotiated initiatives?

☒ YES ☐ NO

2. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals?

☒ YES ☐ NO

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

Lockheed Martin designated two commodity areas in FY 2016 (b) (4) [REDACTED]

These industry categories were selected to increase small business performance. Goals were established for both commodities. [REDACTED]

[REDACTED] goals were exceeded as follows: [REDACTED]

[REDACTED]

[REDACTED]. If this is possible, Lockheed Martin could be the first major DoD contractor that breaks with old rules of [REDACTED] and brings an innovative spin of [REDACTED]

[REDACTED] goals were exceeded as follows: [REDACTED]

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

Program Name	Discuss:	Add/Remove
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add <input type="checkbox"/> Remove
FAST, AEHF, DESPII, F2AST, JAGM, THAAD,		<input type="checkbox"/> Add <input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Counterm		<input type="checkbox"/> Add <input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add <input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ YES ☐ NO

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

[REDACTED]

Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only - If not applicable skip to Part V

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

[REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED] Progress with this initiative is on target. All negotiated initiatives goals and milestones were met or exceeded.

Is the firm making adequate progress to meet all milestones for all negotiated initiatives?

☒ YES ☐ NO

2. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals?

☒ YES ☐ NO

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

Lockheed Martin designated two commodity areas in FY 2016: (b) (4)
 These industry categories were selected to increase small business performance. Goals were established for both commodities (b) (4)
 [REDACTED] goals were exceeded as follows: [REDACTED]
 [REDACTED]
 [REDACTED] If this is possible, Lockheed Martin could be the first major DoD contractor that breaks with old rules of [REDACTED] and brings an innovative spin of [REDACTED]
 [REDACTED] goals were exceeded as follows: [REDACTED]

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

Program Name	Discuss:	Add/Remove	
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
FAST, AEHF, DESPII, F2AST, JAGM, THAAD,		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Counterm		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add	<input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ YES ☐ NO

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

[REDACTED]

Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only - If not applicable skip to Part V

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

[REDACTED] All milestones developed for these initiatives were achieved [REDACTED]

Is the firm making adequate progress to meet all milestones for all negotiated initiatives?

☒ YES ☐ NO

2. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals?

☒ YES ☐ NO

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

[REDACTED] Milestones for the [REDACTED] category were also met to include [REDACTED] Lockheed Martin efforts performed to increase Small Business utilization for both target commodities are exceptional [REDACTED] spend also reflects significant increases [REDACTED]

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

Program Name	Discuss:	Add/Remove	
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
FAST, AEHF, DESPIL, F2AST, JAGM, THAAD.		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Counterm		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add	<input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ YES ☐ NO

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

[REDACTED]

COMPREHENSIVE PLAN	Goals May Not Be Met – Check Box(es) where goals may not be met						Demonstrated Good Faith Efforts
	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB	
Midyear SSR Date Range:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Recommended Action:

A Midyear assessment was not completed.

6. PERFORM FINAL ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

COMPREHENSIVE PLAN	All Goals Were Met	Goals Not Met – Check Box(es)						Demonstrated Good Faith Efforts
		SB	SDB	WOSB	HUBZ	VOSB	SDVOSB	
Year End SSR Date Range:	<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:

Lockheed Martin achieved and exceeded all of the negotiated subcontracted goals in FY16. There is no recommended action.

Part V – Program Rating Determination

The DCMA Small Business Programs Compliance rating scale below is a modified version of FAR 42.1503-Contractor Performance Information, Procedures, and Table 42-2—Evaluation Ratings Definitions.

Evaluation Ratings Definitions (for the Small Business Subcontracting Evaluation Factor, when FAR clause 52.219-9 is used).

Rating	Definition	Note
<input checked="" type="checkbox"/> Exceptional	Performance meets Very Good rating and exceeds many subcontracting program elements to the Government's benefit. There should have been NO weaknesses identified. Identify multiple significant events that were exceptional and state how they were benefits to the Government.	To justify an Exceptional rating, identify multiple documented successes that exceed the subcontracting plan requirements. State how they were a benefit to small business utilization. An Exceptional rating signifies that the company has an exemplary program or practices that could be used as a model by other contractors in similar industries. There is no action taken or planned action to be taken for compliance with

☐ **Very Good** Performance meets Satisfactory rating and exceeds one subcontracting program element to the Government's benefit. There should have been NO weaknesses identified. Identify at least one significant event and state how it was a benefit to the Government.

☐ **Satisfactory** Performance meets the subcontracting program elements to the Government's benefit. The performance of the subcontracting plan requirement's elements or sub-elements being evaluated was accomplished with only minor problems or major problems the contractor recovered from without impact to the contract/order or subcontracting program elements. The corrective actions taken by the contractor were highly effective. Also, there should have been NO weaknesses identified. A fundamental principle of assigning this rating is that the contractor will not be evaluated with a rating lower than Satisfactory solely for not performing beyond the requirements of the subcontracting plan elements.

48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9.

To justify a Very Good rating, identify a significant documented success of exceeding one or more subcontracting plan elements. State how it was a benefit to small business utilization. Provided documentation of achievements and success stories to support efforts demonstrated. There is no action taken or planned action to be taken for compliance with 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9.

Examples of meeting the subcontracting program elements: Meet or on track to meet all goals as negotiated per contract. The contractor met subcontracting plan(s) elements, instituting initiatives to assist, promote, and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB. The contractor complied with 48 CFR 52.219-8, Utilization of Small Business Concerns which is inclusive of the requirement for a large business to get a written size self-certification from each small business subcontractor accurately reflecting the firm's socio-economic status. The contractor met any other small business participation requirements incorporated in the contract(s)/order(s). The contractor fulfilled the requirements of the Federal Government's Subcontracting program as outlined in 13 CFR 125.3 & 48 CFR 52.219-9. The contractor accurately completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports. The contractor responded to rejected reports within 30 days of rejection notice. Reviewed and accepted or rejected their other than small business (OTSB) lower tier subcontractors' Individual Subcontract Reports within 60 days of submittal. Ensured their OTSB responded to rejected reports within 30 days of rejection notice. The contractor ensured that all levels of OTSB subcontractor flow down the requirement to submit all of their Individual Subcontract Reports and/or Summary Subcontract Reports as required by regulation. Ensured that all levels of OTSB subcontractor flow down

the requirement to review and accept or reject their OTSB Individual Subcontract Reports within 60 days of submittal and respond to rejected reports within 30 days of rejection notice.

Note: To justify a Satisfactory rating, there are multiple documented successes to identify meeting or on track to meet the negotiated goals for each contract. Identify multiple documented successes of meeting subcontracting plan elements. There is no action taken or planned action to be taken for compliance with 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9.

☐ **Marginal** Performance does not meet some subcontracting program elements and contractual requirements. The contractual performance of the element or sub-element being evaluated reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.

Examples of marginally meeting the subcontracting program elements: Demonstrated a good faith effort to meet all of the negotiated subcontracting goals per contract. The contractor demonstrated a good faith effort to meet all of the subcontracting plan(s) elements, instituting initiatives to assist, promote, and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB. Complied with 48 CFR 52.219-8, Utilization of Small Business Concerns is inclusive of the requirement for a large business to get a written size self-certification from each small business subcontractor accurately reflecting the firm's socio-economic status. The contractor demonstrated a good faith effort to meet any other small business participation requirements in the contract/order. Submitted Individual Subcontract Reports and/or Summary Subcontract Reports but not within the time frame required by regulation. The contractor has consulted DCMA and SBA for assistance. Demonstrated a good faith effort to review and accept or reject their OTSB lower tier subcontractors' Individual Subcontract Reports within 60 days of submittal. Demonstrated a good faith effort to ensure their OTSB responded to rejected reports within 30 days of rejection notice. The contractor demonstrated a good faith effort to ensure that all levels of OTSB subcontractor flow down the requirement to submit all of their Individual Subcontract Reports and/or Summary Subcontract Reports as required by regulation. Demonstrated a good faith effort to ensure that all levels of OTSB

subcontractor flow down the requirement to review and accept or reject their OTSB Individual Subcontract Reports within 60 days of submittal and respond to rejected reports within 30 days of rejection notice.

Note: To justify Marginal performance, identify a significant event in each category that the contractor had trouble overcoming and state how it impacted the Government and small business utilization. A Marginal rating should be supported by referencing the good faith effort to correct the deficiency. Identify multiple documented concerns of not meeting other subcontracting plan elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9. Explain the good faith effort taken by the OTSB to overcome the challenge and describe how it impacted small business utilization. The DCMA Small Business Professional (SBP) will notify the Administrative Contracting Officer (ACO) and will notify SBA's applicable Area Director in the SBA Area in which the firm business resides.

- ☐ **Unsatisfactory** – Performance does not meet most subcontracting program element requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains a serious problem(s) for which the contractor's corrective actions appear or were ineffective.

Examples of Unsatisfactory performance of meeting the subcontracting program elements: A good faith effort was not demonstrated to meet all of the negotiated subcontracting goals per contract. A good faith effort was not demonstrated to meet all of the negotiated initiatives to assist, promote and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB. A good faith effort was not demonstrated to comply with FAR 52.219-8, Utilization of Small Business Concerns which is inclusive of the requirement for a large business to get a written size self-certification from each small business subcontractor accurately reflecting the firm's socio-economic status. A good faith effort was not demonstrated to comply with any other small business participation requirements in the contract/order. A good faith effort was not demonstrated to review and accept or reject their OTSB lower tier subcontractors' Individual Subcontract Reports within 60 days of submittal. A good faith effort was not demonstrated to ensure that all levels of OTSB subcontractor flow down the requirement to review and accept or reject their OTSB Individual Subcontract Reports within 60 days of submittal and respond to rejected reports within 30 days of rejection notice.

NOTE: To justify an Unsatisfactory rating, identify multiple significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating should be supported by referencing where there was no documentation to identify good faith effort to meet the subcontracting program elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR , FAR 52.219-8, 13 CFR 125.3 & 48 CFR, FAR 52.219-9. Explain how they did not show a good faith effort to overcome the challenge and describe how it impacted small business utilization. The DCMA SBP will notify the ACO and SBA's applicable Area Director in the SBA Area in which the business firm resides.

* "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).

1. Exceptional Rating Justification

- a. Does the contractor's performance meet the Very Good rating and exceed multiple subcontracting program elements? If no, skip to question 2. ☒ YES ☐ NO
Comments:

Lockheed Martin's performance met the Very good rating and multiple subcontracting program elements.

- b. Did the contractor have any weaknesses? If yes, skip to question 2. ☐ YES ☒ NO
Comments:

- c. Discuss multiple significant events that were exceptional and beneficial to the Government and state how they were a benefit to small business utilization. [Field 31] ☒ YES ☐ NO
Comments:

Lockheed Martin Aeronautics approach to [REDACTED] is considered exceptional and mostly beneficial to the government. A change in trend on the [REDACTED] has a potential to impact existing and future DoD procurements on the way sustainment efforts have been traditionally pursued. Lockheed Martin is the lead on this effort. The following documented actions are exceptional:

[REDACTED] The experience [REDACTED] will gain from working with Lockheed Martin is invaluable.

NOTE: To justify an Unsatisfactory rating, identify multiple significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating should be supported by referencing where there was no documentation to identify good faith effort to meet the subcontracting program elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR , FAR 52.219-8, 13 CFR 125.3 & 48 CFR, FAR 52.219-9. Explain how they did not show a good faith effort to overcome the challenge and describe how it impacted small business utilization. The DCMA SBP will notify the ACO and SBA's applicable Area Director in the SBA Area in which the business firm resides.

* "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).

1. Exceptional Rating Justification

- a. Does the contractor's performance meet the Very Good rating and exceed multiple subcontracting program elements? If no, skip to question 2. ☒ YES ☐ NO

Comments:

Lockheed Martin's performance met the Very good rating and multiple subcontracting program elements.

- b. Did the contractor have any weaknesses? If yes, skip to question 2. ☐ YES ☒ NO

Comments:

- c. Discuss multiple significant events that were exceptional and beneficial to the Government and state how they were a benefit to small business utilization. [Field 31] ☒ YES ☐ NO

Comments:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] If successful, the benefits will be
on [REDACTED]. Enabling small
business participation to work with [REDACTED] the greatest benefit to our small business program.
[REDACTED]
[REDACTED]
[REDACTED]

2. Very Good Justification

- a. Does the contractor's performance meet the Satisfactory rating and exceed one subcontracting program element? If no, skip to question 3. ☐ YES ☐ NO

Comments:

- b. Did the contractor have any weaknesses? If yes, skip to question 3. ☐ YES ☐ NO

Comments:

- c. Discuss at least one significant event that was beneficial to the Government and state how it was a benefit to small business utilization. [Field 31]

Comments:

3. Satisfactory Justification

- a. Does the contractor's performance meet the subcontracting program elements to the Government's benefit? ☐ YES ☐ NO

Comments:

- b. Did the contractor have any weaknesses? ☐ YES ☐ NO

Comments:

- c. Does the contractor's performance have only minor problems or major problems without impact to the program? ☐ YES ☐ NO

Comments:

- d. Has the contractor taken corrective actions that have been highly effective?

☐ YES ☐ NO

Comments:

4. Marginal Justification

a. Does the contractor's performance not meet some subcontracting program elements?

☐ YES ☐ NO

Comments:

b. Does the contractor's performance reflect a serious problem with no corrective action plan or corrective actions taken? ☐ YES ☐ NO

Comments:

c. Do the proposed corrected actions appear only marginally effective or were they not fully implemented? ☐ YES ☐ NO

Comments:

5. Unsatisfactory Justification:

- a. Does the contractor's performance not meet most subcontracting program element requirements and recovery is not likely in a timely manner? ☐ YES ☐ NO

Comments:

- b. Does the contractor's performance contain serious problem(s) and the corrective action(s) were ineffective? ☐ YES ☐ NO

Comments:

PART VI –Summary**1. Program Rating:**

Lockheed Martin's FY16 Small Business program is rated Exceptional. Lockheed Martin exceeded all negotiated goals, initiatives and target industry category goals. The Small Business goal of 16.9% was exceeded by 4.9% and \$305M (21.8% actual); the SDB goal of 3.0% was exceeded by 1.3% and \$122M (4.3% actual); the WOSB goal of 3.7% was exceeded by 0.7% and \$14M(4.4% actual); the

2. Unsatisfactory: (NOTE: Noncompliant with the FAR, ISR or SSR instructions.)**3. Recommendations: (NOTE: A recommendation is an area to improve the program that is not required by regulation.)****4. Additional Remarks:**

PART VI –Summary**1. Program Rating:**

HUBZone goal of 0.7% was exceeded by 0.8% and \$107M (1.5% actual); the VOSB goal of 2.2% was exceeded by 1.1% and \$115M (3.3% actual) and the SDVOSB goal of 1.0% was exceeded by 0.7% and \$82M (1.7% actual). The contractor's efforts shown throughout this report demonstrated high levels of commitment with the small business program.

2. Unsatisfactory: (NOTE: Noncompliant with the FAR, ISR or SSR instructions.)**3. Recommendations: (NOTE: A recommendation is an area to improve the program that is not required by regulation.)****4. Additional Remarks:**

5. Methodology for selection of contracts reviewed.

This review was based on NA to CSP DCMA administered contracts with small business subcontracting plans out of a total population of DCMA administered contracts with small business subcontracting plans for the review period. Exhibit III.

This review was based on 20 subcontracts with large businesses over \$650,000/\$700,000, as applicable, out of a total population of 127 subcontracts with large businesses over \$650,000/\$700,000, as applicable, for the review period. Exhibit I Part 1.

This review was based on 19 subcontracts over \$150,000 out of a total population of 433 subcontracts over \$150,000 for the review period. Exhibit I Part 2.

The review was based on 60 subcontracts out of a total population of 7,552 subcontracts for the review period. Exhibit I Part 3.

The subcontracts were randomly selected. If a sampling methodology other than random was used state how the sample was selected.

6. Exit Interview Participants:

Government:

1. Luz M. Vasquez

2.

3.

4.

5.

6.

Contractor:

1. Phil Goslin

2. Suzanne Raheb

3. Kurt Ravenfeld

4. Dan Pleshko

5. Carol Linwood

6. Burt Ford

7. DCMA Small Business Professional Signature:

VASQUEZ.LUZ.MARIA.1182397349

Digitally signed by VASQUEZ.LUZ.MARIA.1182397349
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DCMA,
cn=VASQUEZ.LUZ.MARIA.1182397349
Date: 2017.03.08 09:12:45 -06'00'

8. DCMA Small Business Center Supervisor Signature:

EVELYN-
BELLAMY.TATIA.M.1228577665

Digitally signed by EVELYN-BELLAMY.TATIA.M.1228577665
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DCMA, cn=EVELYN-
BELLAMY.TATIA.M.1228577665
Date: 2017 04.14 09:38:13 -04'00'



DEFENSE CONTRACT MANAGEMENT AGENCY

18901 S. WILMINGTON AVE.
BUILDING DH2, SUITE 224N
CARSON, CA 90746

June 21, 2015

Ms. Marilyn A. Hewson
Chief Executive Officer and President
Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817

Dear Mrs. Hewson

Congratulations! The results of your Small Business Subcontracting Program review performed on May 18-20, 2015 in accordance with Section 834 of Public Law 101-189 and is pursuant to Federal Acquisition Regulations (FAR) Subpart 19.7, DFAR 252.219-7004 resulted in a final rating of Acceptable. Based on the current rating received, your subcontracting program will be scheduled for a review within the next twelve months.

The enclosed DCMA Small Business Subcontracting Program Compliance report (DCMA 640 Form) provides complete details of the review.

If you have questions or concerns, my point of contact is Luz M. Vasquez, who can be reached at (b) (6) or via email (b) (6)

(b) (6)

Margaret Trimble-Williams
Assistant Director
DCMA Small Business Center, (CSP)

Enclosures:
DCMA Compliance Review Form

cc:
Susannah Raheb, Corporate SBLO
Dan Pleshko, VP Global Supply Chain Operations
James Whitehead, DCMA DACO
Mary Robinson, DCMA CACO
Sophia Chou, CMR, SBA

LMC0000750
MSJ002079

Military Services:

Carol White, Air Force

Patricia Krabacher, Air Force

Jean Smith, Air Force

Pamela Monroe, Army

Donald Wagoner, Army

Lee Rosenberg, MDA

Jerrol Sullivan, MDA

Laura Anderson, MDA

Kenneth Carkhuff, Navy

Emily Harman, Navy

Brad Taylor, Navy

Patricia Obey, Navy

Katherine Rachubinski, Navy

Colleen Courtney, Navy

Gregory S. Lee, Navy

Janice Buffler, OSD

Steven Puckett, LT Col Navy

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

PART I – GENERAL INFORMATION

1. CONTRACTOR: Name: Lockheed Martin Missiles Fire Control Address 1: 1701 W Marshall Dr. Address 2: City/State/Zip: Grand Prairie, TX CAGE: 64059(Grand Prairie)/04939(Orlando) DUNS: 794571448/196189385	1.a. SMALL BUSINESS LIAISON OFFICER (SBLO) Name: Suzanne Raheb Phone: (b) (6) FAX: 407-625-6513 E-mail: (b) (6) 1.b. ALTERNATE SMALL BUSINESS LIAISON OFFICER (SBLO) Name: Phone: FAX: E-mail:
2. PROGRAM MANAGER, COMPREHENSIVE SUBCONTRACTING PROGRAM Name: Luz M. Vasquez Phone: (b) (6) FAX: E-mail: (b) (6)	3. DIVISION CHIEF, COMPREHENSIVE SUBCONTRACTING PROGRAM Name: Margarette Trimble-Williams Phone: (b) (6) FAX: (310) 900-6025 E-mail: (b) (6)
4. SMALL BUSINESS ADMINISTRATION (SBA) COMMERCIAL MARKETING REPRESENTATIVE (CMR) http://www.sba.gov/GC/cmr.html Name: Sophia Chou Phone: (b) (6) FAX: (202) 481-4850 E-mail: (b) (6)	5. ADMINISTRATIVE CONTRACTING OFFICER Name: Mary Margaret Robinson Phone: (b) (6) FAX: E-mail: (b) (6)

DCMA/SMALL BUSINESS ADMINISTRATION (SBA), JOINT REVIEW:
☒ Yes ☐ No IF NOT, WHY NOT:

Review setting: on-site review ☒ virtual review ☐

6. PERIOD COVERED BY THIS REVIEW: 6.a. From: 1 October 2013 6.b. To: 30 September 2014	7.a. DATE OF THIS REVIEW: May 18-20, 2015 7.b. TYPE OF REVIEW: Full Program 7.c. RATING OF THIS REVIEW DATA: Acceptable 7.d. RISK OF THIS REVIEW DATA: Moderate	8.a. DATE OF LAST REVIEW DATA: February 25-27, 2014 8.b. TYPE OF LAST REVIEW DATA Full Program 8.c. RATING OF LAST REVIEW DATA: Outstanding 8.d. RISK OF LAST REVIEW DATA Moderate
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9. DOD RATIOS:
 a. Total Annual Company Sales: \$45,600,000,000

 b. Total dollar value of contracts that are with DoD (including those without plans): \$25Billion in DoD orders, \$27 Billion in DoD sales and \$43Billion in DoD Backlog

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: 1 Oct 13 Period Covered To: 30 Sept 14
☐ 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:

The SSR report was submitted on time and in accordance with FAR requirements. This business unit uses the P2P Electronic System for purchase order retention and documentation. The system captures suppliers by size, purchase order dollars and other factors.

- b. VERIFY ACCURACY OF SSR REPORTS:

As a result of this review, the FY14 SSR report is considered not accurate. The purchase order sampled noted various errors with the supplier's size classification. The DCMA reviewer informed LM that the FY14 SSR will be rejected in the system so they can make necessary corrections to disallow the total dollars reported into the erroneous categories for FY14. LM was proactive on gathering the total dollars in question and will correct the SSR accordingly.

Additionally, it was found that LM suppliers are not validating their size at time of award and the contractor relies on their last submission into their own electronic system. [REDACTED]

[REDACTED]; however, the only electronic system allowed to be used by regulation is SAM. The regulations do not allow the contractor to rely on their own electronic system for size purposes at this time.

Other references:

“13 CFR 121.411 What are the size procedures for SBA's Section 8(d) Subcontracting Program?

(a) Prime contractors may rely on the information contained in the System for Award Management

(SAM) (or any successor system or equivalent database maintained or sanctioned by SBA) as an accurate representation of a concern's size and ownership characteristics for purposes of maintaining a small business source list.

(b) Even if a concern is on a small business source list, it must still qualify and self-certify as a small business at the time it submits its offer as a section 8(d) subcontractor. Prime contractors may accept a subcontractor's electronic self-certifications as to size, if the subcontract contains a clause which provides that the subcontractor verifies by submission of the offer that the size or socioeconomic representations and certifications made in SAM (or any successor system) are current, accurate and complete as of the date of the offer for the subcontract. Prime contractors or subcontractors may not require the use of SAM (or any successor system) for purposes of representing size or socioeconomic status in connection with a subcontract.

It is our responsibility under 13CFR125.3(f)(2)(i) to evaluate whether the prime contractor assigned the proper NAICS code and corresponding size standard to a subcontract, and a review of whether small business subcontractors qualify for the size or socioeconomic status claimed”.

“13CFR125.3(c)(v) The contractor must assign each subcontract the NAICS code and corresponding size standard that best describes the principal purpose of the subcontract (see §121.410). The prime contractor may rely on subcontractor self-certifications made in SAM (or any successor system), if the subcontract contains a clause which provides that the subcontractor verifies by submission of the offer that the size or socioeconomic representations and certifications in SAM (or any successor system) are current, accurate and complete as of the date of the offer for the subcontract. A prime contractor or subcontractor may not require the use of SAM (or any successor system) for purposes of representing size or socioeconomic status in connection with a subcontract”.

c. PERFORM TREND ANALYSIS OF PAST PERFORMANCE (*Last 5 years, if available*) AND DISCUSS TRENDS, POSITIVE OR NEGATIVE: 6 years data is presented to expand trend

(To copy over data use Paste "overwrite cells" option)

	Total Subcontracting Dollars (per the SSR)		Small Business			
Fiscal Year	\$ Goal	\$ Actual	\$ Goal	\$ Actual	% Goal	% Actual
FY09	\$14,037,397,703	\$12,908,423,771	\$3,647,703,940	\$3,269,320,439	26.0%	25.3%
FY10	\$17,429,732,154	\$15,342,885,627	\$4,010,780,695	\$3,982,899,169	23.0%	26.0%
FY11	\$18,688,799,649	\$18,520,382,554	\$3,569,560,733	\$4,261,491,321	19.1%	23.0%
FY12	\$17,199,685,096	\$16,989,991,052	\$3,319,539,224	\$4,003,522,849	19.3%	23.6%
FY13	\$16,704,423,289	\$16,548,938,868	\$3,107,022,732	\$3,787,130,352	18.6%	22.9%
FY14	\$15,074,000,072	\$19,528,707,044	\$2,788,690,013	\$3,353,250,726	18.5%	17.2%

	Small Disadvantaged Business				Women-Owned Small Business			
Fiscal Year	\$ Goal	\$ Actual	% Goal	% Actual	\$ Goal	\$ Actual	% Goal	% Actual
FY09	(b) (4)							
FY10								
FY11								
FY12								
FY13								
FY14								

	HBCU/MI				Hub-Zone Businesses			
Fiscal Year	\$ Goal	\$ Actual	% Goal	% Actual	\$ Goal	\$ Actual	% Goal	% Actual
FY09	(b) (4)							
FY10								
FY11								
FY12								
FY13								
FY14								

	Veteran-Owned Small Business				Service Disabled Veteran-Owned Small Business			
Fiscal Year	\$ Goal	\$ Actual	% Goal	% Actual	\$ Goal	\$ Actual	% Goal	% Actual
FY09	(b) (4)							
FY10								
FY11								
FY12								
FY13								
FY14								

The total subcontracting dollars reported for FY14 show an increase of \$3 Billion dollars from FY13 data. This marks the largest increase in total subcontracting dollars for the past six fiscal years. It also marks LM lowest Small Business performance across all

socio-economic categories for the same period of time. LM FY 14 SB dollar goal was \$2.7B and they achieved \$3.3B but still missed the percentage goal by 1.3%. This anomaly can be observed when there is an unpredicted increase in the total subcontracting base with the majority of allocations going to large, which is the case seen here with LM. Small Business shows a downward trend. [REDACTED]. A recovery plan was requested by OSD and DCMA to be included in their FY15 CSP plan.

This report also covers LM Missile Fire Control (MFC) business unit SB performance. (b) (4)
[REDACTED]

2. FOR COMPREHENSIVE SUBCONTRACTING PLANS ONLY INITIATIVES:

- a. Describe the efforts the firm uses to achieve all negotiated initiatives? Describe: LM identified three initiatives for FY13. Efforts for each initiative are discussed below. Outreach is the main contributor in achieving the negotiated initiatives.

1. Indian Incentive Program: Objective: Submit a minimum of 5 IIP proposals to OSBP office: Complete

- Lockheed Martin submitted a total of 32 IIP proposals. LM received listing of approved payment submittals from DoD OSBP IIP Office.

2. SnapOn Tools Corporate Agreement: Restrict competition to Small Business only and release RFP to identified SB: Complete

- Competed procurement restricted to Small Business and narrowed down from ten to four small businesses of which (b) (4) got awarded the contract. Redirection of spend in process for this follow on contract. Awarded in Feb 2014 with spend of (b) (4) as of Sept 2014. This initiative is considered successful and complete.

3. Mentor Protégé Program: Identify and submit for two new MP agreements with focus on developing (SDB< HUBZone, and SDVOSB) and two other industries: Complete

- LM submitted two proposals: TIME Systems, LLC to the Army on 01/02/2014 and G2 Ops to the Navy.
- LM held a total of 3 supplier information sessions and multiple chat/webinars. ROI on suppliers information session a total of (b) (4) Number of suppliers receiving subcontracts (b) (4)

4. SBIR Program: Identify and add proven SBIR firms to the know Supplier Database to provide new training and engagement opportunities. Report number of SBIR partnerships

[REDACTED]

Is the firm making adequate progress to meet all milestones for all negotiated initiatives? ☒ Yes ☐ No The contractor was extremely successful with all 3 of their initiatives efforts.

b. TARGET INDUSTRIES:

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

[REDACTED]. The contractor met all the negotiated goals. [REDACTED]

[REDACTED] The contractor efforts to switch spend from large to small are considered a success. [REDACTED]

	SB Goal %	SB Actual %	SB Goal \$	SB Actual \$
FY 2013	(b) (4)			
FY 2014				

	SDB Goal %	SDB Actual %	SDB Goal \$	SDB Actual \$
FY 2013	(b) (4)			
FY 2014				

	VOSB Goal %	VOSB Actual %	VOSB Goal \$	VOSB Actual \$
FY 2013	(b) (4)			
FY 2014				

	Large Goal %	Large Actual %	Large Goal \$	Large Actual \$
FY 2013	(b) (4)			
FY 2014				

	Estimated Spend %	Estimated Spend Actual %	Estimated Spend Goal \$	Estimated Spend Actual \$
FY 2013	(b) (4)			
FY 2014				

2.

. LM met and exceeded all negotiated goals. The efforts made to switch spend from large to small were not significant to create a change in favor of SB. however no return on investment

	SB Goal %	SB Actual %	SB Goal \$	SB Actual \$
FY 2012	(b) (4)			
FY 2013				
FY 2014				

	WOSB Goal %	WOSB Actual %	WOSB Goal \$	WOSB Actual \$
FY 2012	(b) (4)			
FY 2013				
FY 2014				

	SDB Goal %	SDB Actual %	SDB Goal \$	SDB Actual \$
FY 2012	(b) (4)			
FY 2013				
FY 2014				

	Large Goal %	Large Actual %	Large Goal \$	Large Actual \$
FY 2012	(b) (4)			
FY 2013				
FY 2014				

	Estimated Spend Goal %	Estimated Spend Actual %	Estimated Spend Goal \$	Estimated Spend Actual \$
FY 2012	(b) (4)			
FY 2013				
FY 2014				

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

LM continued to utilize the methods as established in their objectives section of their FY14 CSP plan to include Supplier Information Sessions, adding new suppliers to their known supplier database, reviewed procurement spend with large businesses to identify opportunities to switch spend to small, chat sessions, and release of media to create awareness and exposure among buyers and decision makers.

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

Program Name	Discuss:	Add/Remove
Global Positioning System (GPS)	USAF program / LM Space Systems business unit	<input checked="" type="checkbox"/> Add <input type="checkbox"/> Remove
F-22 Raptor Aircraft	USAF program/LM Aeronautics	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Spaced Based Infrared System (SBIRS)	USAF program/LM Space Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Joint Air-to-Surface Standoff Missile (JASSM)	USAF program/LM Electronic Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
C-130J (Hercules Aircraft)	USAF program/LM Aeronautics	<input type="checkbox"/> Add <input type="checkbox"/> Remove
C-130J (Hercules Aircraft)	Navy program/LM Aeronautics	<input checked="" type="checkbox"/> Add <input type="checkbox"/> Remove
Flexible Acq. Sustainment Tool (FAST)	USAF program/LM Electronics Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Advanced Extra High Frequency (AEHF)	USAF program/ LM Space Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Design Engineering Support Program (DESP II)	USAF program/LM IS&GS	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Terminal High Altitude Air Defense (THAAD)	MDA program/ LM Space Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Aegis Ballistic Missile Defense Program (Aegis BMD AWS)	MDA program/ LM Electronics	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Targets and Countermeasures	MDA program/ LM Space Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Multi Mission Helo-H-60 Romeo & H-60 Sierra (H-60 R&S)	Navy program/ LM Electronics Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
F-35 Joint Strike Fighter (JSF)	Navy program/LM Aeronautics.	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Joint Air-to-Ground Missile (JAGM)	Army program/LM Electronic Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Future Flexible Acquisition & Sustainment tool (F2AST)	USAF program/LM Electronic Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Next Generation Aegis Missile (NGAM SM3 blk. IIB)	MDA program/LM Space Systems	<input type="checkbox"/> Add <input type="checkbox"/> Remove
Aegis BMD AWS	Navy program/LM Moorestown	<input checked="" type="checkbox"/> Add <input type="checkbox"/> Remove
C2BMC	MDA program	<input checked="" 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

- e. PERFORM **INTERIM** ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN (SF 295).

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: 1Oct12-30Mar13	<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:

f. PERFORM FINAL ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN (SF 295).

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:1Oct13-30Sep14	<input type="checkbox"/> YES <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> YES <input type="checkbox"/> No

Recommended Action:

Lockheed Martin	FY14 CSP Negotiated Goals \$\$\$	FY14 CSP Negotiated Goals %	FY14 End-Year Achievement Actual \$\$\$	FY14 End-Year Achievement Actual %
SB	(b) (4)			
LB				
Total				
SDB				
WOSB				
HUBZone				
VOSB				
SDVOSB				

The [REDACTED] contributions to the Small Business spend is minimal and almost non-existent for most Small Business subcategories. LM MFC exceeded all of their business unit goals.

A breakdown of LM achievement by socio-economic categories follows:

1. SB goal: Not met. Lockheed Martin failed to meet the SB goal by [REDACTED]. The actual dollars are higher than negotiated showing the added effort in trying to meet the goal. [REDACTED] MFC is beig in outreach participation.
2. SDB goal: [REDACTED]. The strategies in place to increase SDB spend are considered ineffective as it did not result in a favorable increase in spend. The contractor did not meet their long term goals. [REDACTED]

	FY '10	FY '11	FY '12	FY '13	FY '14
LM SDB Goals	(b) (4)				
Negotiated					
Actual					

LM SDB goal for FY14 was missed by [REDACTED]

3. WOSB goal: LM missed the WOSB goal by [REDACTED]

4. HUBZone goal was met at exactly [REDACTED]

5. VOSB goal was met at [REDACTED]. Even when they met the goal, LM VOSB percentage dropped significantly when compared to previous years. [REDACTED]

6. SDVOSB: [REDACTED] LM performance through FY13 was on target with meeting the 3% increase in spend for this category. FY14 shows a big drop in spend attributed to [REDACTED] LM was not able to reach their goal but made satisfactory progress in increasing spend for this category.

SDVOSB Strategy Plan Milestones

Revised	FY '10	FY '11	FY '12	FY '13	FY '14
SDVOSB Goals	(b) (4)				
Negotiated					
Actual					

LM MFC actual was 3.6%, the overall performance for this segment is considered satisfactory and on track.

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): The contractor continues to comply with FAR 52-219-9. There are no changes with their methodology and procedures as described in LM FY13 640 report except for items e, g, m, n, o and v below.

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:

LM has procedures in place to establish and monitor subcontracting goals. LM breaks down the total planned subcontracting dollars for each small business category and its corresponding percentage based on their total subcontracting base. LM complies with this requirement.

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:

LM is in compliance with this requirement. Indirect dollar allocations are included with their goal projection.

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:

A detailed description of the principal types of supplies and services is contained in their FY14 CSP plan. LM is organized into five business units: Aeronautics, Information Systems & Global Solutions, Missiles & Fire Control (review site), Mission Systems & Training and Space Systems. LM is in compliance with this requirement.

- 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:

LM utilizes a "bottoms up" forecasting process from all the Business Areas, business development, procurement, material planning and finance. The goals are then rolled up to the Corporate Director, Category Management & Supplier Diversity and are aggregated to determine corporate performance targets. The DCMA analyst has reviewed their basis for establishing goals described in their CSP plans and entered into numerous discussions to determine any variations from the procedures because their forecast seems to not be at par with their goal achievement. It is noted that the disparity on the negotiated goals vs. actual achievement in FY14 was due mainly to [REDACTED] an internal leadership decision.

- 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:

Outreach is used extensively throughout the LM organization. LM participated in over 60 outreach events in FY14. LM keeps records of attendance for all their outreach efforts. LM is adhering to their method as described in their FY14 CSP plan.

- 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 (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:

This methodology has been reviewed and considered acceptable by the current and previous DCMA analysts. The following is the methodology Lockheed Martin uses to determine and allocate indirect subcontracting dollars (FY14 CSP).

Indirect Allocations: (b) (4)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- 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:

Nancy Deskins held the Corporate SBLO chair in FY14. She had many years of experience and was fully engaged with this program. Suzanne Raheb is the newly assigned SBLO and former deputy SBLO under Nancy Deskins. She is

equally experienced to manage this program. In fact, the supplier wire tool addition to the corporate SB vision was an idea brought forward by Suzanne. LM is completely engaged with the SBIR program, Mentor-Protégé program, outreach events and/or adapting changes and new ways to procure supplies. The SBLO duties have been reviewed and considered acceptable by the current and previous DCMA analysts.

- 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:

The DCMA analyst's purchase order review validates the contractor is adhering with their efforts to ensure equitable subcontracting opportunities exist for small business as detailed in their Comprehensive subcontracting plan. All purchase orders sampled included a buyer checklist in which the buyer documents if small businesses were/were not solicited and the reason for award. The contractor also tracks, reports and monitors their participation in conferences, trade fairs, supplier information sessions, forums and workshops promoting small business. The contractor is in compliance with this requirement.

- 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:

Purchase order records are maintained electronically. The Record Keeping section in the CSP addresses each business unit to maintain records to demonstrate policies and procedures are being implemented.

The sample reviewed validated the collection of subcontracting plans is in place, their review process and acceptance of plan, and proper documentation in the event the supplier was not required to submitting a plan (Commercial Item/In-House work). LM's methodology and record keeping process is considered 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:

All reports are timely. LM cooperates and collaborates with studies and surveys. LM is in compliance with this requirement.

- 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:

The contractor's sources to identify Small Business suppliers are documented throughout this report and in their current and past comprehensive subcontracting plans. Supplier Information Sessions and Matchmaking events have been of great success. The contractor's involvement with multiple organizations is also documented. LM's method to identify Small Businesses is deemed 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:

The list includes SAM, Exostar, Known Supplier Database and the Lockheed Martin internal database among others. Lockheed Martin uses social networking tools such as Twitter, GovWin and Lockheed Martin's on-line bulletin board on LMC.com and advertises bulletin board items to organizations such as National Veteran Owned Business Association (NaVOBA). A review of their records shows they are utilizing these sources. LM is adhering to this requirement.

- 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:

LM maintains all purchase order records electronically. The contractor was able to retrieve all requested purchase orders using this electronic system. The manipulation of the folders was simple and within few clicks and scrolls the reviewer was able to examine in detail each purchase orders listed under Part II (2)(a). Each purchase order documented the rationale for award and if small business and its sub-categories were solicited or not. LM's record keeping methodology is adequate.

- 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:

Lockheed Martin maintains records of Corporate and local sponsored events to locate small businesses. Lockheed Martin holds targeted Supplier Information Sessions (SIS) with focus on negotiated initiatives. The Return on Investment (ROI) for these events is tracked. At the business unit level, MFC hosted the DFW Veteran Summit and a joint SIS session along with the Aeronautics business unit. They also sponsored the Florida Minority Supplier Development Council and lead the green and black belt training efforts. The DCMA analyst examined the records and they are considered adequate.

- 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:

LM's training records were provided and validated. The contractor also maintains records of training to new SBLOs and procurement personnel. Most notable training effort was MFC mentoring of five SB suppliers for a six month period. MFC also lead the Green and Black Belt training sessions in FY14. LM training records are complete and adequate.

- 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:

The contractor utilized their Exostar System during the review. This system captures all supporting award data. The contractor's system(s) are considered adequate. LM is in compliance with this requirement.

- 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:

The DCMA analyst previously reviewed Lockheed Martin's policies, LMAP 2.320, entitled "Identifying Potential Sources for Competitive Solicitations" and LMAP 3.110. The procedures have not changed from last year report and contain specific guidance that allows for small business considerations and include even provisions for certain competitions that can be limited to small business concerns as documented in other areas of this report. The contractor's actions are deemed appropriate.

- 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:

In the event there is a "make-or-buy" decision the SBLO is part of the process. All suppliers are considered regardless of their size. This methodology is determined to be adequate.

- 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:

_____ a notorious increase from last year.

LM methods are considered adequate. They continue to find new ways to bring information to new small business suppliers.

- 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:

The contractor's notice is included in each supplier registration to their database. Suppliers are to acknowledge the penalties for misrepresenting the supplier's size status and are requested to notify them immediately of any changes with their size. The issue with this process is that because is not done at time of award but during the initial registration process suppliers do forget to update their size status. The review of purchase orders notes multiple suppliers size errors. This clause needs to be included on each subcontract award.

- u. FAR 19.702 It is the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. Describe the method utilized by the firm to ensure timely payment of subcontractors. Has the firm been adhering to this policy? ☒ YES ☐ NO DESCRIBE HERE:

unit, [REDACTED] At the business [REDACTED]
[REDACTED] that resulted in expediting payment as well and improvement in suppliers cash flow [REDACTED]

- v. Has the firm adequately addressed all previous Corrective Action Plans? ☒ YES ☐ NO

The contractor addressed DCMA FY13 corrective action (CA) request promptly. Some of LM corrective actions are tied to SBA HQ approval of their proposed processes. LM maintained DCMA informed at all times of their progress, meetings with SBA and provided a status report for our review. The corrective actions are still under SBA review and pending approval and implementation. This item will be carried forward in FY14 and further until is officially closed by DCMA.

2. COMPLIANCE WITH RECORD KEEPING:

- a. REVIEW A REPRESENTATIVE SAMPLE OF PURCHASE ORDERS AWARDED TO LARGE BUSINESS, INCLUDING PURCHASE ORDERS OVER \$650,000.

LM utilizes an electronic self-certification system to capture the supplier size. The suppliers update their size status annually not at time of award. The sample shows various purchase orders with erroneous size classification in their system. This is a repetitive finding documented in last year 640 report and now seen at a different business unit. Because these suppliers had incorrect size and the dollars were captured in their FY14 SSR, DCMA requested corrections to be made on the FY14 SSR to disallow any dollars reported for those suppliers during that period. The suppliers and dollars are shown below:

1. (b) (4) supplier was counted as SDB but is not; disallow (b) (4) (only one Purchase Order issued in FY14)
2. (b) (4) supplier was counted as SDB but is not SDB; disallow (b) (4) (only one PO issued in FY14)
3. (b) (4) supplier was counted as SDB but is not SDB; disallow (b) (4) for all POs issued in FY14

The total SDB dollars disallowed is \$7,351,653.26.

SUBCONTRACTING PURCHASE ORDER REVIEW CHECKLIST DCMA FORM 640 EXHIBIT 1

DCMA FORM 640 EXHIBIT 1

(for more rows click outside the right side of the row on the form and hit "enter")

CONTRACTOR:	Lockheed Martin MFC	PERIOD COVERED: FY 14	October TO September				
SAMPLING OF AWARDS TO LARGE BUSINESS OVER \$150,000 AND \$650,000; AND SAMPLES OF P.O. TO SMALL BUSINESS TO VERIFY CERTIFICATION							
SUB-CONTRACTS WITH LARGE BUSINESSES = or > \$650,000		FAR 52.219-9(d)(9)					
Prime Contract	Date	Vendor Name	\$ Amount	Subcontract Number	SB Plan In Place?	ISR Input?	Remarks
(b) (4)	10/10/2013	(b) (4)			Y	Y	Plan was received, reviewed and incorporated prior to award
(b) (4)	7/14/2014	(b) (4)			Y	Y	Plan was received, reviewed and incorporated prior to award
(b) (4)	4/2/2014	(b) (4)			Y	Y	Plan was received, reviewed and incorporated prior to award
(b) (4)	12/18/2013	(b) (4)			Y	Y	Order was finalized on 3/29/14, SB plan was received before order was placed
(b) (4)	12/18/2013	(b) (4)			Y	Y	Order was completed on June 11, 2014
(b) (4)	2/19/2014	(b) (4)			Y	Y	Sb was received on 6/24/14, order was not funded until 7/25/14

(b) (4)	11/25/2013	(b) (4)	Y	Y	SB plan received on time
	2/5/2014		Y	Y	SB plan received 5/20/14
	3/13/2014		Y	Y	SB Plan received on 8/8/14; order was completed 8/25/14
	6/16/2014		Y	Y	SB Plan approval 6/12/14
	10/10/2013		Y	Y	SB Plan received 9/24/14
	11/11/2013		Y	Y	SB Plan received 11/1/13

PURCHASE ORDERS/SUB-CONTRACTS TO LARGE BUSINESS = OR > \$150,000

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

Size	P.O. #	Date	Vendor Name	\$ Amount	Item Procured	Reason Code	Remarks
	(b) (4)		(b) (4)				(b) (4)
L		12/3/2013					
L		12/9/2013					IDIQ contract-non-competitive
L		2/19/2014					Follow-on, economic consideration-Cost avoidance of having a new design
L		4/23/2014					No alternate sources considered
L		7/24/2014					Source Controlled Drawing
L		10/16/2013					Source Controlled Drawing
L		10/18/2013					(b) (4)
L		5/19/2014					Follow-on, will cost \$62K more to develop new source

	(b) (4)		(b) (4)				
L		5/6/2014					DEM item
L		6/27/2014					Source Controlled Drawing
L		10/22/2013					Source Controlled Drawing
L		12/19/2013					Source Controlled Drawing
L		6/27/2014					(b) (4)
L							

SAMPLES OF P.O. TO SMALL BUSINESS TO VERIFY CERTIFICATION

FAR 52.219-9(e)(4i)

Size	P.O. #	Date	Vendor Name	\$ Amount	Item Procured	Sys Shows	Self-Certification Shows
SB	(b) (4)	11/25/2013	(b) (4)		Contract Labor	SB/VOSB/SD VOSB	SB/VOSB/SDVOSB
SB		10/21/2013			Contract Labor	SB/SDB/WO SB/VOSB/SD VOSB	SB/SDB/WOSB/VOSB/SDVOSB
SB		4/1/2014			Container	SB/VOSB/SDVOSB	SB/VOSB/SDVOSB
SB		8/29/2014			Sensors	SB/SDB	Not SDB, LM issued only one PO in FY14 value of (b) (4)
SB		1/21/2014			Contract labor	SB/SDB/WO SB	SB/SDB/WOSB
		7/15/2014			Relay	SB/SDB	SB/SDB
SB		10/1/2013			Contract Labor	SB/SDB/WO SB/HUBZON E/VOSB/SDV OSB	Not SDB; only PO for (b) (4)
SB		11/25/2013			Contract Labor	SB/SDB/VOSB/SDVOSB	SB/SDB/VOSB/SDVOSB
SB		4/9/2014			Protective Cover	SB/SDB	SB/SDB

(b) (4)		(b) (4)		Contract Labor	SB/SDB/WO SB/HUBZON E	SB/SDB/WOSB/HUBZONE; Hub 11-30-13
SB	7/28/2014			Circuit Board Assy	SB/HUBZON E/VOSB/SDV OSB	SB/HUBZONE/VOSB/ SDVOSB; Hub 10-04-13
SB	7/24/2014			Hinge Pin Housing	SB/SDB/HUB ZONE/VOSB/ SDVOSB	SB/SDB/HUBZONE/VOSB/ SDVOSB; Hub 6/5/2008
SB	7/31/2014			Temperature Sensor	SB/HUBZON E/	SB/HUBZONE; Hub 2-11- 13
SB	3/11/2014			Contract Labor	SB/SDB/WO SB/HUBZON E/VOSB/SDV OSB	Not SDB, they received (b) (4) which were counted as SDB
SB	9/2/2014			Ethernet Switch	SB/HUBZON E/VOSB/SDV OSB	SB/HUBZONE/VOSB/ SDVOSB; Hub 11-30-2004
SB	10/16/2013			Generators	SB/HUBZON E/VOSB/SDV OSB	SB/HUBZONE/VOSB/ SDVOSB; Hub 9-24-2007
SB	11/11/2013			Wooden Heat threatened pallets	SB/HUBZON E	SB/HUBZONE; Hub 2-20- 2012
SB	10/16/2013			Repair Helicopter	SB/HUBZON E/VOSB	SB/HUBZONE/VOSB; Hub 12-20-2010
SB	3/14/2014					

**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: Marillyn A. Hewson

Title: Chairman/CEO

Date: Annually

☐ 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?

Suzanne Raheb has been newly assigned as LM Corporate SBLO replacing Nancy Deskins, former SBLO. Her duties remain as listed under Section 6 of the CSP and in the Corporation Performance Management System. Nancy Deskins was the appointed SBLO for the period in review.

☐ NO. COMMENTS:

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

☒ YES. DESCRIBE:

Nancy Deskins was the assigned SBLO during the review period. She reported to Pat Sunderlin, Chair Supply Chain Council. Suzanne Rehab facilitated the review as the newly assigned Corporate SBLO.

☐ NO. COMMENTS

c. TO WHOM DOES THE SBLO REPORT?

Name: Pat Sunderlin Title: VP Materials Missiles & Fire Control, who also Chair the Supply Chain Council.

d. SBLO IS A: ☒ Corporate ☐ Division (if a division SBLO, describe the relationship between this division and the corporate SBLO).

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

☒ YES. Charts were provided

☐ NO. COMMENTS:

3. MONITORING SB PROGRAM PERFORMANCE AND REQUIREMENTS:

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

☒ YES. COMMENTS:

Monthly briefs to the executive staff to include progress to goals.

☐ 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)

Lockheed Martin utilizes recovery plan templates to develop specific strategies and initiatives to correct any goal deficiency. The corrective actions are tailored to the program and reviewed weekly for improvement.

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:

As briefed to the DCMA analyst, LM utilizes multiple strategic sourcing teams. MFC evaluates potential supplier's capabilities and provides insight into assisting with sourcing actions and improving SB performance. MFC forecasting process is considered a step forward into forecasting realistic goals. It is noted that each business unit operates independently of each other but carry similar approaches.

- 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:

Lockheed Martin documentation of their efforts includes the following:

(b) (4)

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

Lockheed Martin documented the following actions in FY14:

(b) (4)

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-

.....

(b) (4)

At the business unit, Missiles and Fire Control documented the following actions:

(b) (4)

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

Lockheed Martin is well known for using corporate agreements as a best practice. The contractor provided copies of their current corporate agreements (spreadsheets). This practice has been found to be beneficial to small businesses in general as once selected into a corporate agreement and based on good performance the likelihood of continuing the relationship once the agreement expires is high. The (b) (4)

Large	Small	SDB	SWOB	HUB	Vet	SDV	Native
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(b) (4)

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

LM has made no changes to their internal written guidance for credit card purchases as noted in previous report. As such the following is an excerpt from previous report and still applies: (b) (4)

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

Lockheed Martin heavily relies on automated tools to advertise future procurements. They continue with "Supplier Wire", a new tool introduced last fiscal year. This newly implemented tool is packed with information for small businesses looking to do business with them. It offers free webinars, live chats, educational videos, immediate needs bulletins, directories, partnership pursuits and a veteran's corner. DCMA recognizes LM for bringing innovation as a way to reach out small business suppliers, new this FY is their LM Supplier Mall, an accessible database that identifies SB suppliers.

- 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:

- Lockheed Martin has (b) (4) Mentor Protégé agreements. They hosted three protégé 101 webinars. LM submitted two proposals: (b) (4) to the Army on 01/02/2014 and (b) (4) to the Navy.
- LM held a total of 3 supplier information sessions and multiple chat/webinars. ROI on suppliers information session a total of (b) (4) Number of suppliers receiving subcontracts (b) (4)

MFC efforts utilizing current and past protégés were briefed during the review. All efforts with the MP program are satisfactory. LM was awarded a Nunn Perry award for their efforts with IERUS Technologies in FY14.

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

In 2014, 117 SBIR/STTR awards were received to the small business/LM team and Lockheed Martin had the following 3 SBIR Phase III successes:

- (b) (4)

-

-

- 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: SEE PART IV (3) (B) ABOVE.
- 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: SEE PART IV 4 (B) ABOVE

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.

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: The contractor is rated moderate risk because they are not meeting the DoD SDB [REDACTED], HUBZone [REDACTED] and SDVOSE [REDACTED] goals.

Rating Summary and Recommendations:

1. Negotiated Goals. Lockheed Martin missed three out of their six negotiated goals. They missed their SB, SDB and WOSB goal and met their HUBZone, VOSB and SDVOSB goals. Good faith efforts in achieving negotiated goals are documented throughout the report. LM met all three negotiated initiatives and target industry goals.

2. eSRS reporting: The SSR report was found to be inaccurate. This review noted three suppliers counted as SDB that were not SDB. A total of \$7,351,653.26 for the SDB category is disallowed. LM was informed during the exit briefing that the FY14 SSR report was going to be rejected so they can apply necessary corrections to the dollars shown under the SDB category. A recap of the finding documented under Part III 2 (a) follows:

- [REDACTED], supplier was counted as SDB but is not; disallow [REDACTED] (only one Purchase Order issued in FY14)
- [REDACTED] supplier was counted as SDB but is not SDB; disallow [REDACTED] (only one PO issued in FY14)
- [REDACTED] supplier was counted as SDB but is not SDB; disallow [REDACTED] for all POs issued in FY14

3. CFR 121.411 (b) states "even if a concern is on a small business source list it must qualify and self-certify as a small business at the time it submits its offer". [REDACTED]

4. Prime contractor's acceptance of a supplier electronic self-certification as to size: This finding was documented in FY13 and carried over to FY14. In essence, [REDACTED] The federal register July 16, 2013 added a new provision to CFR 121.411(b) even if a concern is on a small business source list it must qualify and self-certify as a small business at the time it submits its offer. Prime contractor may accept an electronic self-certification as to size, if the subcontract contains a clause providing that the contractor plans to rely on SAMS for self-certification verification as to be current, accurate and complete as of the date of the offer for the subcontract. [REDACTED]

[REDACTED] LM will be required to make changes to [REDACTED] This corrective action will be placed on hold until the FAR publishes their final rule.

5. Electronic Signature/Signature on same page the supplier acknowledges its size status: This finding is also carried over from FY13. 13CFR121.411 (f) that states and quote: "An authorized official must sign the certification on the same page containing the size status claimed by the concern." According to SBA, the FAR council is working on publishing a final rule on the subject of electronic signature and the electronic self-certification that should combine the new requirements in order for everyone to use consistent guidance. Once this final rule is published and during the comments period, it is recommended that LM submit their comments to the FAR council for consideration. This issue will be placed on hold until the final rule is published.

6. NAICS Code: 13CFR125.3(c)(v) The contractor must assign each subcontract the NAICS code and corresponding size standard that best describes the principal purpose of the subcontract (see §121.410). This finding was also documented in FY13 report. [REDACTED]

however, being complaint with the regulation should not be left to discretion. LM's use of discretion is not allowed as this is a regulation requirement. The procedures need to give specific instructions on how to comply with this requirement and not be subject to interpretation. The government reviewers should be able to validate this process in accordance with regulations. The contractor was found to not in compliance with the NAICS code portion of the regulation. LM provided a corrective action

within the timeframe requested. LM new NAICS code process was presented to SBA HQ for their acceptance. SBA is still evaluating the process.

Corrective Actions:

As a result of this review a corrective action plan is requested for items 2 and 3 above. Even though the review site was LM MFC, these practices are corporate wide as such the recommendation and corrective action applies to Lockheed Martin Corporation (all business units). It will be necessary for Lockheed Martin SEBP office to forward a copy of the corrective action plan to Luz Vasquez, DCMA analyst within thirty days of receipt of this report. Please include any actions taken from the time of the review to the present time. Progress should be reported monthly. The DCMA analyst will validate the implementation of the corrective actions and proper disposition.

Based on the summary, recommendations and corrective actions above the performance rating of Acceptable is recommended.

Your overall program performance rating is Acceptable.

4. EXIT INTERVIEW PARTICIPANTS:

Government:

1. Luz M. Vasquez, DCMA SBP
2. Sophia Chou, SBA CMR

Contractor:

1. Suzanne Raheb, Corporate SBLO
2. Kent Anderson, Senior Manager, Procurement Compliance and Training, MFC
3. Mark Hatter, Director, Global Supply Chain, MFC
4. Burt Ford, Associate General Counsel, Corporate
5. Pat McHugh, Corporate Reporting and Compliance Lead, Corporate
6. Kurt Ravenfeld, Director, Global Supply Chain Operations
7. Chuch Wason, Director, Global Supply Chain, MFC
8. Lee Sorenson, VP, Procurement, IS&GS
9. Roger Phelps, Director, Global Supply Chain, MFC
10. Dawn Lehw, Compliance Analyst, Senior Staff, MFC
11. Phyllis Grant, Senior Management, Supplier Diversity, MFC
12. Jim Tanksley, Sr. Manager, Supplier Diversity, Aerospace
13. Lisa Coursey, Supplier Diversity Senior Staff, MFC
14. Jay Pitman, Director Global Supply Chain THAAD program, MFC

5. REVIEW STATUS:

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

- ☒ **Open; One or more corrective action item(s) were created as result of this review (See Part V). This item will remain open until all corrective actions are implemented to include FY13 corrective actions that still are pending DCMA/SBA approval.**
- ☐ **Closed**

6. NAME of SMALL BUSINESS SPECIALIST:

7. DATE:

SIGNATURE: _____

(b) (6)

6/28/15



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

INSTRUCTIONS

1. Reporting requirements: Reports are due for all active agreements, both reimbursable and credit (including agreements with zero activity during the report period).
2. Reports are due not later than 30 days following the end of each semiannual reporting period (30 Apr or 31 Oct).
3. Official start date is the date of the contract/modification signed. For credit agreements, the Official start date is the date of the signed DCMA Approval Letter. Developmental assistance costs may only be incurred after receipt of an approval letter from DCMA.
4. An attachment may be included to provide additional information or explanation of any data items on this form or to provide pertinent information about the agreement that is not addressed on this form.

Last Day of This Report Period (3/31 or 9/30): **9/30/2016** (mm/dd/yyyy)

(All reports cover a 6-month period ending on either 31 Mar or 30 Sep)

Section A - General Information

Agreement Number/Task Order/Delivery Order: _____ (Reimbursable Only)

Type of Agreement: ☐ Reimbursable ☒ Credit

Period of Performance (Official Dates IAW Contract/Modifications or DCMA Credit Mentor-Protégé Agreement (MPA) Approval Letter)

Start Date: 6/16/2016
End Date: 6/15/2017

Months of Performance Through End of Current Report Period

3

Mentor Firm

Name: Lockheed Martin Corporation
Street Address1: 497 Electronics Parkway
Street Address2: _____
City: Liverpool
State: NY
ZIP: 13088 CAGE: 02GJ5
DUNS: 834951691

Mentor Firm POC

Name: Orysia Buchan
Title: Supplier Diversity Program Manager
Phone: (b) (6)
Fax: _____
Email: (b) (6)

Protégé Firm

Name: (b) (4)
Street Address1: (b) (4)
Street Address2: _____
City: (b) (4)
State: _____
ZIP: (b) (4) CAGE: (b) (4)
DUNS: 002052942

Protégé Firm POC

Name: (b) (4)
Title: Contract Administrator
Phone: (b) (6)
Fax: (b) (6)
Email: (b) (6)

SB Category(ies): (e.g. SDB, SDVOSB, WOSB, etc.)

WOSB

Defense Agency Sponsor

☐ Air Force
☐ Army
☐ Navy
☒ DCMA
☐ DIA
☐ DLA
☐ MDA
☐ NGA
☐ NSA
☐ Other (specify) _____

Defense Procurement Contracting Officer (PCO) (if Reimbursable)

DCMA Mentor-Protégé Division Chief POC (if Credit)

Name: Shelly S. Thomas
Street Address1: 600 N. Pearl Street
Street Address2: Suite 1630
City: Dallas
State: TX ZIP: 75201
Phone: (b) (6)
Fax: (b) (6)
Email: (b) (6)
DoDAAC: _____

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Alternate POC

Name:			
Street Address1:			
Street Address2:			
City:			
State:		ZIP:	
Phone:			
Fax:			
Email:			
DoDAAC:			

Section B - Obligations and Invoices

(This section applies ONLY to reimbursable agreements)

(Note: All figures or amounts submitted must reconcile with previous SAR submittals)

All Invoices Submitted to DFAS (during this report period) ¹		
Invoice Number & Billing Period	Date ²	Amount
Total of Invoices Submitted During This Report Period:		\$0
Total of Invoices Submitted Prior to This Report Period:		
Cumulative Total of All Invoices for This Agreement Thru End of This Report Period:		\$0
Cumulative Total of All <u>PAID</u> Invoices for This Agreement Thru End of This Report Period:		
Cumulative Total of All <u>UNPAID</u> Invoices for This Agreement Thru End of This Report Period:		\$0

Obligated Dollars	
Cumulative Dollars Obligated on Entire MP Contract From Start of Agreement Thru End of This Report Period:	
Cumulative Dollars Obligated on Entire MP Contract (Thru End of This Report Period) Remaining to be Invoiced:	\$0
% of Cumulative Dollars Obligated on MP Contract That Have Not Been Invoiced (Thru End of This Report Period)	#DIV/0!

¹ Submit copies of all invoices, with supporting data, to the DCMA Program Manager² Invoice date is the date on the physical invoice. To ensure accurate accountability, when recording this date, make sure to properly track and submit all invoices for the entire agreement, even when they received and recorded outside the period of the SAR.

(This section applies to BOTH reimbursable and credit agreements)

(This section applies to **BOTH** reimbursable and credit agreements)

Please see notes in email submittal regarding dollars listed above.

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Please use one line for each item invoiced, do not lump together items that are billed in multiple increments (e.g. CMMI certification)

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Section E - SB, SDB, SDVOSB, VOSB, WOSB or HUBZone Subcontracting Credit To Be Taken By Mentor

(This section applies ONLY to credit agreements)

Mentors: Section E TOTAL CREDIT TO BE CLAIMED amounts (below) should be added to the eSRS Summary Subcontract Report (SSR) "REMARKS" Section providing the HBCU/MI/PTAC/SBDC, Labor, ODC and other Incidental Credits.

HBCU, MI, PTAC or SBDC Credits	Labor Credit	ODC Credit	Other Incidental Cost Credit
\$0.00	\$9,289.65	\$2,204.02	\$0.00
TOTAL CREDIT TO BE CLAIMED			
\$11,493.67			

Section F - Developmental Assistance Provided / Milestones Achieved

(This section applies to BOTH reimbursable and credit agreements)

At a minimum, changes of start dates, end dates, and negative variances must be briefly explained in the next section

	Developmental Tasks ¹	Approved, Planned or Actual Start Date	Approved, Planned End Date	Actual End Date	Estimate of Actual % Complete as of End of Report Period ²	Variance ²
1	1 hour Ethics meeting: LM Ethics Program Overview and general introduction.	6/28/16	6/28/16	6/28/2016	100%	
2	1 hour Ethics meeting: Reviewed DII application material, Reviewed LM Supplier Ethics Mentoring Program	8/22/16	8/22/16	7/12/2016	100%	40
3	1 hour Ethics meeting: Reviewed material of LM's Ethics program	9/19/16	9/19/16	9/1/2016	100%	18
4	1 hour Affordability training: Focus on Lean/Six Sigma	7/11/16	7/11/16	7/13/2016	100%	-2
5	1 hour Affordability training: Focus on Operating Excellence	7/21/16	7/21/16	8/11/2016	100%	-20
6	1 hour Affordability Training: Focus on Goal Crafting & Vision	8/11/16	8/11/16	9/8/2016	100%	-27
7	2 day event (16 hours total): Walk the Process Value Stream: Facility tour with identification of opportunities, Rapid Improvement Overview Training, 6S Overview Training, Rapid Ideation Exercise, Reduction of non-conformance, reduction of set-up time	9/13/16	9/14/16	9/14/2016	100%	
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DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

29						
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¹ As submitted on Gantt Chart in Agreement (or as Subsequently Amended) or revised Gantt Chart per approved Change Request(s)

² Please accomplish and insert all calculations in this section manually if automatic features are not working

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Explanation of Variance From Planned Developmental Task Schedule *

(This section applies to BOTH reimbursable and credit agreements)

1	
2	
3	
4	Small schedule slip due to availability of both LM and (b) (4) personnel.
5	Small schedule slip due to availability of both LM and (b) (4) personnel.
6	Small schedule slip due to availability of both LM and (b) (4) personnel.
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* A brief explanation must be entered for each addition/deletion, change of start date or end date, and/or negative variance shown in the previous section



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section G - Developmental Task Budget

(This section applies to BOTH reimbursable and credit agreements)

Developmental Tasks	Base			As of End of This Report Period		
	Total \$ Budgeted for Task	Planned \$ Expended as of End of This Report Period	Actual \$ Incurred as of End of Report Period	% of Planned \$ Incurred as of End of This Report Period	\$ Variance	Cost Overrun or Surplus
1 1 hour Ethics meeting: LM Ethics Pro	\$0	\$0	\$235		\$235	Overrun
2 1 hour Ethics meeting: Reviewed DII a	\$0	\$0	\$235		\$235	Overrun
3 1 hour Ethics meeting: reviewed mate	\$0	\$0	\$235		\$235	Overrun
4 1 hour Affordability training: Focus on Le	\$216	\$200	\$200			
5 1 hour Affordability Training: Focus on O	\$216	\$200	\$200			
6 1 hour Affordability Training: Focus on G	\$216	\$117	\$117			
7 2 day event (16 hours total): Walk the	\$4,156	\$4,156	\$4,199	101%	\$43	Overrun
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TOTALS	\$4,804	\$4,673	\$5,421			

Note: ALL Data included in Section G is cumulative from start of agreement



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Explanation of Developmental Task Cost Overruns *		Additional Funds Requested	Date Funds Requested
(This section applies to BOTH reimbursable and credit agreements)			
1	The LM Ethics Department agreed to pay for the training they are providing for the LM (b) (4) MP agreement as part of their budget. Therefore, I did not need to budget any of my own dollars for this part of training - hence, \$0 budgeted.	no	
2	see above	no	
3	see above	no	
4	NOTE to DCMA: budgeted amounts shown above are per hour budgeted. LM had to budget much more than what is shown as we only can take credit for the actual training provided. For example, LM budgeted 62 total hours of a LM Black Belt for Affordability training, even though we can only take credit for 19 hours of actual training provided - the rest is all prepping to provide the training.		
5			
6			
7	Travel was a little higher than originally presumed.	no	
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DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Total \$0

* An explanation must be entered for each developmental task which has a positive (overrun) variance dollar figure in the previous section. Please refer to corresponding tasks from Section F/G.

Section H - Other Developmental Assistance Provided

(This section applies to BOTH reimbursable and credit agreements)

Date	Capabilities Enhanced (e.g., database developer can now do web development as result of Mentor training)
multiple	ETHICS: (b) is working with LM to create a company Code of Conduct. The process is allowing the Protégé to take what values and work ethic are assumed and share these values with their employees both current and future.
multiple	AFFORDABILITY: Affordability emphasized the importance of weekly meetings, visual aids, employee input and feedback. Again - common theme is "sharing". The lean/six sigma training allowed the Protege to collaborate with their employees and Lockheed Martin employees to review and create a working plan to streamline the Protege's set-up process enabling them to ultimately save time thereby \$\$\$.

Date	Certifications Received ((e.g., ISO 9001:2000, MCSE, etc.) - Please send certificate copy(ies) to DCMA Program Manager)
N/A	N/A

Date	Technology Transferred provide detailed description associated with milestone(s))	(Please
n/a	n/a	



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section I - Protégé's Revenue, Employees, Prime Contracts & Subcontracts

Please note three rows of data; first row maintains baseline, second rows capture 6-months data in dollars and numbers categories. Third rows of data capture CUMULATIVE numbers and dollars from the start of the Mentor-Protégé Agreement.

Note: For the purposes of this Section, report only "obligated/funded" awards (prime and sub-contract) where dollars have been obligated with a line of accounting. DO NOT REPORT the IDIQ "estimated/potential value" type awards. Report only the TO/DO "funded/obligated" awards actually issued against the IDIQs. Do not report Charge Card orders or modifications that are not part of the contract award, unless they increase the value of the original award and are approved by the cognizant Contracting Officer. DO NOT REPORT awards that were finalized prior to the MPA, but awarded after the MPA, regardless whether the effort/work included both mentor and protégé participation. Contracts may be included if they are follow-on, add-on, new TO awards, or recompetes that were booked post MPA and/or are directly related to Mentor-Protégé developmental assistance efforts. "Informal" coordination between the mentors and protégés that results in award, but occurs prior to MPA contract award, will not be counted.

Protégé's Revenue, Employees & Proposals					DoD Prime Contracts		DoD Subcontracts
Protégé's Gross Revenue During This Report Period (Dollars)	Protégé's Employees at End of This Report Period (Number)	Proposals Submitted to DoD by Protégé During Report Period (Number)	Proposals Submitted to Other Fed Agencies (Excluding DoD) by Protégé During Report Period (Number)		DoD Prime Contract Awards to Protégé (Number)	DoD Prime Contract Awards to Protégé (Dollars)	DoD Subcontracts From Mentor to Protégé (Number)
				<--Start of Agreement (As Reported on Original Agreement Form)-->			
(b) (4)				--During Six-Month Period of this Report Only-->	(b) (4)		
				Cumulative Awarded From Start of Agreement Through End of Report Period-->			

	DoD Subcontracts						
	DoD Subcontracts From Mentor to Protégé (Dollars)	DoD Subcontracts to Protégé From All Sources Other Than Mentor (Number)	DoD Subcontracts to Protégé From All Sources Other Than Mentor (Dollars)	DoD Subcontracts From Protégé to Mentor (Number)	DoD Subcontracts From Protégé to Mentor (Dollars)	DoD Subcontracts From Protégé to Other Than Mentor (Number)	DoD Subcontracts From Protégé to Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)							
During Six-Month Period of This Report Only	(b) (4)						
Cumulative Awarded From Start of Agreement Thru End of Report Period							



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

	Other Federal Prime Contracts		Other Federal Subcontracts			
	All Other Federal (excluding DoD) Prime Contract Awards to Protégé (Number)	All Other Federal (excluding DoD) Prime Contract Awards to Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor (Dollars)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)						
During Six-Month Period of This Report Only	(b) (4)					
Cumulative Awarded From Start of Agreement Thru End of Report Period						

	Other Federal Subcontracts			
	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Number)	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)				
During Six-Month Period of This Report Only	(b) (4)			
Cumulative Awarded From Start of Agreement Thru End of Report Period				



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section J - DoD Subcontract Awards by Mentor

The dollar amounts of subcontracting done by the mentor (under DoD contracts only) should be entered in the appropriate section(s) below via Electronic Subcontracting Reporting System (eSRS) Summary Subcontract Report (SSR) (former SF 295), or Subcontracting Report for Individual Contracts (ISR) (former SF294) to DoD (or to any DoD components) and any of those reports pertained to the same semiannual period covered by this report. Please indicate below whether the mentor did or did not submit any eSRS summary report(s) of DoD subcontracting for this semiannual report period. (Reference: FAR 52.219-9)

☐ NO, the mentor did not submit any eSRS report (SSR) of DoD subcontracting during the semiannual period covered by this report. (If no, you may proceed directly to the certification section of this report.)

☒ YES, the mentor did submit either an eSRS report of DoD subcontracting during the semi-annual period covered by this report. If yes, indicate the reporting period covered by the SSR or ISR below and then enter the appropriate subcontracting dollar figures in the appropriate section(s) on the next page.

☒ 1 Oct - 30 Sep (12 months - full government fiscal year)

The dollar figures shown on the eSRS SSR 6-month report (the report submitted in April) should be entered in section "A" below as shown on the SSR (former SF 295), if applicable. (See notes 1 & 2 below.)

The dollar figures shown on the SSR (former SF 295)/eSRS 12-month report (the report submitted in October) for the same fiscal year should be entered in section "B" below as shown on the eSRS SSR, if applicable. (See notes 1 & 2 below.)

When determining the DoD subcontracting dollar figures to enter below, please note that the eSRS SSR (former SF 295) reports submitted in April report the dollar figures for a 6-month period -- the first 6 months of the government fiscal year. However, the SSR reports submitted in October cover a 12-month period -- the entire government fiscal year -- and the 12-month report includes the dollars previously submitted on the 6-month report for the same fiscal year. Therefore, steps must be taken to avoid "double counting" the dollars reported on the 6-month SSR (Oct thru Mar -- first half of the government fiscal year) when calculating the SB category(ies) credit dollars for the second half of the fiscal year. When the 6-month and 12-month dollar figures (for the same fiscal year only) are entered in sections "A" and "B" below as described above, this form will automatically calculate the dollars figures in section "C" for the second half of the government fiscal year on which the SDB credit dollars for that period should be based.

NOTE 1: eSRS SSR (former SF 295) reports are required to be submitted in April of each year (covering the preceding 6-month period - 1 Oct thru 31 Mar) and in October (covering the preceding 12-month period - 1 Oct thru 30 Sep). Under a certain special circumstance (Commercial Subcontracting Plan), however, a mentor is required to submit only the October report which covers the entire 12-month government fiscal year (1 Oct - 30 Sep).

NOTE 2: Under certain circumstances (such as construction contracts), a mentor may be required to submit multiple eSRS SSR (former SF 295) reports (one to each applicable DoD component) for a single 6-month period. If this circumstance applies, the applicable category dollar figures from the multiple DoD reports must be added together and the totals entered below.



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Part 1 - DoD Subcontracting Dollars for October - March (6 months)

(These dollar figures should be entered as shown on the eSRS SSR (former SF 295) report submitted in April)

Subcontracting to ALL Firms	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to all firms (includes both large and small businesses, including Protégé, if applicable) as reported on the eSRS SSR (former SF 295) indicated above.	\$7,584,743,028

Subcontracting to SDB Firms Only	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to SDB Firms (Including Protégé, if applicable) as reported on the eSRS SSR (former SF 295) indicated above.	\$386,767,175

Part 2 - DoD Subcontracting Dollars for October - September (12 months)

(These dollar figures should be entered as shown on the eSRS SSR (in lieu of SF 295) report submitted in October)

Subcontracting to ALL Firms	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to all Firms (includes both large and small businesses, including Protégé, if applicable) as reported on the eSRS SSR Report (former SF 295) indicated above.	\$15,576,695,410

Subcontracting to SDB Firms Only	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to SDB Firms (Including Protégé, if applicable) as reported on the eSRS SSR (former SF 295) indicated above.	\$671,000,916

Part 3 - DoD Subcontracting Dollars for April - September (6 months)

(These dollar figures are calculated by subtracting the 6-month figures in section "A" above from the 12-month figures in section "B" above)

Subcontracting to ALL Firms	
Total Dollar Value of All DoD Subcontracts Awarded by the Mentor to all Firms (includes both large and small businesses, including Protégé, if applicable)	\$7,991,952,382

Subcontracting to SDB Firms Only	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to SDB Firms (Including Protégé, if applicable)	\$284,233,741

Part 4 - SB/SDB Credit Taken (credit agreements ONLY)

Please indicate whether or not the SB category(ies) credit calculated in Section E of this report was claimed/included by the Mentor on the SSR (former SF 295) or eSRS Summary Report covering the same period as this report:

☒ Yes

Section K - Termination of Agreement

Termination Requested By: ☐ Mentor ☐ Protégé

Reason for Termination:

If other, explain:

Effective Date of Termination:

Funds Deobligation Date:

Funds Remaining:



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section L - Certification

By my signature below, I certify that the representations above are true and correct to the best of my knowledge.

Date 10/26/2016	Signature (b) (4)	Title Supplier Diversity Program Manager Lockheed Martin Corporation
--------------------	----------------------	--

By my signature below, I certify that I have reviewed and concur with the representations above and certify that they are true and correct to the best of my knowledge.

Date	Signature of Protégé	Title
------	----------------------	-------

Section M - Distribution of Form

Reimbursable Agreements:	<ol style="list-style-type: none"> 1. Cognizant Component Director of Small Business Programs 2. Contracting Officer 3. DCMA Mentor-Protégé Division Chief 4. DCMA Program Manager 5. Cognizant Program Manager 6. OSD Director of Small Business Programs (Soft copy preferred, email to: programinformationmp@osd.mil)
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Credit Agreements:	<ol style="list-style-type: none"> 1. Cognizant Component Director of Small Business Programs 2. DCMA Mentor-Protégé Division Chief 3. DCMA Program Manager 4. OSD Director of Small Business Programs (Soft copy preferred, email to: programinformationmp@osd.mil)
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If clarification or assistance is needed in preparing this report, please contact your requisite DCMA MPP Program Manager, then your cognizant component MPP Program Manager, or the DoD Office of Small Business Programs, Mentor-Protégé Program Assistance, at 571-372-6312 or send email:

osd.pentagon.ousd-atl.mbx.dod-mentor-protége-program@mail.mil

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT**Glossary of Terms**

Allocable MPP Costs: Costs that are directly related to or in direct support of the MPA, and that have been approved by the cognizant Service, Agency or DCMA PM, will be considered allocable by the Government.

Billing Period or Delivery Period: When documenting invoice or other billing/delivery periods, use the date on the invoice, bill or delivery documents respectively. Do not use the date received, unless it happens to coincide with the date on the document. For accounting purposes, all documents must be reconciled with previous SARs or final reports, regardless of when they were received.

Costs: While the total cost of a contract includes all costs properly allocable to the contract, the allowable costs to the Government are limited to those allocable costs which are allowable pursuant to Part 31 and applicable agency supplements.

Expensed: Funds invoiced/billed against obligated dollars, not expenditures incurred.

Incidental Costs: Incidental expenses are costs incurred as part of daily life during business activities. For the purposes of the Mentor-Protege Program, unless otherwise specified, follow guidance in DFARS Subpart 291.71 and Appendix I.

Obligated: Funds provided on contract (specifically related to Section B) to date, not the total cost of the agreement. Total should include all funding provided for each year of the agreement, not what was provided during this report period.

Return on Investment (ROI): For the purposes of the MPP, ROI means generating value for money spent. Put another way, in terms of reimbursable MPP agreements, the growth in Protégé personnel and contracts (prime and/or subcontracts) should be greater than the money invested by DoD in the endeavor.

**Summary****SUMMARY SUBCONTRACT REPORT****1. Type of Plan:**

DoD comprehensive

2. DUNS #:

834951691

3. Corporation, Company or Subdivision Covered**a. Vendor Name:**

Lockheed Martin Corporation

b. Vendor Physical Address:**Street Address:**

6801 Rockledge Drive

City:

Bethesda

State:

Maryland

Zip+4:

20817

Country:

United States

c. Vendor Mailing Address:**Street Address:**

6801 Rockledge Dr.

City:

Bethesda

State:

Maryland

Zip+4:

20817

Country:

United States

4. Date Submitted:

April 29, 2016

5. Contact Information:

Susannah L. Raheb

6. Reporting Period::

Oct 1 - Mar 31

a. Year:

2016

Report Actions

Action History

May 03, 2016 9:15 am
Report Accepted (Luz M Vasquez)

May 02, 2016 1:09 pm
Report Revised (Susannah Raheb)

May 02, 2016 11:42 am
Report Rejected (Luz M Vasquez)

Apr 29, 2016 10:18 am
Report Submitted (Susannah Raheb)

Last 3 Notes

Luz M Vasquez **May 02, 16 - 11:42**

Rejection Note
please correct block 13, CEO date shows May 30, 2016, ensure CEO signs and keeps/maintains a signed copy of SSR. Also include a copy of the LIST OF CONTRACTS COVERED UNDER CSP as an attachment. thanks Luz M. Vazquez

7. Agency to which the report is being submitted:
COMPREHENSIVE SUBCONTRACT PROGRAM DIVISION (CSP)

8. Report Submitted As:
both

9. Contractor's Major Products or Service Lines

This reflects the description of the two major products and/or services, and the NAICS codes for the product/services lines under the approved subcontracting plan that the contractor provides to the agency for which this report is being submitted to.

a. Product or Service #1:
Advanced Technology Systems Integrator

b. Product or Service #2:
Information Technology

SUBCONTRACTING DOLLARS FOR DEPARTMENT OF DEFENSE

	Whole Dollars	Percent
1a. SMALL BUSINESS CONCERNS	(b) (4)	
1b. LARGE BUSINESS CONCERNS		
1c. TOTAL		

	Whole Dollars	Percent
2. SMALL DISADVANTAGED BUSINESS (SDB) CONCERNS	(b) (4)	
3. WOMEN-OWNED SMALL BUSINESS (WOSB) CONCERNS		
4. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) AND MINORITY INSTITUTIONS (MI) <i>* This field is not required for DoD and Coast Guard contracts.</i>		
5. HUBZone SMALL BUSINESS (HUBZone SB) CONCERNS		
6. VETERAN-OWNED SMALL BUSINESS CONCERNS		
7. SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONCERNS		
8. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT HAVE NOT BEEN CERTIFIED BY THE SMALL BUSINESS ADMINISTRATION AS SMALL DISADVANTAGED BUSINESSES		
9. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT ARE NOT SMALL BUSINESSES		

10. Remarks:

If you entered (0) zero in the small business section of this report or failed to meet the dollar or percentage goals in the Commercial Subcontracting Plan, use this section to explain the reason for any shortfalls and your future plan of action. You may also enter explanations and/or comments you think will be helpful to the Government official who reviews this report.

In regards to the DoD total spend, the eSRS system does not allow us to report against contracting agency NSA (National Security Agency), which we have \$199,457,238 in committed dollars and DIA (Defense Intelligence Agency) which we have \$17,646,497 committed dollars. Copies of these reports are included in our attachments. In addition, there are contracts on multiple primes with no designation to a particular contracting agency. This occurs when buyers combine purchases of like material for multiple contracts onto one purchase order to yield greater savings and efficiencies. Though this practice is deemed acceptable, no single contracting agency documented makes it difficult to break out for reporting purposes.

In February 2015 we advised DCMA that we were taking logic out of our system that excluded prior year de-commitments after our midyear reporting. We realize that, with the logic taken out, we would run the risk of reporting negative numbers. Our top priority is to be compliant and in line with the SSR instructions. With the removal of this logic, certain reports have negative or zero commitments due to prior year de-commitments. This includes agency reports for NRO (included with the uploaded documentation) and DARPA as well as ACAT-1 reports for Targets and Countermeasures and FAST. On FAST, the Small Business number is (\$490,438) and Large Business number is (\$215,654). SDB and WOSB also have negative dollars. On Targets and Countermeasures the small business number is (\$2,565,832) and the large business number is (\$2,603,875). Targets also has negative total numbers in all socio-economic categories except HUBZone. In the cases where eSRS does not allow a negative number in the small business or large business fields, we have entered zero. Last, in the MDA agency report, the VOSB number is smaller than the SDVOSB number due to prior year de-commitments to VOSBs that were not SDVOSBs.

11. Contractors Official Who Administers Subcontracting Program

This is the name and contact information (telephone number and email address) for the individual who administers the contractor's Small Business Subcontracting Program.

a. Name:

Susannah L. Raheb

b. Title:

Corporate SBLO

c. Phone Number:

(b) (6)

12. Certification:

This is a testament that the data being submitted on the report is accurate and that the dollars and percentages reported do not include lower tier subcontracts (except as set forth for ANC and Indian Tribes for more information visit

<http://www.arnet.gov/far/facframe.html> see FAC 05-019). If "No" is selected the report will be "Rejected"

Yes

13. Chief Executive Officer(CEO)

This is the full name and title of the CEO (if you do not use the title CEO this is the most Senior Executive in your organization) for the company submitting this report. **No delegation of authority is accepted.**

a. Name:

Marilyn A. Hewson

b. Title:

Chairman and CEO

c. Date:

May 29, 2016

14. CEO Approval:

This is a self-certification that the individual whom is listed as the CEO on this report will sign a paper print-out of this report and keep it on file.

Yes

15. Please enter the email address of the Government employee(s) and/or other person(s) to be notified that you have submitted this report.:

By listing an e-mail address, a notification will be sent to listed parties advising them that a subcontracting report has been submitted in eSRS for the Government's review. The Federal Government Agency will not be notified via email unless you enter a notification e-mail address.

(b) (6)

SUBCONTRACTING DOLLARS FOR MILITARY SERVICES AND OTHER DEFENSE AGENCIES (Optional)

Pick one or more Military Services or other Defense Agencies directly below DOD and enter in dollar amounts

Agency:

DEFENSE INFORMATION SYSTEMS AGENCY (DISA) (97AK)

1a. SMALL BUSINESS CONCERNS	47,389,023	37.5
------------------------------------	------------	------

1b. LARGE BUSINESS CONCERNS	79,035,400	62.5
------------------------------------	------------	------

1c. TOTAL	126,424,423	100
------------------	-------------	-----

2. SMALL DISADVANTAGED BUSINESS (SDB) CONCERNS	14,255,190	11.3
---	------------	------

3. WOMEN-OWNED SMALL BUSINESS (WOSB) CONCERNS	11,802,252	9.3
--	------------	-----

4. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) AND MINORITY INSTITUTIONS (MI)	0	0
--	---	---

5. HUBZone SMALL BUSINESS (HUBZone SB) CONCERNS	5,113,702	4
--	-----------	---

6. VETERAN-OWNED SMALL BUSINESS CONCERNS	18,653,338	14.8
---	------------	------

	13,625,322	10.8
--	------------	------

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



INSTRUCTIONS

1. Reporting requirements: Reports are due for all active agreements, both reimbursable and credit (including agreements with zero activity during the report period).
2. Reports are due not later than 30 days following the end of each semiannual reporting period (30 Apr or 31 Oct).
3. Official start date is the date of the contract/modification signed. For credit agreements, the Official start date is the date of the signed DCMA Approval Letter. Developmental assistance costs may only be incurred after receipt of an approval letter from DCMA.
4. An attachment may be included to provide additional information or explanation of any data items on this form or to provide pertinent information about the agreement that is not addressed on this form.

Last Day of This Report Period (3/31 or 9/30): **3/31/2017** (mm/dd/yyyy)
 (All reports cover a 6-month period ending on either 31 Mar or 30 Sep)

Section A - General Information

Agreement Number/Task Order/Delivery Order (Reimbursable Only)

Type of Agreement: ☐ Reimbursable ☒ Credit

Period of Performance (Official Dates IAW Contract/Modifications or DCMA Credit Mentor-Protégé Agreement (MPA) Approval Letter)

Start Date: 6/16/2016
 End Date: 6/15/2017

Months of Performance Through End of Current Report Period

9

Mentor Firm

Name: Lockheed Martin Corporation
 Street Address1: 497 Electronics Parkway
 Street Address2:
 City: Liverpool
 State: NY
 ZIP: 13088 CAGE: 02GJ5
 DUNS: 834951691

Mentor Firm POC

Name: Orysia Buchan
 Title: Supplier Diversity Program Manager
 Phone: (b) (6)
 Fax:
 Email: (b) (6)

Protégé Firm

Name: (b) (4)
 Street Address1: (b) (4)
 Street Address2:
 City: (b) (4)
 State: (b) (4)
 ZIP: (b) (4) CAGE: (b) (4)
 DUNS: 002052942

Protégé Firm POC

Name: (b) (4)
 Title: Contract Administrator
 Phone: (b) (6)
 Fax: (b) (6)
 Email: (b) (6)
 SB Category(ies): (e.g. SDB, SDVOSB, WOSB, etc.)
 WOSB, VOSB

Defense Agency Sponsor

☐ Air Force
☐ Army
☐ Navy
☒ DCMA
☐ DIA
☐ DLA
☐ MDA
☐ NSA
☐ NSA
☐ Other (specify)

Defense Procurement Contracting Officer (PCO) (if Reimbursable)

DCMA Mentor-Protégé Division Chief POC (if Credit)

Name: Shelly S. Thomas
 Street Address1: 4211 Cedar Springs
 Street Address2:
 City: Dallas
 State: TX ZIP: 75219
 Phone: (b) (6)
 Fax: (b) (6)
 Email: (b) (6)
 DoDAAC:

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Alternate POC

Name:		
Street Address1:		
Street Address2:		
City:		
State:		ZIP: <input type="text"/>
Phone:		
Fax:		
Email:		
DoDAAC:		

Section B - Obligations and Invoices

(This section applies ONLY to reimbursable agreements)

(Note: All figures or amounts submitted must reconcile with previous SAR submittals)

All Invoices Submitted to DFAS (during this report period) ¹		
Invoice Number & Billing Period	Date ²	Amount
Total of Invoices Submitted During This Report Period:		\$0
Total of Invoices Submitted Prior to This Report Period:		
Cumulative Total of All Invoices for This Agreement Thru End of This Report Period:		\$0
Cumulative Total of All <u>PAID</u> Invoices for This Agreement Thru End of This Report Period:		
Cumulative Total of All <u>UNPAID</u> Invoices for This Agreement Thru End of This Report Period:		\$0

Obligated Dollars	
Cumulative Dollars Obligated on Entire MP Contract From Start of Agreement Thru End of This Report Period:	
Cumulative Dollars Obligated on Entire MP Contract (Thru End of This Report Period) Remaining to be Invoiced:	\$0
% of Cumulative Dollars Obligated on MP Contract That Have Not Been Invoiced (Thru End of This Report Period)	#DIV/0!

1 Submit copies of all invoices, with supporting data, to the DCMA Program Manager

2 Invoice date is the date on the physical invoice. To ensure accurate accountability, when recording this date, make sure to properly track and submit all invoices for the entire agreement, even when they received and recorded outside the period of the SAR.

Section C - Expenditures to HBCU, MI, PTAC or SBDC (During Period of This Report)
(This section applies to BOTH reimbursable and credit agreements)

			Name of Institution				
			Type of Institution (mark one)				
Date	Amount	Cumulative Amount	HBCU	MI	PTAC	SBDC	Detailed Description of Service or Training
N/A		\$0					
Total	\$0	\$0.00					

Section D - Labor, ODC, & Other Incidental Costs to Mentor
(This section applies to BOTH reimbursable and credit agreements)

			Cost Type (mark one)			
Date	Amount	Cumulative Amount	Labor	ODC	Incidental Costs	Detailed Description
10/3/16	\$78.89	\$78.89	\$78.89			1 hour Sustainability Training: issues assessment to ID & est. control plans
10/28/16	\$78.89	\$157.78	\$78.89			1 hour Sustainability Training: Benchmarking & best practices
12/16/16	\$78.89	\$236.67	\$78.89			1 hour Sustainability Training: Performance Indicators & Governance
12/1/16	\$156.67	\$393.34	\$156.67			40 minute Ethics Program Mtg: Discussion of (b) draft Code of Conduct
1/4/17	\$235.00	\$628.34	\$235.00			1 hour Ethics Program Mtg: Federal sentencing guidelines
2/22/17	\$78.33	\$706.67	\$78.33			20 minutes: Ethics Program Mtg: self assessment
3/2/17	\$117.50	\$275.28	\$117.50			30 minutes: ethics Program Mtg: self assessment review using LM tool
1/17/17	\$168.84	\$444.12	\$168.84			1.5 hours Cyber Security Training: Beginning of review of questionnaire
1/25/17	\$112.56	\$556.68	\$112.56			1 hour Cyber Security Training: Review of questionnaire and next steps
1/31/17	\$112.56	\$669.24	\$112.56			1 hour Cyber Security Training: Discussion of actions taken by (b) to strengthen their cyber security position

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2/28/17	\$112.56	\$112.56	\$112.56			1 hour Cyber security training: discussed Cyber Security updates w/ proposed solutions for tech requirements
3/7/17	\$112.56	\$225.12	\$112.56			1 hour Cyber Security training: business continuity and disaster recovery
3/14/17	\$112.56	\$337.68	\$112.56			1 hour Cyber Security training: business continuity and disaster recovery
Total	\$1,555.81	\$1,555.81	\$1,555.81	\$0.00	\$0.00	

Please use one line for each item invoiced, do not lump together items that are billed in multiple increments (e.g. CMMI certification)

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Section E - SB, SDB, SDVOB, VOSB, WOSB or HUBZone Subcontracting Credit To Be Taken By Mentor

(This section applies ONLY to credit agreements)

Mentors: Section E TOTAL CREDIT TO BE CLAIMED amounts (below) should be added to the eSRS Summary Subcontract Report (SSR) "REMARKS" Section providing the HBCU/MI/PTAC/SBDC, Labor, ODC and other Incidental Credits.

HBCU, MI, PTAC or SBDC Credits	Labor Credit	ODC Credit	Other Incidental Cost Credit
\$0.00	\$4,667.43	\$0.00	\$0.00
TOTAL CREDIT TO BE CLAIMED			
\$4,667.43			

Section F - Developmental Assistance Provided / Milestones Achieved

(This section applies to BOTH reimbursable and credit agreements)

At a minimum, changes of start dates, end dates, and negative variances must be briefly explained in the next section

	Developmental Tasks ¹	Approved, Planned or Actual Start Date	Approved, Planned End Date	Actual End Date	Estimate of Actual % Complete as of End of Report Period ²	Variance ²
1	1 hour Sustainability Training: issues assessment to ID & est. control plans	10/3/16	10/3/16	10/3/2016	100%	
2	1 hour Sustainability Training: Benchmarking & best practices	10/28/16	10/28/16	10/28/2016	100%	
3	1 hour Sustainability Training: Performance Indicators & Governance	12/19/16	12/19/16	12/19/2016	100%	
4	40 minute Ethics Program Mtg: Discussion of (b) draft Code of Conduct	12/1/2016 (This is the revised date approved by DCMA)	12/1/16	12/1/2016	100%	
5	1 hour Ethics Program Mtg: Federal sentencing guidelines	01/04/17 (this is the revised date approved by DCMA)	1/4/17	1/4/17	100%	
6	20 minutes: Ethics Program Mtg: self assessment	02/22/17 (this is the revised date approved by DCMA)	2/22/17	2/22/17	100%	
7	30 minutes: ethics Program Mtg: self assessment review using LM tool	03/02/2017 (this is the revised date approved by DCMA)	3/2/17	3/2/17	100%	
8	1.5 hours Cyber Security Training: Beginning of review of questionnaire	1/16/17	1/16/17	1/17/2017	100%	-1
9	1 hour Cyber Security Training: Review of questionnaire and next steps	1/30/17	1/30/17	1/25/2017	100%	5
10	1 hour Cyber Security Training: Discussion of actions taken by (b) to strengthen their cyber security position	2/6/17	2/6/17	1/31/2017	100%	6
11	1 hour Cyber security training: discussed Cyber Security updates w/ proposed solutions for tech requirements	02/28/17 (this is the revised date approved by DCMA)	2/28/17	2/28/17	100%	
12	1 hour Cyber Security training: business continuity and disaster recovery	03/07/17 (this is the revised date approved by DCMA)	3/7/17	3/7/17	100%	

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13	1 hour Cyber Security training: business continuity and disaster recovery	03/14/17 (this is the revised date approved by DCMA)	3/14/17	3/14/17	100%	
14	Cyber Security	4/3/17	4/3/17		0%	42213
15	Cyber Security	4/10/17	4/10/17		0%	42220
16	Cyber Security	4/17/17	4/17/17		0%	42227
17	Cyber Security	5/1/17	5/1/17		0%	42241
18	Cyber Security	5/8/17	5/8/17		0%	42248
19	Cyber Security	5/15/17	5/15/17		0%	42255
20	Cyber Security	5/29/17	5/29/17		0%	42269
21	Ethics	3/28/17	3/28/17		0%	42208
22	Ethics	4/18/17	4/18/17		0%	42228
23	Ethics	5/16/17	5/16/17		0%	42256
24						
25						
26						
27						
28						
29						

¹ As submitted on Gantt Chart in Agreement (or as Subsequently Amended) or revised Gantt Chart per approved Change Request

² Please accomplish and insert all calculations in this section manually if automatic features are not working

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Explanation of Variance From Planned Developmental Task Schedule *

(This section applies to BOTH reimbursable and credit agreements)

1	
2	
3	
4	
5	
6	
7	
8	
9	Date change to do availability of (b) (4) and LM personnel
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	

* A brief explanation must be entered for each addition/deletion, change of start date or end date, and/or negative variance shown in the previous section



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section G - Developmental Task Budget

(This section applies to BOTH reimbursable and credit agreements)

Developmental Tasks	Base			As of End of This Report Period		
	Total \$ Budgeted for Task	Planned \$ Expended as of End of This Report Period	Actual \$ Incurred as of End of Report Period	% of Planned \$ Incurred as of End of This Report Period	\$ Variance	Cost Overrun or Surplus
1 1 hour Sustainability Training: issues	\$0	\$0	\$79		\$79	Overrun
2 1 hour Sustainability Training: Bench	\$0	\$0	\$79		\$79	Overrun
3 1 hour Sustainability Training: Perfor	\$0	\$0	\$79		\$79	Overrun
4 40 minute Ethics Program Mtg: Discu	\$0	\$0	\$156		\$156	Overrun
5 1 hour Ethics Program Mtg: Federal s	\$0	\$0	\$235		\$235	Overrun
6 20 minutes: Ethics Program Mtg: sel	\$0	\$0	\$78		\$78	Overrun
7 30 minutes: ethics Program Mtg: self	\$0	\$0	\$118		\$118	Overrun
8 1.5 hours Cyber Security Training: Be	\$156	\$156	\$169		\$13	Overrun
9 1 hour Cyber Security Training: Revie	\$104	\$104	\$113		\$9	Overrun
10 1 hour Cyber Security Training: Discu	\$104	\$104	\$113		\$9	Overrun
11 1 hour Cyber security training: discus	\$104	\$104	\$113		\$9	Overrun
12 1 hour Cyber Security training: busin	\$104	\$104	\$113		\$9	Overrun
13 1 hour Cyber Security training: busin	\$104	\$104	\$113		\$9	Overrun
14 Cyber Security - 4/3	\$104	\$0	\$0	0%		
15 Cyber security - 4/10	\$104	\$0	\$0	0%		
16 Cyber Security - 4/17	\$104	\$0	\$0	0%		
17 Cyber Security - 5/1	\$104	\$0	\$0	0%		
18 Cyber Security - 5/8	\$104	\$0	\$0	0%		
19 Cyber Security - 5/15	\$104	\$0	\$0	0%		
20 Cyber Security - 5/29	\$104	\$0	\$0	0%		
21 Ethics - 3/28 (moved to April)	\$0	\$0	\$0	0%		
22 Ethics - 4/18	\$0	\$0	\$0	0%		
23 Ethics - 5/16	\$0	\$0	\$0	0%		
24						
25						
26						
27						
28						
TOTALS	\$1,404	\$676	\$1,555			

Note: ALL Data included in Section G is cumulative from start of agreement

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Explanation of Developmental Task Cost Overruns *		Additional Funds Requested	Date Funds Requested
(This section applies to BOTH reimbursable and non-reimbursable agreements)			
1	The Sustainability group agreed to pay for the training they are providing for the LM (b) (4) MP agreement as part of their budget. Therefore, I did not need to budget any of my own dollars for this part of training - hence, \$0 budgeted.	no	
2	see above		
3	see above		
4	The LM Ethics Department agreed to pay for the training they are providing for the LM (b) (4) MP agreement as part of their budget. Therefore, I did not need to budget any of my own dollars for this part of training - hence, \$0 budgeted.	no	
5	see above		
6	see above		
7	see above		
8	the individual providing cyber security training's actual rate is slightly higher than budgeted.	no	
9	see above		
10	see above		
11	see above		
12	see above		
13	see above		
14	NOTE to DCMA: budgeted amounts shown above are per hour budgeted. LM had to budget much more than what is shown as we only can take credit for the actual training provided. For example, LM budgeted 62 total hours of a LM Black Belt for Affordability training, even though we can only take credit for 19 hours of actual training provided - the rest is all prepping to provide the training.		
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
Total		\$0	

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DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



* An explanation must be entered for each developmental task which has a positive (overrun) variance dollar figure in the previous section. Please refer to corresponding tasks from Section F/G.

Section H - Other Developmental Assistance Provided

(This section applies to BOTH reimbursable and credit agreements)

Date	Capabilities Enhanced (e.g., database developer can now do web development as result of Mentor training)
multiple	Ethics: (b) (4) putting in place a Code of Conduct and will be placed in their employee manual. They have filled out the Ethics Self Assessment to identify gaps to ensure they can mediate these gaps.
multiple	a Sustainability: (b) (4) assessed and narrowed sustainability priorities from a list they created after receiving instruction. The team reviewed how to select performance indicators, dimensions of potential indicators and expectations of reporting, as well as how to use sustainability as a strategic business tool.
multiple	Cyber Security: Review of robust Cyber Security questionnaire, followed by a robust plan on how to strengthen their cyber security weak areas.

Date	Certifications Received (e.g., ISO 9001:2000, MCSE, etc.) - Please send certificate copy(ies) to DCMA Program Manager
N/A	N/A

Date	Technology Transferred provide detailed description associated with milestone(s))	(Please
N/A	N/A	



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section I - Protégé's Revenue, Employees, Prime Contracts & Subcontracts

Please note three rows of data; first row maintains baseline, second rows capture 6-months data in dollars and numbers categories. Third rows of data capture CUMULATIVE numbers and dollars from the start of the Mentor-Protégé Agreement.

Note: For the purposes of this Section, report only "obligated/funded" awards (prime and sub-contract) where dollars have been obligated with a line of accounting. DO NOT REPORT the IDIQ "estimated/potential value" type awards. Report only the TO/DO "funded/obligated" awards actually issued against the IDIQs. Do not report Charge Card orders or modifications that are not part of the contract award, unless they increase the value of the original award and are approved by the cognizant Contracting Officer. DO NOT REPORT awards that were finalized prior to the MPA, but awarded after the MPA, regardless whether the effort/work included both mentor and protégé participation. Contracts may be included if they are follow-on, add-on, new TO awards, or recompetes that were booked post MPA and/or are directly related to Mentor-Protégé developmental assistance efforts. "Informal" coordination between the mentors and protégés that results in award, but occurs prior to MPA contract award, will not be counted.

Protégé's Revenue, Employees & Proposals					DoD Prime Contracts		DoD Subcontracts
Protégé's Gross Revenue During This Report Period (Dollars)	Protégé's Employees at End of This Report Period (Number)	Proposals Submitted to DoD by Protégé During Report Period (Number)	Proposals Submitted to Other Fed Agencies (Excluding DoD) by Protégé During Report Period (Number)		DoD Prime Contract Awards to Protégé (Number)	DoD Prime Contract Awards to Protégé (Dollars)	DoD Subcontracts From Mentor to Protégé (Number)
				<--Start of Agreement (As Reported on Original Agreement Form)-->			
				<--During Six-Month Period of This Report Only-->			
				Cumulative Awarded From Start of Agreement Through End of Report Period-->			

	DoD Subcontracts						
	DoD Subcontracts From Mentor to Protégé (Dollars)	DoD Subcontracts to Protégé From All Sources Other Than Mentor (Number)	DoD Subcontracts to Protégé From All Sources Other Than Mentor (Dollars)	DoD Subcontracts From Protégé to Mentor (Number)	DoD Subcontracts From Protégé to Mentor (Dollars)	DoD Subcontracts From Protégé to Other Than Mentor (Number)	DoD Subcontracts From Protégé to Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)							
During Six-Month Period of This Report Only							
Cumulative Awarded From Start of Agreement Thru End of							



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

	Other Federal Prime Contracts		Other Federal Subcontracts			
	All Other Federal (excluding DoD) Prime Contract Awards to Protégé (Number)	All Other Federal (excluding DoD) Prime Contract Awards to Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor (Dollars)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)						
During Six-Month Period of This Report Only						
Cumulative Awarded From Start of Agreement Thru End of						

	Other Federal Subcontracts			
	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Number)	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)				
During Six-Month Period of This Report Only				
Cumulative Awarded From Start of Agreement Thru End of				



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section J - DoD Subcontract Awards by Mentor

The dollar amounts of subcontracting done by the mentor (under DoD contracts only) should be entered in the appropriate section(s) below via Electronic Subcontracting Reporting System (eSRS) Summary Subcontract Report (SSR) (former SF 295), or Subcontracting Report for Individual Contracts (ISR) (former SF294) to DoD (or to any DoD components) and any of those reports pertained to the same semiannual period covered by this report. Please indicate below whether the mentor did or did not submit any eSRS summary report(s) of DoD subcontracting for this semiannual report period. (Reference: FAR 52.219-9)

☐ NO, the mentor did not submit any eSRS report (SSR) of DoD subcontracting during the semiannual period covered by this report. (If no, you may proceed directly to the certification section of this report.)

☒ YES, the mentor did submit either an eSRS report of DoD subcontracting during the semi-annual period covered by this report. If yes, indicate the reporting period covered by the SSR or ISR below and then enter the appropriate subcontracting dollar figures in the appropriate section(s) on the next page.

☒ 1 Oct - 31 Mar (6 months - first half of government fiscal year)

The dollar figures shown on the eSRS SSR 6-month report (the report submitted in April) should be entered in section "A" below as shown on the SSR (former SF 295), if applicable. (See notes 1 & 2 below.)

NOTE 1: eSRS SSR (former SF 295) reports are required to be submitted in April of each year (covering the preceding 6-month period - 1 Oct thru 31 Mar) and in October (covering the preceding 12-month period - 1 Oct thru 30 Sep). Under a certain special circumstance (Commercial Subcontracting Plan), however, a mentor is required to submit only the October report which covers the entire 12-month government fiscal year (1 Oct - 30 Sep).

NOTE 2: Under certain circumstances (such as construction contracts), a mentor may be required to submit multiple eSRS SSR (former SF 295) reports (one to each applicable DoD component) for a single 6-month period. If this circumstance applies, the applicable category dollar figures from the multiple DoD reports must be added together and the totals entered below.

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Part 1 - DoD Subcontracting Dollars for October - March (6 months)

(These dollar figures should be entered as shown on the eSRS SSR (former SF 295) report submitted in April)

Subcontracting to ALL Firms		Subcontracting to SDB Firms Only	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to all firms (includes both large and small businesses, including Protégé, if applicable) as reported on the eSRS SSR (former SF 295) indicated above.	\$6,146,005,232	Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to SDB Firms (Including Protégé, if applicable) as reported on the eSRS SSR (former SF 295) indicated above.	\$280,468,018

Part 4 - SB/SDB Credit Taken (credit agreements ONLY)

Please indicate whether or not the SB category(ies) credit calculated in Section E of this report was claimed/included by the Mentor on the SSR (former SF 295) or eSRS Summary Report covering the same period as this report:

☒ Yes

Section K - Termination of Agreement

Termination Requested By: ☐ Mentor ☐ ProtégéReason for Termination: If other, explain: Effective Date of Termination: Funds Remaining: Funds Deobligation Date:

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DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Section L - Certification

By my signature below, I certify that the representations above are true and correct to the best of my knowledge.

Date	Signature of Mentor	Title
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By my signature below, I certify that I have reviewed and concur with the representations above and certify that they are true and correct to the best of my knowledge.

Date	Signature of Protégé	Title
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Section M - Distribution of Form

Reimbursable Agreements:	<ol style="list-style-type: none"> 1. Cognizant Component Director of Small Business Programs 2. Contracting Officer 3. DCMA Mentor-Protege Division Chief 4. DCMA Program Manager 5. Cognizant Program Manager 6. OSD Director of Small Business Programs (Soft copy preferred, email to: programinformationmp@osd.mil)
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Credit Agreements:	<ol style="list-style-type: none"> 1. Cognizant Component Director of Small Business Programs 2. DCMA Mentor-Protege Division Chief 3. DCMA Program Manager 4. OSD Director of Small Business Programs (Soft copy preferred, email to: programinformationmp@osd.mil)
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If clarification or assistance is needed in preparing this report, please contact your requisite DCMA MPP Program Manager, then your cognizant component MPP Program Manager, or the DoD Office of Small Business Programs, Mentor-Protégé Program Assistance, at 571-372-6312 or send email:

osd.pentagon.ousd-atl.mbx.dod-mentor-protege-program@mail.mil

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT**Glossary of Terms**

Allocable MPP Costs: Costs that are directly related to or in direct support of the MPA, and that have been approved by the cognizant Service, Agency or DCMA PM, will be considered allocable by the Government.

Billing Period or Delivery Period: When documenting invoice or other billing/delivery periods, use the date on the invoice, bill or delivery documents respectively. Do not use the date received, unless it happens to coincide with the date on the document. For accounting purposes, all documents must be reconciled with previous SARs or final reports, regardless of when they were received.

Costs: While the total cost of a contract includes all costs properly allocable to the contract, the allowable costs to the Government are limited to those allocable costs which are allowable pursuant to Part 31 and applicable agency supplements.

Expensed: Funds invoiced/billed against obligated dollars, not expenditures incurred.

Incidental Costs: Incidental expenses are costs incurred as part of daily life during business activities. For the purposes of the Mentor-Protege Program, unless otherwise specified, follow guidance in DFARS Subpart 291.71 and Appendix I.

Obligated: Funds provided on contract (specifically related to Section B) to date, not the total cost of the agreement. Total should include all funding provided for each year of the agreement, not what was provided during this report period.

Return on Investment (ROI): For the purposes of the MPP, ROI means generating value for money spent. Put another way, in terms of reimbursable MPP agreements, the growth in Protégé personnel and contracts (prime and/or subcontracts) should be greater than the money invested by DoD in the endeavor.

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT			
INSTRUCTIONS			
1. Reporting requirements: Reports are due for all active agreements, both reimbursable and credit (including agreements with zero activity during the report period). 2. Reports are due not later than 30 days following the end of each semiannual reporting period (30 Apr or 31 Oct). 3. Official start date is the date of the contract/modification signed. For credit agreements, the Official start date is the date of the signed DCMA Approval Letter. Developmental assistance costs may only be incurred after receipt of an approval letter from DCMA. 4. An attachment may be included to provide additional information or explanation of any data items on this form or to provide pertinent information about the agreement that is not addressed on this form.			
Last Day of This Report Period (3/31 or 9/30): 9/30/2017 (mm/dd/yyyy) <small>(All reports cover a 6-month period ending on either 31 Mar or 30 Sep)</small>			
Section A - General Information			
Agreement Number/Task Order/Delivery Order: (Reimbursable Only)			
Type of Agreement: <input type="checkbox"/> Reimbursable <input checked="" type="checkbox"/> Credit			
Period of Performance (Official Dates IAW Contract/Modifications or DCMA Credit Mentor-Protégé Agreement (MPA) Approval Letter)		Months of Performance Through End of Current Report Period	
Start Date:	6/16/2016	15	
End Date:	6/15/2017		
Mentor Firm		Mentor Firm POC	
Name: Lockheed Martin Corporation		Name: Orysia Buchan	
Street Address1: 6801 Rockledge Drive		Title: Supplier Diversity Program Manager	
Street Address2:		Phone: (b) (6)	
City: Bethesda		Fax: (b) (6)	
State: MD		Email: (b) (6)	
ZIP: 20817-1803 CAGE: 02GJ5			
DUNS: 834951691			
Protégé Firm		Protégé Firm POC	
Name: (b) (4)		Name: (b) (4)	
Street Address1: (b) (4)		Title: Contract Administrator	
Street Address2:		Phone: (b) (6)	
City: (b) (4)		Fax: (b) (6)	
State: (b) (4)		Email: (b) (6)	
ZIP: (b) (4) CAGE: (b) (4)		SB Category(ies) (e.g. SDB, SDVOSB, WOSB, etc.) WOSB, VOSB	
DUNS: 002052942			
Defense Agency Sponsor		Defense Procurement Contracting Officer (PCO) (if Reimbursable)	
<input type="checkbox"/> Air Force <input type="checkbox"/> Army <input type="checkbox"/> Navy <input checked="" type="checkbox"/> DCMA <input type="checkbox"/> DIA <input type="checkbox"/> DLA <input type="checkbox"/> MDA <input type="checkbox"/> NSA <input type="checkbox"/> Other (specify)		DCMA Mentor-Protégé Division Chief POC (if Credit)	
		Name: Shelly S. Thomas	
		Street Address1: 4211 Cedar Springs	
		Street Address2:	
		City: Dallas	
		State: TX ZIP: 75219	
		Phone: (b) (6)	
		Fax: (b) (6)	
		Email: (b) (6)	
		DoDAAC:	
		Alternate POC	
		Name: Kendra Kinnie	
		Street Address1: 4211 Cedar Springs	
		Street Address2:	
		City: Dallas	

Lockheed Martin Proprietary/Export Controlled Information

State:	TX	ZIP:	75219
Phone:			
Fax:	(b) (6)		
Email:	(b) (6)		
DoDAAC:			

Section B - Obligations and Invoices

(This section applies ONLY to reimbursable agreements)

(Note: All figures or amounts submitted must reconcile with previous SAR submittals)

All Invoices Submitted to DFAS (during this report period)		
Invoice Number & Billing Period	Date ²	Amount
Total of Invoices Submitted During This Report Period		\$0
Total of Invoices Submitted Prior to This Report Period		
Cumulative Total of All Invoices for This Agreement Thru End of This Report Period		\$0
Cumulative Total of All <u>PAID</u> Invoices for This Agreement Thru End of This Report Period		
Cumulative Total of All <u>UNPAID</u> Invoices for This Agreement Thru End of This Report Period		\$0

Obligated Dollars	
Cumulative Dollars Obligated on Entire MP Contract From Start of Agreement Thru End of This Report Period	
Cumulative Dollars Obligated on Entire MP Contract (Thru End of This Report Period) Remaining to be Invoiced	\$0
% of Cumulative Dollars Obligated on MP Contract That Have Not Been Invoiced (Thru End of This Report Period)	#DIV/0!

¹ Submit copies of all invoices, with supporting data, to the DCMA Program Manager

² Invoice date is the date on the physical invoice. To ensure accurate accountability, when recording this date, make sure to properly track and submit all invoices for the entire agreement, even when they received and recorded outside the period of the SAR.

Section C - Expenditures to HBCU, MI, PTAC or SBDC (During Period of This Report)

(This section applies to BOTH reimbursable and credit agreements)

			Name of Institution				Detailed Description of Service or Training
			Type of Institution (mark one)				
Date	Amount	Cumulative Amount	HBCU	MI	PTAC	SBDC	
N/A		\$0					

Lockheed Martin Proprietary/Export Controlled Information

Lockheed Martin Proprietary/Export Controlled Information

Total	\$0	\$0.00				

Section D - Labor, ODC, & Other Incidental Costs to Mentor(This section applies to BOTH reimbursable and credit agreements)

Date	Amount	Cumulative Amount	Cost Type (mark one)			Detailed Description
			Labor	ODC	Incidental Costs	
4/4/17	\$156.87	\$156.87	\$156.87			40 minutes, <u>Ethics Virtual 7</u> training: review (b) to do list for employee handbook and value policy
5/2/17	\$117.50	\$3,281.17	\$117.50			30 minutes, <u>Ethics Virtual 8</u> training: review of (b) to do list continued
5/23/17	\$117.50	\$3,378.67	\$117.50			30 minutes, <u>Ethics Virtual 9</u> training: final meeting (b) provided a few days later their new employee handbook and is briefing to LM Supplier Ethics their supplier mentoring outbrief.
4/3/17	\$112.56	\$3,491.23	\$112.56			1 hour, <u>Cyber Security Virtual 7</u> training: examples of security awareness training programs, cyber planning, business continuity, incident response
4/12/17	\$168.84	\$3,660.07	\$168.84			1 1/2 hours, <u>Cyber Security Virtual 8</u> training: options for secure email providers, (b) internal processes and email content
4/19/17	\$58.28	\$3,718.35	\$58.28			30 minutes, <u>Cyber Security Virtual 9</u> training: status on email server; status on integration of NIST questionnaire w/ Exostar Questionnaire
5/3/17	\$112.56	\$3,828.91	\$112.56			1 hour, <u>Cyber Security Virtual 10</u> training: email migration status Office360 Federal Offerings
5/10/17	\$112.56	\$3,941.47	\$112.56			1 hour, <u>Cyber Security Virtual 11</u> training: NIST 800-171 Questions review
5/23/17	\$112.56	\$4,054.03	\$112.56			1 hour, <u>Cyber Security Virtual 12</u> training: reviewed 'documents/tasks to complete' in areas of business continuity, security training, etc.
5/30/17	\$112.56	\$4,166.59	\$112.56			1 hour, <u>Cyber Security Virtual 13</u> training: continue of review
6/8/17	\$168.84	\$4,335.43	\$168.84			1.5 hours, <u>Cyber Security Virtual 14</u> training: continue work to finish up training needed for agreement
6/8/17	\$112.56	\$4,447.99	\$112.56			1 hour, <u>Cyber Security Virtual 15</u> training: held to complete cyber security training for agreement. COMPLETE.
Total	\$1,460.99	\$1,460.99	\$1,460.99	\$0.00	\$0.00	

Please use one line for each item invoiced, do not lump together items that are billed in multiple increments (e.g. CMMI certification)

Section E - SB, SDB, SDVOSB, VOSB, WOSB or HUBZone Subcontracting Credit To Be Taken By Mentor(This section applies ONLY to credit agreements)

Mentors: Section E TOTAL CREDIT TO BE CLAIMED amounts (below) should be added to the eSRS Summary Subcontract Report (SSR) "REMARKS" Section providing the HBCU/MI/PTAC/SBDC, Labor, ODC and other Incidental Credits.

Lockheed Martin Proprietary/Export Controlled Information

Lockheed Mar in Proprietary/Export Controlled Information

HBCU, MI, PTAC or SBDC Credits	Labor Credit	ODC Credit	Other Incidental Cost Credit
\$0.00	\$4,382.97	\$0.00	\$0.00
TOTAL CREDIT TO BE CLAIMED			
\$4,382.97			

Section F - Developmental Assistance Provided / Milestones Achieved

(This section applies to BOTH reimbursable and credit agreements)

At a minimum, changes of start dates, end dates, and negative variances must be briefly explained in the next section

	Developmental Tasks ¹	Approved, Planned or Actual Start Date	Approved, Planned End Date	Actual End Date	Estimate of Actual % Complete as of End of Report Period ²	Variance ³
1	1 hour Sustainability Virtual 1: Issues assessment to ID & est. control plans	10/3/16	10/3/16	10/3/2016	100%	
2	1 hour Sustainability Virtual 2: Benchmarking & best practices	10/28/16	10/28/16	10/28/2016	100%	
3	1 hour Sustainability Virtual 3: Performance Indicators & Governance	12/19/16	12/19/16	12/19/2016	100%	
4	1 hour Affordability Virtual 1: Lean Six Sigma	7/11/16	7/11/16	7/13/2016	100%	-2
5	1 hour Affordability Virtual 2: Operating Excellence	7/22/16	7/22/16	8/11/2016	100%	-19
6	1 hour Affordability Virtual 3: Goal Crafting & Vision	8/11/16	8/11/16	9/8/2016	100%	-27
7	16 hours Affordability Walk the Process & Value Stream - LM master blackbelt traveled to (b) Machine and spent 2 whole days at the facility.	9/13/16	9/14/16	9/14/2016	100%	
8						
9	1 hour, Ethics Virtual 1 training, DII Application Material reviewed, LM supplier mentoring website reviewed, supplier mentoring overview	8/22/16	8/22/16	7/12/2016	100%	40
10	1 hour, Ethics Virtual Training 2, reviewed examples of code of conduct, How the Ethics Process Works brochure, business conduct compliance	9/19/16	9/19/16	9/1/2016	100%	18
11	40 minute Ethics Virtual 3, Ethics Program Mtg: Discussion of (b) draft Code of Conduct	12/1/16	12/1/16	12/1/2016	100%	
12	1 hour Ethics Virtual 4, Ethics Program Mtg: Federal sentencing guidelines	1/4/17	1/4/17	1/4/2017	100%	
13	20 minutes, Ethics Virtual 5: Ethics Program Mtg: self assessment	2/22/17	2/22/17	2/22/2017	100%	
14	30 minutes, Ethics Virtual 6: ethics Program Mtg: self assessment review using LM tool	3/2/17	3/2/17	3/2/2017	100%	
15	1.5 hours Cyber Security Virtual 1 Training: Beginning of review of questionnaire	1/16/17	1/16/17	1/17/2017	100%	-1
16	1 hour Cyber Security Virtual 2 Training: Review of questionnaire and next steps	1/30/17	1/30/17	1/25/2017	100%	5
17	1 hour Cyber Security Virtual 3 Training: Discussion of actions taken by Alro to strengthen their cyber security position	2/6/17	2/6/17	1/31/2017	100%	6
18	1 hour Cyber Security Virtual 4 training: discussed Cyber Security updates w/ proposed solutions for tech requirements	2/28/17	2/28/17	2/28/2017	100%	
19	1 hour Cyber Security Virtual 5 training: business continuity and disaster recovery	3/7/17	3/7/17	3/7/2017	100%	
20	1 hour Cyber Security Virtual 6 training: business continuity and disaster recovery	3/14/17	3/14/17	3/14/2017	100%	
21	40 minutes, Ethics Virtual 7 training: review (b) to-do list for employee handbook and value policy	3/28/17	3/28/17	4/4/2017	100%	-6

Lockheed Mar in Proprietary/Export Controlled Information

22	30 minutes, Ethics Virtual 8 training: review of (b) to do list continued	4/18/17	4/18/17	5/2/2017	100%	-14
23	30 minutes, Ethics Virtual 9 training: final meeting. (b) provided few days later their new employee handbook and is briefing to LM Supplier Ethics their supplier mentoring outbrief.	5/16/17	5/16/17	5/23/2017	100%	-7
24	1 hour, Cyber Security Virtual 7 training: examples of security awareness training programs, cyber planning, business continuity, incident response	4/3/17	4/3/17	4/3/17	100%	
25	1 1/2 hours, Cyber Security Virtual 8 training: options for secure email providers (b) internal processes and email content	4/10/17	4/10/17	4/12/2017	100%	-2
26	30 minutes, Cyber Security Virtual 9 training: status on email server status on integration of NIST questionnaire w/ Exostar Questionnaire	4/17/17	4/17/17	4/19/2017	100%	-2
27	1 hour, Cyber Security Virtual 10 training: email migration status, Office360 Federal Offerings	5/1/17	5/1/17	5/3/2017	100%	-2
28	1 hour, Cyber Security Virtual 11 training: NIST 800-171 Questions review	5/8/17	5/8/17	5/19/2017	100%	-11
29	1 hour, Cyber Security Virtual 12 training: reviewed 'documents/tasks to complete' in areas of business continuity, security training, etc.	5/15/17	5/15/17	5/23/2017	100%	-8
30	1 hour, Cyber Security Virtual 13 training: continue of review	5/29/17	5/29/17	5/30/2017	100%	-1
31	1.5 hours, Cyber Security Virtual 14 training: continue work to finish up training needed for agreement	added to finish work		6/6/2017	100%	
32	1 hour, Cyber Security Virtual 15 training: held to complete cyber security training for agreement. COMPLETE.	added to finish work		6/8/2017	100%	
¹ As submitted on Gantt Chart in Agreement (or as Subsequently Amended) or revised Gantt Chart per approved Change Request(s)						
² Please accomplish and insert all calculations in this section manually if automatic features are not working						
Explanation of Variance From Planned Developmental Task Schedule *						
(This section applies to BOTH reimbursable and credit agreements)						
1						
2						
3						
4	date change to do availability of LM and (b) personnel					
5	date change to do availability of LM and (b) personnel					
6	date change to do availability of LM and (b) personnel					
7						
8						
9						
10						
11						
12						
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14						
15	date change to do availability of LM and (b) personnel					
16						
17						
18						

19																																																																																																																																																																																																																																																					
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Section G - Developmental Task Budget																																																																																																																																																																																																																																																					
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<table><tr><th rowspan="2">Developmental Tasks</th><th colspan="3">Base</th><th colspan="3">As of End of This Report Period</th></tr><tr><th>Total \$ Budgeted for Task</th><th>Planned \$ Expended as of End of This Report Period</th><th>Actual \$ Incurred as of End of Report Period</th><th>% of Planned \$ Incurred as of End of This Report Period</th><th>\$ Variance</th><th>Cost Overrun or Surplus</th></tr><tr><td>1 1 hour Sustainability Virtual 1: issues asses</td><td>\$0</td><td>\$0</td><td>\$79</td><td></td><td>\$79</td><td>Overrun</td></tr><tr><td>2 1 hour Sustainability Virtual 2: Benchmarkin</td><td>\$0</td><td>\$0</td><td>\$79</td><td></td><td>\$79</td><td>Overrun</td></tr><tr><td>3 1 hour Sustainability Virtual 3: Performance</td><td>\$0</td><td>\$0</td><td>\$79</td><td></td><td>\$79</td><td>Overrun</td></tr><tr><td>4 1 hour Affordability Virtual 1: Lean Six/Sigma</td><td>\$946</td><td>\$200</td><td>\$200</td><td></td><td></td><td></td></tr><tr><td>5 1 hour Affordability Virtual 2: Operating Excelle</td><td>\$947</td><td>\$200</td><td>\$200</td><td></td><td></td><td></td></tr><tr><td>6 1 hour Affordability Virtual 3: Goal Crafting & V</td><td>\$947</td><td>\$117</td><td>\$117</td><td></td><td></td><td></td></tr><tr><td>7 16 hours Affordability Wak the Process & Va</td><td>\$8,000</td><td>\$4,156</td><td>\$4,199</td><td>101%</td><td>\$43</td><td>Overrun</td></tr><tr><td>8</td><td>\$5,000</td><td>\$5,000</td><td>\$2,987</td><td>60%</td><td>-\$2,013</td><td>Surplus</td></tr><tr><td>9 1 hour, Ethics Virtual 1 training, DII Applicat</td><td>\$0</td><td>\$0</td><td>\$235</td><td></td><td>\$235</td><td>Overrun</td></tr><tr><td>10 1 hour, Ethics Virtual Training 2, reviewed ex</td><td>\$0</td><td>\$0</td><td>\$235</td><td></td><td>\$235</td><td>Overrun</td></tr><tr><td>11 40 minute Ethics Virtual 3, Ethics Program M</td><td>\$0</td><td>\$0</td><td>\$156</td><td></td><td>\$156</td><td>Overrun</td></tr><tr><td>12 1 hour Ethics Virtual 4, Ethics Program Mtg:</td><td>\$0</td><td>\$0</td><td>\$235</td><td></td><td>\$235</td><td>Overrun</td></tr><tr><td>13 20 minutes, Ethics Virtual 5: Ethics Program</td><td>\$0</td><td>\$0</td><td>\$78</td><td></td><td>\$78</td><td>Overrun</td></tr><tr><td>14 30 minutes, Ethics Virtual 6: ethics Program</td><td>\$0</td><td>\$0</td><td>\$118</td><td></td><td>\$118</td><td>Overrun</td></tr><tr><td>15 1.5 hours Cyber Security Virtual 1 Training:</td><td>\$320</td><td>\$156</td><td>\$169</td><td>108%</td><td>\$13</td><td>Overrun</td></tr><tr><td>16 1 hour Cyber Security Virtual 2 Training: Re</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>17 1 hour Cyber Security Virtual 3 Training: Dis</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>18 1 hour Cyber Security Virtual 4 training: dis</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>19 1 hour Cyber Security Virtual 5 training: bus</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>20 1 hour Cyber Security Virtual 6 training: bus</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>21 40 minutes, Ethics Virtual 7 training: review</td><td>\$0</td><td>\$0</td><td>\$156</td><td></td><td>\$156</td><td>Overrun</td></tr><tr><td>22 30 minutes, Ethics Virtual 8 training: to do l</td><td>\$0</td><td>\$0</td><td>\$118</td><td></td><td>\$118</td><td>Overrun</td></tr><tr><td>23 30 minutes, Ethics Virtual 9 training: final m</td><td>\$0</td><td>\$0</td><td>\$118</td><td></td><td>\$118</td><td>Overrun</td></tr><tr><td>24 1 1/2 hours, Cyber Security Virtual 8 training</td><td>\$320</td><td>\$156</td><td>\$169</td><td>108%</td><td>\$13</td><td>Overrun</td></tr><tr><td>25 30 minutes, Cyber Security Virtual 9 training</td><td>\$320</td><td>\$52</td><td>\$57</td><td>110%</td><td>\$5</td><td>Overrun</td></tr><tr><td>26 1 hour, Cyber Security Virtual 10 training: e</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>27 1 hour, Cyber Security Virtual 11 training: N</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>28 1 hour, Cyber Security Virtual 12 training: re</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>29 1 hour, Cyber Security Virtual 13 training: c</td><td>\$320</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>30 1.5 hours, Cyber Security Virtual 14 training</td><td>\$160</td><td>\$156</td><td>\$169</td><td>108%</td><td>\$13</td><td>Overrun</td></tr><tr><td>31 1 hour, Cyber Security Virtual 15 training: h</td><td>\$160</td><td>\$104</td><td>\$113</td><td>109%</td><td>\$9</td><td>Overrun</td></tr><tr><td>32</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td colspan="2">TOTALS</td><td>\$20,000</td><td>\$11,233</td><td>\$11,083</td><td colspan="2"></td></tr></table>		Developmental Tasks	Base			As of End of This Report Period			Total \$ Budgeted for Task	Planned \$ Expended as of End of This Report Period	Actual \$ Incurred as of End of Report Period	% of Planned \$ Incurred as of End of This Report Period	\$ Variance	Cost Overrun or Surplus	1 1 hour Sustainability Virtual 1: issues asses	\$0	\$0	\$79		\$79	Overrun	2 1 hour Sustainability Virtual 2: Benchmarkin	\$0	\$0	\$79		\$79	Overrun	3 1 hour Sustainability Virtual 3: Performance	\$0	\$0	\$79		\$79	Overrun	4 1 hour Affordability Virtual 1: Lean Six/Sigma	\$946	\$200	\$200				5 1 hour Affordability Virtual 2: Operating Excelle	\$947	\$200	\$200				6 1 hour Affordability Virtual 3: Goal Crafting & V	\$947	\$117	\$117				7 16 hours Affordability Wak the Process & Va	\$8,000	\$4,156	\$4,199	101%	\$43	Overrun	8	\$5,000	\$5,000	\$2,987	60%	-\$2,013	Surplus	9 1 hour, Ethics Virtual 1 training, DII Applicat	\$0	\$0	\$235		\$235	Overrun	10 1 hour, Ethics Virtual Training 2, reviewed ex	\$0	\$0	\$235		\$235	Overrun	11 40 minute Ethics Virtual 3, Ethics Program M	\$0	\$0	\$156		\$156	Overrun	12 1 hour Ethics Virtual 4, Ethics Program Mtg:	\$0	\$0	\$235		\$235	Overrun	13 20 minutes, Ethics Virtual 5: Ethics Program	\$0	\$0	\$78		\$78	Overrun	14 30 minutes, Ethics Virtual 6: ethics Program	\$0	\$0	\$118		\$118	Overrun	15 1.5 hours Cyber Security Virtual 1 Training:	\$320	\$156	\$169	108%	\$13	Overrun	16 1 hour Cyber Security Virtual 2 Training: Re	\$320	\$104	\$113	109%	\$9	Overrun	17 1 hour Cyber Security Virtual 3 Training: Dis	\$320	\$104	\$113	109%	\$9	Overrun	18 1 hour Cyber Security Virtual 4 training: dis	\$320	\$104	\$113	109%	\$9	Overrun	19 1 hour Cyber Security Virtual 5 training: bus	\$320	\$104	\$113	109%	\$9	Overrun	20 1 hour Cyber Security Virtual 6 training: bus	\$320	\$104	\$113	109%	\$9	Overrun	21 40 minutes, Ethics Virtual 7 training: review	\$0	\$0	\$156		\$156	Overrun	22 30 minutes, Ethics Virtual 8 training: to do l	\$0	\$0	\$118		\$118	Overrun	23 30 minutes, Ethics Virtual 9 training: final m	\$0	\$0	\$118		\$118	Overrun	24 1 1/2 hours, Cyber Security Virtual 8 training	\$320	\$156	\$169	108%	\$13	Overrun	25 30 minutes, Cyber Security Virtual 9 training	\$320	\$52	\$57	110%	\$5	Overrun	26 1 hour, Cyber Security Virtual 10 training: e	\$320	\$104	\$113	109%	\$9	Overrun	27 1 hour, Cyber Security Virtual 11 training: N	\$320	\$104	\$113	109%	\$9	Overrun	28 1 hour, Cyber Security Virtual 12 training: re	\$320	\$104	\$113	109%	\$9	Overrun	29 1 hour, Cyber Security Virtual 13 training: c	\$320	\$104	\$113	109%	\$9	Overrun	30 1.5 hours, Cyber Security Virtual 14 training	\$160	\$156	\$169	108%	\$13	Overrun	31 1 hour, Cyber Security Virtual 15 training: h	\$160	\$104	\$113	109%	\$9	Overrun	32							TOTALS		\$20,000	\$11,233	\$11,083		
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16 1 hour Cyber Security Virtual 2 Training: Re	\$320	\$104	\$113	109%	\$9	Overrun																																																																																																																																																																																																																																															
17 1 hour Cyber Security Virtual 3 Training: Dis	\$320	\$104	\$113	109%	\$9	Overrun																																																																																																																																																																																																																																															
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Note: ALL Data included in Section G is cumulative from start of agreement			
Explanation of Developmental Task Cost Overruns *		Additional Funds Requested	Date Funds Requested
(This section applies to BOTH reimbursable and credit agreements)			
1	The sustainability group agreed to pay for the training they were providing as part of their budget. Therefore, I did not need to budget any of my own dollars as part of this training.		
2	See above.		
3	See above.		
4			
5			
6			
7			
8			
9	The ethics group agreed to pay for the training provided to (b) (4) from their own budget. Therefore, I did not have to budget anything for Ethics training myself.		
10	See above.		
11	See above.		
12	See above.		
13	See above.		
14	See above.		
15	The individual providing cyber security training had an actual rate slightly higher than budgeted.		
16	See above.		
17	See above.		
18	See above.		
19	See above.		
20	See above.		
21	Ethics had their own budget they were using.		
22	See above.		
23	See above.		
24	The individual providing cyber security training had an actual rate slightly higher than budgeted.		
	See above for overage for rows 25-31.		
	NOTE to DCMA: budgeted amounts shown above are per hour budgeted. LM had to budget much more than what is shown as we only can take credit for the actual training provided. For example, LM budgeted 62 total hours of a LM Black Belt for Affordability training, even though we can only take credit for 19 hours of actual training provided - the rest is all prepping to provide the training.		
25	NOTE to DCMA 2: Info on budgeted vs. incurred cost (explanation of cost incurred on tasks that were paid for by groups providing the training): certain LM overhead functions stated that they would pay for the training provided out of their own budgets. Therefore, I did not have to budget their training to be provided into my total cost of the agreement. For costs incurred, it is the approx. cost incurred for their functions/levels, provided by the individuals themselves or finance. Exact hourly costs were unable to be provided as therefore I would be finding out their exact salaries.		
Total		\$0	

* An explanation must be entered for each developmental task which has a positive (overrun) variance dollar figure in the previous section. Please refer to corresponding tasks from Section F/G.

Section H - Other Developmental Assistance Provided						
(This section applies to BOTH reimbursable and credit agreements)						
Date		Capabilities Enhanced (e.g., database developer can now do web development as result of Mentor training)				
multiple	Ethics: (b) (4) putting in place a Code of Conduct and will be placed in their employee manual. They have filled out the Ethics Self Assessment to identify gaps to ensure they can mediate these gaps.					
multiple	a Sustainability: (b) (4) assessed and narrowed sustainability priorities from a list they created after receiving instruction. The team reviewed how to select performance indicators, dimensions of potential indicators and expectations of reporting, as well as how to use sustainability as a strategic business tool.					
multiple	Cyber Security: Review of robust Cyber Security questionnaire, followed by a robust plan on how to strengthen their cyber security weak areas.					
multiple	Affordability: greenbelt training for 2 individuals and improved processes in manufacturing facility throughout the 2 day walkthrough at the (b) (4) facility					
Date		Certifications Received (e.g., ISO 9001:2000, MCSE, etc.) - Please send certificate copy(ies) to DCMA Program Manager)				
Date		Technology Transferred				(Please provide detailed description associated with milestone(s))
Section I - Protégé's Revenue, Employees, Prime Contracts & Subcontracts						
Please note three rows of data first row maintains baseline, second rows capture 6-months data in dollars and numbers categories. Third rows of data capture CUMULATIVE numbers and dollars from the start of the Mentor-Protégé Agreement.						
Note: For the purposes of this Section, report only "obligated/funded" awards (prime and sub-contract) where dollars have been obligated with a line of accounting DO, NOT REPORT the IDIQ "estimated/potential value" type awards. Report only the TO/DO "funded/obligated" awards actually issued against the IDIQs. Do not report Charge Card orders or modifications that are not part of the contract award, unless they increase the value of the original award and are approved by the cognizant Contracting Officer. DO NOT REPORT awards that were finalized prior to the MPA, but awarded after the MPA, regardless whether the effort/work included both mentor and protégé participation. Contracts may be included if they are follow-on, add-on, new TO awards, or recompetes that were booked post MPA and/or are directly related to Mentor-Protégé developmental assistance efforts. "Informal" coordination between the mentors and protégés that results in award, but occurs prior to MPA contract award, will not be counted						
Protégé's Revenue, Employees & Proposals				DoD Prime Contracts		DoD Subcontracts
Protégé's Gross Revenue During This Report Period	Protégé's Employees at End of This Report Period	Proposals Submitted to DoD by Protégé During Report Period	Proposals Submitted to Other Fed Agencies (Excluding DoD) by Protégé During Report Period	DoD Prime Contract Awards to Protégé	DoD Prime Contract Awards to Protégé	DoD Subcontracts From Mentor to Protégé
(Dollars)	(Number)	(Number)	(Number)	(Number)	(Dollars)	(Number)

				<--Start of Agreement (As Reported on Original Agreement Form)-->	(b) (4)
(b) (4)				--During Six-Month Period of This Report Only-->	
				Cumulative Awarded From Start of Agreement Through End of Report Period-->	
DoD Subcontracts					
DoD Subcontracts From Mentor to Protégé	DoD Subcontracts to Protégé From All Sources Other Than Mentor	DoD Subcontracts to Protégé From All Sources Other Than Mentor	DoD Subcontracts From Protégé to Mentor	DoD Subcontracts From Protégé to Mentor	DoD Subcontracts From Protégé to Other Than Mentor
(Dollars)	(Number)	(Dollars)	(Number)	(Dollars)	(Number)
(Dollars)	(Number)	(Dollars)	(Number)	(Dollars)	(Number)
Start of Agreement (As Reported on Original Agreement Form)	(b) (4)				
During Six-Month Period of This Report Only	(b) (4)				
Cumulative Awarded From Start of Agreement Thru End of Report Period	(b) (4)				
Other Federal Prime Contracts		Other Federal Subcontracts			
All Other Federal (excluding DoD) Prime Contract Awards to Protégé	All Other Federal (excluding DoD) Prime Contract Awards to Protégé	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor
(Number)	(Dollars)	(Number)	(Dollars)	(Number)	(Dollars)
Start of Agreement (As Reported on Original Agreement Form)	(b) (4)				
During Six-Month Period of This Report Only	(b) (4)				
Cumulative Awarded From Start of Agreement Thru End of Report Period	(b) (4)				
Other Federal Subcontracts					

	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Number)	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)	(b) (4)			
During Six-Month Period of This Report Only				
Cumulative Awarded From Start of Agreement Thru End of Report Period				
Section J - DoD Subcontract Awards by Mentor				
<p>The dollar amounts of subcontracting done by the mentor (under DoD contracts only) should be entered in the appropriate section(s) below via Electronic Subcontracting Reporting System (eSRS) Summary Subcontract Report (SSR) (former SF 295), or Subcontracting Report for Individual Contracts (ISR) (former SF294) to DoD (or to any DoD components) and any of those reports pertained to the same semiannual period covered by this report. Please indicate below whether the mentor did or did not submit any eSRS summary report(s) of DoD subcontracting for this semiannual report period. (Reference: FAR 52.219-9)</p> <p><input checked="" type="checkbox"/> NO, the mentor did not submit any eSRS report (SSR) of DoD subcontracting during the semiannual period covered by this report. (If no, you may proceed directly to the certification section of this report.)</p>				

Part 4 - SB/SDB Credit Taken (credit agreements ONLY)

Please indicate whether or not the SB category(ies) credit calculated in Section E of this report was claimed/included by the Mentor on the SSR (former SF 295) or eSRS Summary Report covering the same period as this report:

<input type="checkbox"/> Yes <input type="checkbox"/> No	If no, please explain:	This report is being submitted early (June 2017) instead of 10/2017 to close out the Mentor-Protégé agreement.
Section K - Termination of Agreement		
Termination Requested By: <input type="checkbox"/> Mentor <input type="checkbox"/> Protégé		
Reason for Termination: 		
If other, explain: 		
Effective Date of Termination: 		Funds Remaining:
Funds Deobligation Date: 		
Section L - Certification		
By my signature below, I certify that the representations above are true and correct to the best of my knowledge.		
Date 6/20/2017	Signature of Mentor <div style="background-color: black; color: red; text-align: center; padding: 5px;">(b) (6)</div>	Title Supplier Diversity Program Manager, Lockheed Martin Corporation
By my signature below, I certify that I have reviewed and concur with the representations above and certify that they are true and correct to the best of my knowledge.		
Date 7/20/2017	Signature of Protégé <div style="background-color: black; color: red; text-align: center; padding: 5px;">(b) (6)</div>	Title Contract Administrator, ALRO Machine Company
Section M - Distribution of Form		
Reimbursable Agreements:	1. Cognizant Component Director of Small Business Programs 2. Contracting Officer 3. DCMA Mentor-Protégé Division Chief 4. DCMA Program Manager 5. Cognizant Program Manager 6. OSD Director of Small Business Programs (Soft copy preferred, email to: programinformationmp@osd.mil)	
Credit Agreements:	1. Cognizant Component Director of Small Business Programs 2. DCMA Mentor-Protégé Division Chief 3. DCMA Program Manager 4. OSD Director of Small Business Programs (Soft copy preferred, email to: programinformationmp@osd.mil)	
If clarification or assistance is needed in preparing this report, please contact your requisite DCMA MPP Program Manager, then your cognizant component MPP Program Manager, or the DoD Office of Small Business Programs, Mentor-Protégé Program Assistance, at 571-372-6312 or send email: osd.pentagon.osd-atl.mbx.dod-mentor-protége-program@mail.mil		

Glossary of Terms

Allocable MPP Costs: Costs that are directly related to or in direct support of the MPA, and that have been approved by the cognizant Service, Agency or DCMA PM, will be considered allocable by the Government.

Billing Period or Delivery Period: When documenting invoice or other billing/delivery periods, use the date on the invoice, bill or delivery documents respectively. Do not use the date received, unless it happens to coincide with the date on the document. For accounting purposes, all documents must be reconciled with previous SARs or final reports, regardless of when they were received.

Costs: While the total cost of a contract includes all costs properly allocable to the contract, the allowable costs to the Government are limited to those allocable costs which are allowable pursuant to Part 31 and applicable agency supplements.

Expensed: Funds invoiced/billed against obligated dollars, not expenditures incurred.

Incidental Costs: Incidental expenses are costs incurred as part of daily life during business activities. For the purposes of the Mentor-Protege Program, unless otherwise specified, follow guidance in DFARS Subpart 291.71 and Appendix I.

Obligated: Funds provided on contract (specifically related to Section B) to date, not the total cost of the agreement. Total should include all funding provided for each year of the agreement, not what was provided during this report period.

Return on Investment (ROI): For the purposes of the MPP, ROI means generating value for money spent. Put another way, in terms of reimbursable MPP agreements, the growth in Protégé personnel and contracts (prime and/or subcontracts) should be greater than the money invested by DoD in the endeavor.



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

INSTRUCTIONS

1. Reporting requirements: Reports are due for all active agreements, both reimbursable and credit (including agreements with zero activity during the report period).
2. Reports are due not later than 30 days following the end of each semiannual reporting period (30 Apr or 31 Oct).
3. Official start date is the date of the contract/modification signed. For credit agreements, the Official start date is the date of the signed DCMA Approval Letter. Developmental assistance costs may only be incurred after receipt of an approval letter from DCMA.
4. An attachment may be included to provide additional information or explanation of any data items on this form or to provide pertinent information about the agreement that is not addressed on this form.

Last Day of This Report Period (3/31 or 9/30): **3/31/2018** (mm/dd/yyyy)

(All reports cover a 6-month period ending on either 31 Mar or 30 Sep)

Section A - General Information

Agreement Number/Task Order/Delivery Order: (Reimbursable Only)

Type of Agreement: ☐ Reimbursable ☒ Credit

Period of Performance (Official Dates IAW Contract/Modifications or DCMA Credit Mentor-Protégé Agreement (MPA) Approval Letter)

Start Date: 1/15/2018
End Date: 10/17/2018

Months of Performance Through End of Current Report Period

JAN 18, 2018 TO MAR 30, 2018

Mentor Firm

Name: Lockheed Martin Rotary & Mission Systems
Street Address1: 9500 Godwin Drive
Street Address2: B400/044
City: Manassas
State: VA
ZIP: 20110 CAGE: 52088
DUNS: 19710586

Mentor Firm POC

Name: Robyn Snyder
Title: Supplier Diversity Program Manager
Phone: (b) (6)
Fax:
Email: (b) (6)

Protégé Firm

Name: (b) (4)
Street Address1: (b) (4)
Street Address2:
City: (b) (4)
State: (b) (4)
ZIP: (b) (4) CAGE: (b) (4)
DUNS: 100682652

Protégé Firm POC

Name: (b) (4)
Title: President
Phone: (b) (6)
Fax: (b) (6)
Email: (b) (6)
SB Category(ies): (e.g. SDB, SDVOSB, WOSB, etc.)
SDB, WOSB, NMSDC

Defense Agency Sponsor

☐ Air Force
☐ Army
☐ Navy
☒ DCMA
☐ DIA
☐ DLA
☐ MDA
☐ NGA
☐ NSA
☐ Other (specify)

Defense Procurement Contracting Officer (PCO) (if Reimbursable)

DCMA Mentor-Protégé Division Chief POC (if Credit)

Name: Shelly Thomas
Street Address1: 4211 Cedar Springs
Street Address2:
City: Dallas
State: Texas ZIP: 75219
Phone: (b) (6)
Fax: (b) (6)
Email: (b) (6)
DoDAAC:

Alternate POC

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Name:	Kendra Kinnie		
Street Address1:	4211 Cedar Springs		
Street Address2:			
City:	Dallas		
State:	Texas	ZIP:	75219
Phone:	(b) (6)		
Fax:	(b) (6)		
Email:	(b) (6)		
DoDAAC:			

Section B - Obligations and Invoices

(This section applies ONLY to reimbursable agreements)

(Note: All figures or amounts submitted must reconcile with previous SAR submittals)

All Invoices Submitted to DFAS (during this report period) ¹		
Invoice Number & Billing Period	Date ²	Amount
Total of Invoices Submitted During This Report Period:		\$0
Total of Invoices Submitted Prior to This Report Period:		
Cumulative Total of All Invoices for This Agreement Thru End of This Report Period:		\$0
Cumulative Total of All <u>PAID</u> Invoices for This Agreement Thru End of This Report Period:		
Cumulative Total of All <u>UNPAID</u> Invoices for This Agreement Thru End of This Report Period:		\$0

Obligated Dollars	
Cumulative Dollars Obligated on Entire MP Contract From Start of Agreement Thru End of This Report Period:	
Cumulative Dollars Obligated on Entire MP Contract (Thru End of This Report Period) Remaining to be Invoiced:	\$0
% of Cumulative Dollars Obligated on MP Contract That Have Not Been Invoiced (Thru End of This Report Period)	#DIV/0!

¹ Submit copies of all invoices, with supporting data, to the DCMA Program Manager
 Invoice date is the date on the physical invoice. To ensure accurate accountability, when recording this date, make sure to properly track and submit all invoices for the entire agreement, even when they received and recorded outside the period of the SAR.

²



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section E - SB, SDB, SDVOSB, VOSB, WOSB or HUBZone Subcontracting Credit To Be Taken By Mentor

(This section applies ONLY to credit agreements)

Mentors: Section E TOTAL CREDIT TO BE CLAIMED amounts (below) should be added to the eSRS Summary Subcontract Report (SSR) "REMARKS" Section providing the HBCU/MI/PTAC/SBDC, Labor, ODC and other Incidental Credits.

HBCU, MI, PTAC or SBDC Credits	Labor Credit	ODC Credit	Other Incidental Cost Credit
\$0.00	\$23,940.00	\$2,682.82	\$0.00
TOTAL CREDIT TO BE CLAIMED			
\$26,622.82			

Section F - Developmental Assistance Provided / Milestones Achieved

(This section applies to BOTH reimbursable and credit agreements)

At a minimum, changes of start dates, end dates, and negative variances must be briefly explained in the next section

Developmental Tasks ¹	Approved, Planned or Actual Start Date	Approved, Planned End Date	Actual End Date	Estimate of Actual % Complete as of End of Report Period ²	Variance ²
1 Introductory Session - Initial conference call or walk through, overview of current operations	1/18/18	1/18/18	1/18/2018	100%	
2 Virtual Session 1 - Lean Six Sigma Overview & Identifying Opportunities	2/20/18	2/20/18	2/20/2018	100%	
3 One Working Session - Rapid improvement training, Prioritization of Opportunities	3/27/18	3/28/18	3/28/2018	100%	
4 Virtual Session 3 - Follow Up Review	4/19/19	4/19/18		0%	42589
5 Virtual Session 4 - Final Wrap Up	5/17/18	5/17/18		0%	42617
6 Cybersecurity Virtual Sessions 1	6/20/18	6/20/18		0%	42650
7 Cybersecurity Virtual Sessions 2	6/27/18	6/27/18		0%	42657
8 Cybersecurity Virtual Sessions 3	7/11/18	7/11/18		0%	42671
9 Cybersecurity Virtual Sessions 4	7/18/18	7/18/18		0%	42678
10 Cybersecurity Virtual Sessions 5	7/25/18	7/25/18		0%	42685
11 Cybersecurity Virtual Sessions 6	8/1/18	8/1/18		0%	42691
12 Cybersecurity Virtual Sessions 7	8/15/18	8/15/18		0%	42705
13 Cybersecurity Virtual Sessions 8	8/22/18	8/22/18		0%	42712
14 Cybersecurity Virtual Sessions 9	8/29/18	8/29/18		0%	42719
15 Cybersecurity Virtual Sessions 10	9/5/18	9/5/18		0%	42725
16 Cybersecurity Virtual Sessions 11	9/12/18	9/12/18		0%	42732
17 Cybersecurity Virtual Sessions 12	9/26/18	9/26/18		0%	42746
18 Cybersecurity Virtual Sessions 13	10/3/18	10/3/18		0%	42753
19 Cybersecurity Virtual Sessions 14	10/10/18	10/10/18		0%	42760
20 Cybersecurity Virtual Sessions 15	10/17/18	10/17/18		0%	42767
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¹ As submitted on Gantt Chart in Agreement (or as Subsequently Amended) or revised Gantt Chart per approved Change Request(s)

² Please accomplish and insert all calculations in this section manually if automatic features are not working

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Explanation of Variance From Planned Developmental Task Schedule *

(This section applies to BOTH reimbursable and credit agreements)

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* A brief explanation must be entered for each addition/deletion, change of start date or end date, and/or negative variance shown in the previous section



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section G - Developmental Task Budget

(This section applies to BOTH reimbursable and credit agreements)

Developmental Tasks		Base			As of End of This Report Period		
		Total \$ Budgeted for Task	Planned \$ Expended as of End of This Report Period	Actual \$ Incurred as of End of Report Period	% of Planned \$ Incurred as of End of This Report Period	\$ Variance	Cost Overrun or Surplus
1	1/18 Introduction Session	\$140	\$140	\$140			
2	2/20 Virtual Session 1&2 Lean Six Sigma	\$560	\$560	\$560			
3	3/27-3/28 Site Working Session	\$6,160	\$6,160	\$6,160			
4	Virtual Session 3 - Follow Up Review	\$280	\$280	\$0	0%	-\$280	Surplus
5	Virtual Session 4 Final Wrap Up	\$140	\$140	\$0	0%	-\$140	Surplus
6	Cybersecurity Virtual Sessions 1	\$140	\$140	\$0	0%	-\$140	Surplus
7	Cybersecurity Virtual Sessions 2	\$140	\$140	\$0	0%	-\$140	Surplus
8	Cybersecurity Virtual Sessions 3	\$140	\$140	\$0	0%	-\$140	Surplus
9	Cybersecurity Virtual Sessions 4	\$140	\$140	\$0	0%	-\$140	Surplus
10	Cybersecurity Virtual Sessions 5	\$140	\$140	\$0	0%	-\$140	Surplus
11	Cybersecurity Virtual Sessions 6	\$140	\$140	\$0	0%	-\$140	Surplus
12	Cybersecurity Virtual Sessions 7	\$140	\$140	\$0	0%	-\$140	Surplus
13	Cybersecurity Virtual Sessions 8	\$140	\$140	\$0	0%	-\$140	Surplus
14	Cybersecurity Virtual Sessions 9	\$140	\$140	\$0	0%	-\$140	Surplus
15	Cybersecurity Virtual Sessions 10	\$140	\$140	\$0	0%	-\$140	Surplus
16	Cybersecurity Virtual Sessions 11	\$140	\$140	\$0	0%	-\$140	Surplus
17	Cybersecurity Virtual Sessions 12	\$140	\$140	\$0	0%	-\$140	Surplus
18	Cybersecurity Virtual Sessions 13	\$140	\$140	\$0	0%	-\$140	Surplus
19	Cybersecurity Virtual Sessions 14	\$140	\$140	\$0	0%	-\$140	Surplus
20	Cybersecurity Virtual Sessions 15	\$140	\$140	\$0	0%	-\$140	Surplus
21	Prep time Lean Six sigma	\$1,120	\$1,120	\$0	0%	-\$1,120	Surplus
22	Prep time cyber training	\$1,400	\$1,400	\$0	0%	-\$1,400	Surplus
23							
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TOTALS		\$11,900	\$11,900	\$6,860			

Note: ALL Data included in Section G is cumulative from start of agreement

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Explanation of Developmental Task Cost Overruns *		Additional Funds Requested	Date Funds Requested
(This section applies to BOTH reimbursable and credit agreements)			
1	No cost overruns, only surplus for training not performed by the end of this reporting period		
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Total		\$0	
* An explanation must be entered for each developmental task which has a positive (overrun) variance dollar figure in the previous section. Please refer to corresponding tasks from Section F/G.			



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section H - Other Developmental Assistance Provided

(This section applies to BOTH reimbursable and credit agreements)

Date	Capabilities Enhanced (e.g., database developer can now do web development as result of Mentor training)
1/18/2018	Understanding of Life Cycle Process of Lean Six Sigma
2/20/2018	Creation of Rapid Improvement Process for Creation of Future State processes and creation of charter for top 4 priorities
3/27/2018	Site Working Session Day 1 - Development of future state master training plan and training strategy framework, Training Program Enhancements: Key deliverables included: development of the future state master training plan and training strategy framework, and creation of the action plan / timeline for implementation of the future state master training plan.
3/28/2018	Site Working Session Day 2 - RFQ Turn Around Time Improvements: Key deliverables included: creation of the current state Standard RFQ Process, identification of current state process bottlenecks, identification / evaluation of future state ideas to reduce the process bottlenecks, creation of the future state Standard RFQ process with the development of a decision tree to classify if standard, and the creation of the action plan for implementation.
Date	Certifications Received (e.g., ISO 9001:2000, MCSE, etc.) - Please send certificate copy(ies) to DCMA Program Manager)
Date	Technology Transferred provide detailed description associated with milestone(s)) (Please
1/18/2018	Review of life cycle processes and planning for next session
2/20/2018	Lean Six Sigma overview of process methodologies, rapid ideation, continual improvement, recognizing opportunities, 8 forms of waste Identifying / Prioritizing Opportunities: Based on (b) (4) Value Stream / Life Cycle Processes, the team brainstormed opportunities for improvement. The ideas generated were then prioritized to identify the focus for the Site Working Session. The top 4 opportunities for improvement were agreed upon to be addressed during the Site Working Session.
3/27/2018	Working Session #1 Training program enhancements: key deliverables included; development of the future state master training plan and training strategy framework, and cration of the action plan/timeline for implementation of the future state master training plan. People, Process, Technolgoey requirments across (b) (4) functional organizations, including sales, sourcing, purchasing, accounting logistics, engineering services, hR/office manager, IT and leadership. All deliverables were met as identified in the approved project charter.
3/28/2018	Working Session #2 - Vendor On Time Delivery Rate Increase: Keydeliverables included: brainstorming of current state challenges/sources of late orders, identification/evaluation of future state ideas to reduce the source of variation that causes vendor late orders, and creation of the action plan for implementation of the future state ideas. (b) (4) gola is to achieve a 95% on time rate with all vendors with more than 25 lines. Implementation of the action plan will allow (b) (4) to achieve that goal. All deliverable were met as identified in the approved project charter

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Section I - Protégé's Revenue, Employees, Prime Contracts & Subcontracts

Please note three rows of data; first row maintains baseline, second rows capture 6-months data in dollars and numbers categories. Third rows of data capture CUMULATIVE numbers and dollars from the start of the Mentor-Protégé Agreement.

Note For the purposes of this Section, report only "obligated/funded" awards (prime and sub-contract) where dollars have been obligated with a line of accounting. DO NOT REPORT the IDIQ "estimated/potential value" type awards. Report only the TO/DO "funded/obligated" awards actually issued against the IDIQs. Do not report Charge Card orders or modifications that are not part of the contract award, unless they increase the value of the original award and are approved by the cognizant Contracting Officer. DO NOT REPORT awards that were finalized prior to the MPA, but awarded after the MPA, regardless whether the effort/work included both mentor

Protégé's Revenue, Employees & Proposals					DoD Prime Contracts		DoD Subcontracts
Protege's Gross Revenue During This Report Period	Protege's Employees at End of This Report Period	Proposals Submitted to DoD by Protégé During Report Period	Proposals Submitted to Other Fed Agencies (Excluding DoD) by Protégé During Report Period		DoD Prime Contract Awards to Protégé	DoD Prime Contract Awards to Protégé	DoD Subcontracts From Mentor to Protégé
(b) (4)				<--Start of Agreement (As Reported on Original Agreement Form)-->	(b) (4)		
(b) (4)				--During Six-Month Period of his Report Only-->			
				Cumulative Awarded From Start of Agreement Through End of Report Period-->			

	DoD Subcontracts						
	DoD Subcontracts From Mentor to Protégé	DoD Subcontracts to Protégé From All Sources Other Than Mentor	DoD Subcontracts to Protégé From All Sources Other Than Mentor	DoD Subcontracts From Protégé to Mentor	DoD Subcontracts From Protégé to Mentor	DoD Subcontracts From Protégé to Other Than Mentor	DoD Subcontracts From Protégé to Other Than Mentor
	(Dollars)	(Number)	(Dollars)	(Number)	(Dollars)	(Number)	(Dollars)
Start of Agreement (As Reported on Original Agreement Form)	(b) (4)						
During Six-Month Period of This Report Only							
Cumulative Awarded From Start of Agreement Thru End of Report Period							



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

	Other Federal Prime Contracts		Other Federal Subcontracts			
	All Other Federal (excluding DoD) Prime Contract Awards to Protégé	All Other Federal (excluding DoD) Prime Contract Awards to Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards To Protégé From Mentor	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor	All Other Federal (excluding DoD) Subcontract Awards To Protégé From All Sources Other Than Mentor
Start of Agreement (As Reported on Original Agreement Form)	(b) (4)					
During Six-Month Period of This Report Only						
Cumulative Awarded From Start of Agreement Thru End of Report Period						

	Other Federal Subcontracts			
	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Number)	All Other Federal (excluding DoD) Subcontract Awards To Mentor From Protégé (Dollars)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Number)	All Other Federal (excluding DoD) Subcontract Awards From Protégé To Other Than Mentor (Dollars)
Start of Agreement (As Reported on Original Agreement Form)	(b) (4)			
During Six-Month Period of This Report Only				
Cumulative Awarded From Start of Agreement Thru End of Report Period				

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT



Section J - DoD Subcontract Awards by Mentor

The dollar amounts of subcontracting done by the mentor (under DoD contracts only) should be entered in the appropriate

☐ NO, the mentor did not submit any eSRS report (SSR) of DoD subcontracting during the semiannual period covered by this report. (If no, you may proceed directly to the certification section of this report.)

☒ YES, the mentor did submit either an eSRS report of DoD subcontracting during the semi-annual period covered by this report. If yes, indicate the reporting period covered by the SSR or ISR below and then enter the appropriate subcontracting dollar figures in the appropriate section(s) on the next page.

☒ 1 Oct - 31 Mar (6 months - first half of government fiscal year)

The dollar figures shown on the eSRS SSR 6-month report (the report submitted in April) should be entered in section "A" below as shown on the SSR (former SF 295), if applicable. (See notes 1 & 2 below.)

NOTE 1: eSRS SSR (former SF 295) reports are required to be submitted in April of each year (covering the preceding 6-



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Part 1 - DoD Subcontracting Dollars for October - March (6 months)

(These dollar figures should be entered as shown on the eSRS SSR (former SF 295) report submitted in April)

Subcontracting to ALL Firms		Subcontracting to SDB Firms Only	
Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to all firms (includes both large and small businesses, including Protégé, if applicable) as reported on the eSRS SSR (former SF 295)	\$7,157,861,692	Total Dollar Value of all DoD Subcontracts Awarded by the Mentor to SDB Firms (Including Protégé, if applicable) as reported on the eSRS SSR (former SF 295) indicated above.	\$290,429,049

Part 4 - SB/SDB Credit Taken (credit agreements ONLY)

Please indicate whether or not the SB category(ies) credit calculated in Section E of this report was claimed/included

☒ Yes

Section K - Termination of Agreement

Termination Requested By: ☐ Mentor ☐ Protégé

Reason for Termination:

If other, explain:

Effective Date of Termination:

Funds Remaining:

Funds Deobligation Date:



DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Section L - Certification

By my signature below, I certify that the representations above are true and correct to the best of my knowledge.

Date 4/24/2018	Signature of Mentor (b) (6)	Title Supplier Diversity Prog Mgr
-------------------	--------------------------------	--------------------------------------

By my signature below, I certify that I have reviewed and concur with the representations above and certify that they are true and correct to the best of my knowledge.

Date 4/23/2018	Signature of Protégé (b) (6)	Title President
-------------------	---------------------------------	--------------------

Section M - Distribution of Form

Reimbursable Agreements:	<ol style="list-style-type: none"> 1. Cognizant Component Director of Small Business Programs 2. Contracting Officer 3. DCMA Mentor-Protege Division Chief 4. DCMA Program Manager 5. Cognizant Program Manager 6. OSD Director of Small Business Programs (Soft copy preferred, email to: DoDMPP@osd.mil)
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Credit Agreements:	<ol style="list-style-type: none"> 1. Cognizant Component Director of Small Business Programs 2. DCMA Mentor-Protege Division Chief 3. DCMA Program Manager 4. OSD Director of Small Business Programs (Soft copy preferred, email to: DoDMPP@osd.mil)
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If clarification or assistance is needed in preparing this report, please contact your requisite DCMA MPP
DoDMPP@osd.mil

Glossary of Terms

DoD MENTOR-PROTÉGÉ PROGRAM SEMIANNUAL REPORT

Allocable MPP Costs: Costs that are directly related to or in direct support of the MPA, and that have been approved by the

Billing Period or Delivery Period: When documenting invoice or other billing/delivery periods, use the date on the invoice, bill or

Costs: While the total cost of a contract includes all costs properly allocable to the contract, the allowable costs to the

Expensed: Funds invoiced/billed against obligated dollars, not expenditures incurred.

Incidental Costs: Incidental expenses are costs incurred as part of daily life during business activities. For the purposes of the Mentor-Protégé Program, unless otherwise specified, follow guidance in DFARS Subpart 291.71 and Appendix I.

Obligated: Funds provided on contract (specifically related to Section B) to date, not the total cost of the agreement. Total

Return on Investment (ROI): For the purposes of the MPP, ROI means generating value for money spent. Put another way, in



DEFENSE CONTRACT MANAGEMENT AGENCY

SMALL BUSINESS CENTER – COMPREHENSIVE SUBCONTRACTING PROGRAM DIVISION
18901 S. WILMINGTON AVE.
BUILDING DH2, SUITE 224N
CARSON, CA 90746

August 22, 2012

Mrs. Nancy Deskins
Director, Category Management & Supplier Diversity
Lockheed Martin Corporation
PO Box 8048, Bldg. 100/U2414
Philadelphia, PA 19101 6801

Dear Mrs. Deskins:

On August 17, 2012, you requested acceptance to change one of your FY2012 Comprehensive Subcontracting Plan (CSP) Target Industry categories from (b) (4)

The industry category Engineering Services is expected to have better opportunities to shift spend from large to small, making this newly identified category in line with the intent of the establishment of these target commodities.

As a result of the information provided and analyzed by Luz M. Vasquez, DCMA Program Manager, your request is approved. (b) (4) will be added as one of the FY13 Target Industries. (b) (4) is also approved for continuation into FY13 as it will allow for added development in LM Electronic Systems, Information Systems and Global Solutions business areas resulting in sustainment and growth of small businesses in their current base for (b) (4). To ensure adequate progress is made against your FY13 target industry categories, please continue to provide Ms. Vasquez quarterly status updates documenting progress against your FY13 CSP target industry milestones and goals.

If you have any questions or require further assistance, please contact the CSP Program Manager, Ms. Luz Vasquez at (b) (6) or by e-mail at (b) (6)

Sincerely,

(b) (6)

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

cc:
Suzanne Raheb, LM, Senior Manager, Supplier Diversity
Michael Joyce, LM, Vice-President Operations & Program Management
Daniel Pleshko, LM, Vice-President, Global Supply Chain Operations
Jorge Oliveras, DCE, DCMA
Mark Olson, Director, Small Business, DCMA
Margaret Trimble-Williams, Division Chief, DCMA
Luz M. Vasquez, Program Manager, DCMA
Stephanie Lewis, CMR, SBA

Military Services:
Patricia Krabacher - Air Force
Teresa Rendon - Air Force
Dan Clark - Air Force

Tracey Pinson-Dennis - Army
Suellen Jeffress - Army
Peggy Butler - Army
Lee Rosenberg - MDA
Jerrold Sullivan - MDA
Laura Anderson - MDA
Jill Moore - Navy
Emily Harmon - Navy
Patricia Obey - Navy
Linda Oliver - OSD
Wendy Despres - OSD
Janice Buffler - OSD



DEFENSE CONTRACT MANAGEMENT AGENCY

18901 S. WILMINGTON AVE.
BUILDING DH2, SUITE 224N
CARSON, CA 90746

April 17, 2014

Ms. Marillyn A. Hewson
Chief Executive Officer and President
Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817

Dear Ms. Hewson:

On February 25-27, 2014, Ms. Luz M. Vasquez, 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 for FY13 on contracts covered under the DoD Comprehensive Subcontract Plan (Test Program).

As a result of the review, your Small Business Program is rated Outstanding. Lockheed Martin has demonstrated their commitment to this program at all levels. Our review also noted the need for a Corrective Action (CA) plan. A description of the corrections needed is detailed under Part V of the enclosed DCMA 640 report and also was discussed during the on-site exit briefing. The corrective action plan is requested within thirty days of receipt of this letter. DCMA will review, approve and monitor the implementation and disposition of your CA plan. Please convey my sincere appreciation to Nancy Deskins, Director Supplier Diversity, Mark Pasquale, VP SCM and Aprille Lucero, Director SCM & Strategy. Their cooperation and preparedness during the review process is truly appreciated.

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 Luz M. Vasquez at (b) (6) or (b) (6).

Sincerely,

(b) (6)

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

Enclosure:
Lockheed Martin FY13 640 Review

cc:
Mark Pasquale, VP Global Supply Chain Operations, LM
Nancy Deskins, Director Supplier Diversity, LM
Suzanne Raheb, Lead Supplier Diversity, LM
Luz M. Vasquez, Program Manager, DCMA
Jorge Oliveras, CACO, DCMA
James Whitehead, DACO, DCMA
Stephanie Lewis, SBA

Military Services:
Carol White, Air Force
Teresa Rendon, Air Force
Jean Smith, Air Force
Rachael Harris, Air Force
William J. Chemelli, Air Force
Tracey Pinson-Dennis, Army
Pamela Monroe, Army
Lee Rosenberg, MDA
Jerrold Sullivan, MDA
Laura Anderson, MDA
Sean Crean, Navy
Kenneth Carkhuff, Navy
Emily Harman, Navy
Brad Taylor, Navy
Patricia Obey, Navy
Linda Oliver, OSD
Wendy Despres, OSD
Janice Buffler, OSD
Angela Mitchell, USSOCOM

**DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA)
 SMALL BUSINESS SUBCONTRACTING PROGRAM COMPLIANCE REVIEW
 In accordance with FAR 19.706 and FAR 52.219-9**

Part I – General Information

1.a. Contractor**Name:** Lockheed Martin (LM) MST**Address:** 199 Borton Landing Rd**City/State/Zip:** Moorestown, New Jersey 08057**CAGE(s) [Field 1]:** 02769**DUNS:** 848028494**1.b. Small Business Liaison Officer (SBLO) [Field 2]:****Name:** Susannah Raheb**Phone:** (b) (6)**E-mail:** (b) (6)**1.c. Alternate Small Business Liaison Officer (SBLO) [Field 3]:****Name:****Phone:****E-mail:****2. DCMA Small Business Professional****Name:** Luz M. Vasquez**Title:** Procurement Analyst**Phone:** (b) (6)**E-mail:** (b) (6)**3. Administrative Contracting Officer****Name:** Bonnie Roberts**Location:** 6801 Rockledge Drive, Bethesda, MD 20817**Phone:** (b) (6)**E-mail:****4. Small Business Administration (SBA) Representative****Name:** Stephanie Lewis**E-mail:** (b) (6)**Phone:** (b) (6)**5. DCMA/Small Business Administration (SBA), joint review**☐ Yes☒ No**Note:** always "No" unless it is an approved follow up type review.**6. Review type:** On-site ☒ Virtual Review ☐**7. Period Covered by this Review****a. From:** 1 October 2014**b. To:** 30 September 2015**8.a. Date of this review:** January 25-26, 2016**b. Rating of this review:** Exceptional**9.a. Date of last review [Field 4]:** May 18-20, 2015**b. Rating of last review [Field 5]:** Acceptable

10. Department of Defense (DoD) Ratios**a. Total annual company sales [Field 6]:** \$46.1 Billion**b. Total annual sales for DoD [Field 7]:** 58% attr butable to DoD aprox. \$26.6 Billion in DoD orders**11. Type of Subcontract Plan(s)**☐ **Individual Plan(s): Number of plans:**☐ **Commercial Plan: Approved by:****Plan year:**☒ **Comprehensive Plan: Approved by:** Margarette Trimble-Williams**Plan year:** 2015☐ **Master Plan: Approved by:****Three (3) Year Period Ending:****12. Mentor Protégé Agreements [Field 8]:**

Currently Lockheed Martin (LM) has eight active Mentor Protege (MP) agreements, five of those with Department of Defense (DoD). LM DoD MP agreements are:

(b) (4)

(b) (4) is the newest MP agreement (FY15). This agreement is awaiting funding from MDA. In 2015, LM received a Nunn-Perry Award with (b) (4) an LM MST protege. This award marks the 12 Nunn Perry Award win for LM Corporation and the fifth LM MST protege to win this award. During this review period, LM hosted three protege webinar-based training courses with topics of Cyber Security, AS9100 and Business Development. They also marketed their current and past proteges throughout the corporation by using internal articles, various internal forums, Small Mall flip book (newly created SB internal tool) and SBIR meetings. Subcontract awards to current and past proteges increased significantly when compared to FY14 performance. LM continues its efforts in promoting proteges within the company and outside.

Part II – Contractor's Subcontracting Performance

1. Accuracy of Small Business Reports [Summary Subcontract Reports (SSRs) and Individual Subcontracting Reports (ISRs)]

- a. Were small business, small disadvantaged business, women-owned small business, HUBZone small business, service-disabled veteran-owned small business, and veteran-owned small business reported in accordance with FAR 52.219-8(a) on SSRs and ISRs [Field 36]? – See Exhibit I

☒ YES ☐ NO

Describe:

All purchase orders sampled under Exhibit 1 were found to be accurate. No errors were noted.

- b. Does the contractor correctly rely on written representations by their subcontractors regarding their status as a small business concern, a veteran-owned small business concern, a service-disabled veteran-owned small business concern, a small disadvantaged business concern, or a women-owned small business concern in accordance with FAR 52.219-8(d)(1) on SSRs and ISRs [Field 36]? – See Exhibit I ☒ YES ☐ NO

Describe:

The purchase order sampled was out of LM MST business unit. There were no errors found on the supplier's size classifications.

- c. Does the contractor rely on System for Award Management (SAM) for subcontractor size or socioeconomic representations and certifications? ☐ YES ☒ NO If Yes, do all purchase orders [subcontracts] include a clause that notifies the subcontractor by submission of the offer that the size or socioeconomic representations and certifications in SAM are current, accurate and complete as of the date of the offer for the subcontract in accordance with 13 CFR 125.3(c)(v) [Field 36]. ☐ YES ☐ NO ☐ NOT APPLICABLE
- d. Does the contractor adequately include credit card purchases on SSRs in accordance with FAR 52.219-9(l)(2)(i)(A) or FAR 52.219-9(2)(ii)(A) and Individual Subcontracting Reports (ISRs) in accordance with FAR 52.219-9(l)(1)(i) [Field 11]? ☒ YES ☐ NO

Describe:

LM includes credit card purchases in their SSR. Once the supplier's profile is entered into their electronic self-certification system, they count those dollars as certified by the supplier. If the supplier refuses to provide a self-certification, the dollars will be counted as large.

2. Overall subcontracting performance – SSR submission FAR 52.219-9(l)(2)

- a. Were SSRs submitted accurately in accordance with the FAR and SSR instructions at Electronic Subcontracting Reporting System (eSRS.gov) [Field 9]? ☒ YES ☐ NO**
Describe:

LM submitted their FY15 SSR timely on October 30, 2015. No errors noted.

- (1) Were SSRs submitted under individual contract plans ☐ YES ☒ NO** If no, skip to question (2)

- (a) FAR 52.219-9(l)(2)(i)(A) Does the SSR encompass all subcontracting under prime contracts and subcontracts with the awarding agency, regardless of the dollar value of the subcontracts? ☐ YES ☐ NO
- (b) FAR 52.219-9(l)(2)(i)(A)(C) Did the contractor submit a separate SSR to each executive agency covering only that agency's contracts, provided at least one of that agency's contracts is over \$650,000 prior to 1 October 2015) \$700,000 (after 1 October 2015) (over \$1.5 million for construction of a public facility) and contains a subcontracting plan? ☐ YES ☐ NO
- (c) Is the SSR submitted annually, within thirty days (30) after the end of the Government's fiscal year [September 30] in accordance with FAR 52.219-9(l)(2)(i)(A)(D) inclusive of DoD Deviation 2013-O0014? ☐ YES ☐ NO
- (d) FAR 52.219-9(l)(2)(i)(A)(E) Were subcontract awards that were related to work for more than one executive agency appropriately allocated on the SSR? ☐ YES ☐ NO

- (2) Commercial Plan ☐ YES ☒ NO** If no, skip to Question 9.

- (a) Does the commercial SSR include all subcontract awards under the commercial plan in effect during the Government's fiscal year in accordance with FAR 52.219-9(l)(2)(ii)(A)? ☐ YES ☐ NO
- (b) Is the commercial SSR submitted annually, within thirty days (30) after the end of the Government's fiscal year in accordance with FAR 52.219-9(l)(2)(ii)(B)? ☐ YES ☐ NO
- (c) Has the contractor specified the percentage of dollars attributable to each agency from which contracts for commercial items were received on the SSR in accordance with FAR 52.219-9(l)(2)(ii)(C)? ☐ YES ☐ NO

- (3) Is the CEO (the most the Senior Executive in the organization) named on SSR [Block 13 of SSR]? ☒ YES ☐ NO**

- (4) Did the CEO sign and keep the signed SSR on file? ☒ YES ☐ NO**

- b. Are indirect costs included in the SSR in accordance with 13 CFR 125.3(c)(iv) [Field 10]? ☒ YES ☐ NO**

- c. Perform trend analysis of historical small business goal achievements (*last 5 years, if available*) from eSRS. Describe the underlying cause of trends, positive or negative. See Exhibit II.

Describe:

LM five year past performance remains constant. FY14 data shows a slight downward trend with the root cause

The DCMA analyst sees this approach as a

3. Individual Subcontracting Report (ISRs) performance– (Not applicable to Commercial or Comprehensive Plans) FAR 52.219-9(I)(1)

- a. Were ISRs submitted accurately in accordance the FAR 52.219-9(I)(1) and ISR instructions at eSRS.gov [Field 11]:? ☐ YES ☐ NO

Describe:

(1) FAR 52.219-9(I)(1)(i): During contract performance, were ISRs submitted within thirty days of March 31 and September 30? Exhibit III ☐ YES ☐ NO

(2) FAR 52.219-9(I)(1)(i): Were final ISRs submitted for each contract within thirty days of contract completion? ☐ YES ☐ NO

(3) FAR 52.219-9(I)(1)(ii): If options were included on the requirement, was the dollar goal inserted on the ISR a sum of the base period through the current option? ☐ YES ☐ NO

(4) FAR 52.219-9(I)(1)(iii): Did the contractor acknowledge receipt or reject the ISRs from the subcontractor(s)? See Exhibit ☐ YES ☐ NO
☐ NOT APPLICABLE

- b. Perform analysis of all regular and final individual subcontracting reports (ISRs). Did the contractor demonstrate a good faith effort in accordance with FAR 19.701 as determined by FAR 19.705-7(d)?

☐ YES ☐ NO - See Exhibit III.

- c. Perform trend analysis of historical small business goal achievements (*last 5 years, if available*) from eSRS. Describe the underlying cause of trends, positive or negative. See Exhibit II.

Describe:

step forward in increasing small business spend for this business unit segment. On the other hand, FY15 data shows improvements when compared to FY14 [REDACTED]

During the exit briefing, the analyst requested a goals vs. projections five year trend analysis from the contractor. The

3. Individual Subcontracting Report (ISRs) performance– (Not applicable to Commercial or Comprehensive Plans) FAR 52.219-9(l)(1)

- a. Were ISRs submitted accurately in accordance the FAR 52.219-9(l)(1) and ISR instructions at eSRS.gov [Field 11]:? ☐ YES ☐ NO

Describe:

[REDACTED]

- (1) FAR 52.219-9(l)(1)(i): During contract performance, were ISRs submitted within thirty days of March 31 and September 30? Exhibit III ☐ YES ☐ NO

[REDACTED]

- (2) FAR 52.219-9(l)(1)(i): Were final ISRs submitted for each contract within thirty days of contract completion? ☐ YES ☐ NO

[REDACTED]

- (3) FAR 52.219-9(l)(1)(ii): If options were included on the requirement, was the dollar goal inserted on the ISR a sum of the base period through the current option? ☐ YES ☐ NO

[REDACTED]

- (4) FAR 52.219-9(l)(1)(iii): Did the contractor acknowledge receipt or reject the ISRs from the subcontractor(s)? See Exhibit ☐ YES ☐ NO
☐ NOT APPLICABLE

[REDACTED]

- b. Perform analysis of all regular and final individual subcontracting reports (ISRs). Did the contractor demonstrate a good faith effort in accordance with FAR 19.701 as determined by FAR 19.705-7(d)?

☐ YES ☐ NO - See Exhibit III.

[REDACTED]

- c. Perform trend analysis of historical small business goal achievements (*last 5 years, if available*) from eSRS. Describe the underlying cause of trends, positive or negative. See Exhibit II.
Describe:

contractor provided a chart with requested data on February 8, 2016. The trend analysis shows a marked gap between LM forecast and their actual achievement with exception of FY14. As an example, LM FY15 SB goal was [REDACTED] but the actual achievement was [REDACTED]. Based on all collected data and analysis, DCMA recommendation is for LM to investigate the root cause for the gaps and implement measures to prevent future forecast to come below their

3. Individual Subcontracting Report (ISRs) performance– (Not applicable to Commercial or Comprehensive Plans) FAR 52.219-9(l)(1)

- a. Were ISRs submitted accurately in accordance the FAR 52.219-9(l)(1) and ISR instructions at eSRS.gov [Field 11]? ☐ YES ☐ NO

Describe:

- (1) FAR 52.219-9(l)(1)(i): During contract performance, were ISRs submitted within thirty days of March 31 and September 30? Exhibit III ☐ YES ☐ NO

- (2) FAR 52.219-9(l)(1)(i): Were final ISRs submitted for each contract within thirty days of contract completion? ☐ YES ☐ NO

- (3) FAR 52.219-9(l)(1)(ii): If options were included on the requirement, was the dollar goal inserted on the ISR a sum of the base period through the current option? ☐ YES ☐ NO

- (4) FAR 52.219-9(l)(1)(iii): Did the contractor acknowledge receipt or reject the ISRs from the subcontractor(s)? See Exhibit ☐ YES ☐ NO
☐ NOT APPLICABLE

- b. Perform analysis of all regular and final individual subcontracting reports (ISRs). Did the contractor demonstrate a good faith effort in accordance with FAR 19.701 as determined by FAR 19.705-7(d)?

☐ YES ☐ NO - See Exhibit III.

- c. Perform trend analysis of historical small business goal achievements (*last 5 years, if available*) from eSRS. Describe the underlying cause of trends, positive or negative. See Exhibit II.
Describe:

capability.

This report also covers LM MST business unit Small Business (SB) performance [REDACTED]

3. Individual Subcontracting Report (ISRs) performance– (Not applicable to Commercial or Comprehensive Plans) FAR 52.219-9(l)(1)

- a. Were ISRs submitted accurately in accordance the FAR 52.219-9(l)(1) and ISR instructions at eSRS.gov [Field 11]? ☐ YES ☐ NO

Describe:

- (1) FAR 52.219-9(l)(1)(i): During contract performance, were ISRs submitted within thirty days of March 31 and September 30? Exhibit III ☐ YES ☐ NO

- (2) FAR 52.219-9(l)(1)(i): Were final ISRs submitted for each contract within thirty days of contract completion? ☐ YES ☐ NO

- (3) FAR 52.219-9(l)(1)(ii): If options were included on the requirement, was the dollar goal inserted on the ISR a sum of the base period through the current option? ☐ YES ☐ NO

- (4) FAR 52.219-9(l)(1)(iii): Did the contractor acknowledge receipt or reject the ISRs from the subcontractor(s)? See Exhibit ☐ YES ☐ NO
☐ NOT APPLICABLE

- b. Perform analysis of all regular and final individual subcontracting reports (ISRs). Did the contractor demonstrate a good faith effort in accordance with FAR 19.701 as determined by FAR 19.705-7(d)?

☐ YES ☐ NO - See Exhibit III.

- c. Perform trend analysis of historical small business goal achievements (*last 5 years, if available*) from eSRS. Describe the underlying cause of trends, positive or negative. See Exhibit II.
Describe:

This report also covers LM MST business unit Small Business (SB) performance. [REDACTED]

3. Individual Subcontracting Report (ISRs) performance– (Not applicable to Commercial or Comprehensive Plans) FAR 52.219-9(l)(1)

- a. Were ISRs submitted accurately in accordance the FAR 52.219-9(l)(1) and ISR instructions at eSRS.gov [Field 11]:? ☐ YES ☐ NO

Describe:

- (1) FAR 52.219-9(l)(1)(i): During contract performance, were ISRs submitted within thirty days of March 31 and September 30? Exhibit III ☐ YES ☐ NO

- (2) FAR 52.219-9(l)(1)(i): Were final ISRs submitted for each contract within thirty days of contract completion? ☐ YES ☐ NO

- (3) FAR 52.219-9(l)(1)(ii): If options were included on the requirement, was the dollar goal inserted on the ISR a sum of the base period through the current option? ☐ YES ☐ NO

- (4) FAR 52.219-9(l)(1)(iii): Did the contractor acknowledge receipt or reject the ISRs from the subcontractor(s)? See Exhibit ☐ YES ☐ NO
☐ NOT APPLICABLE

- b. Perform analysis of all regular and final individual subcontracting reports (ISRs). Did the contractor demonstrate a good faith effort in accordance with FAR 19.701 as determined by FAR 19.705-7(d)?

☐ YES ☐ NO - See Exhibit III.

Part III – Contractor's Small Business Program

1. Review of Small Business Program in accordance with FAR 52.219-9

a. FAR 52.219-9(d)(1) Does the contractor express goals in terms of percentage of total planned subcontracting dollars for each small business category, in all plans?

☒ YES ☐ NO

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

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

d. FAR 52.219-9(d)(4) Briefly describe the methodology used by the contractor to develop subcontracting goals. Is the contractor adhering to the method described in the plans to develop subcontracting goals? ☒ YES ☐ NO

DESCRIBE:

LM utilizes a "bottoms up" forecasting process from all the Business Areas, business development, procurement, material planning and finance. The goals are then rolled up to the Corporate Director, Category Management & Supplier Diversity and are aggregated to determine corporate performance targets. The methodology used is acceptable; however, DCMA recommends the Corporate SBLO investigates the root cause associated with their forecasting gap and addresses DoD concern on projecting lower goals.

e. FAR 52.219-9(d)(5) Briefly describe the methodology utilized by the contractor to identify potential sources for solicitation purposes. Is the contractor adhering to the method described in the approved small business subcontracting plans? ☒ YES ☐ NO

DESCRIBE:

LM MST mirrors LM Corporation practices when it comes to this requirement. The method of choice is through outreach activities sponsored internally or by outside organizations. LM MST Supplier Diversity held the following state and regional office seats in FY 2015:

- Board of Directors Capital Region Minority Supplier Development Council and Membership and Marketing Committee Chair
- Board of Directors Community Business Partnership, an SBA Development Center
- Member Virginia Asian Chamber of Commerce and Chairman's Award for Champion of Diversity
- Member and Government Contractors Council Leadership Committee Prince William Chamber of Commerce

Other sources are: Procurement Technical Assistance Centers (PTACs), SBA Development Centers, networking within the organization Supplier Diversity representatives, various company tools such as the Known Small Business Supplier database and Supplier Wire, System for Award Management (SAM), U.S. SBA, Dynamic Small Business Search (DSBS), Center for Veteran Enterprise, Lockheed Martin EXOSTAR Supplier Database and local Chambers of Commerce, trade associations and supplier diversity-focused conferences.

f. FAR 52.219-9(d)(6) Are indirect costs included in establishing subcontracting goals?

☒ YES ☐ NO Briefly describe and analyze the methodology utilized by the contractor to determine share of indirect costs for small business, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns.

☐ NOT APPLICABLE

If applicable, is the contractor adhering to the method described in the small business subcontracting plans? ☒ YES ☐ NO

DESCRIBE:

[REDACTED]

The allocation formula used by this contractor has been found to be acceptable

[REDACTED]

Aeronautics, MST and MFC show a slight increase in the indirect rate when compared to FY14. IS&GS and Space Systems show a slight decrease.

g. FAR 52.219-9(d)(7) Is the name of individual employed by the contractor who administers the subcontracting program included in the plans, with a description of the duties?

☒ YES ☐ NO Are they fulfilling the small business duties as described in the plans?

☒ YES ☐ NO

DESCRIBE:

Susannah Raheb has been appointed as the Corporate Small Business Liaison Officer (SBLO) with full authority to administer LM corporate-wide subcontracting program. Her name, title and duties can be found on the FY15 CSP under section 6 "Implementation of the Comprehensive Subcontracting Plan". She has a team of SBLOs located at each of the five business areas. Records validate that the SBLO is fulfilling her duties to include participating in outreach events, primary point of contact with government agencies, and developing and executing strategic plans for LM Supplier's Diversity program.

h. FAR 52.219-9(d)(8) Briefly describe the efforts by the contractor to ensure small business concerns have an equitable opportunity to compete for subcontracts. Is the contractor adhering to the method described in the plans to assure equitable subcontracting opportunities exist for small business? ☒ YES ☐ NO

DESCRIBE:

Lockheed Martin Acquisition Procedures (LMAP) cover various topics to ensure opportunities are given to small business such as ensuring that bidding period, delivery schedules, and all other elements of solicitations do not include provisions that unfairly restrict or eliminate inclusion of small business concerns. Additionally, each business unit is allowed to be creative on the way they seek suppliers. The analyst was briefed on few efforts out of LM MST. For example, LM MST invites small business to have showcases at various sites and advertises small business capabilities via LED screens, posters and bulletin boards in LM MST facilities. They also use internal social media tools such as Eureka Streams and eFORUM to promote the utilization of their suppliers across the corporation. Efforts are considered acceptable.

i. FAR 52.219-9(d)(9)

(1) Are there assurances that the offeror will include the clause FAR 52.219-8 "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities? ☒ YES ☐ NO

Is the contractor adhering to this assurance? ☒ YES ☐ NO See Exhibit I

- (2) Is FAR 52.219-9 included in subcontracts over \$650,000 (prior to 1 October 2015) \$700,000 (after 1 October 2015) (\$1.5 million for construction of any public facility with further subcontracting possibilities) [Field 35]. ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO ☐ NOT APPLICABLE
See Exhibit I
- (3) Are there subcontracting plans in place with their subcontractors who have subcontracts over \$650,000 (prior to 1 October 2015) \$700,000 (after 1 October 2015) (\$1.5 million for construction of any public facility with further subcontracting possibilities) with large businesses? ☒ YES ☐ NO
Is the contractor adhering to this assurance [Field 35]? ☒ YES ☐ NO
☐ NOT APPLICABLE See Exhibit I

j. FAR 52.219-9(d)(10) Are there assurances that the offeror will –

- (1) Cooperate in studies or surveys as may be required in accordance with FAR 52.219-9(d)(10)(i) and FAR 52.219-8(c)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
- (2) Submit periodic reports to determine extent of compliance to plans in accordance with FAR 52.219-9(d)(10)(ii)?
☒ YES ☐ NO Is the contractor adhering to this assurance? ☒ YES ☐ NO
- (3) Include assurances the contractor will submit Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in accordance with FAR 52.219-9(d)(10)(iii)? ☐ YES ☒ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
- (4) Ensure that its subcontractors agree to submit Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in accordance with FAR 52.219-9(d)(10)(iii)? ☐ YES ☒ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
☐ NOT APPLICABLE See Exhibit I
- (5) Provide its prime contract number, its DUNS number, and the e-mail address of the offeror's official responsible for acknowledging receipt of or rejecting the ISRs, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their ISRs in accordance with FAR 52.219-9(d)(10)(v)? ☐ YES ☒ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO
☐ NOT APPLICABLE
- (6) Require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the e-mail address of the subcontractor's official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans in accordance with FAR 52.219-9(d)(10)(vi)? ☒ YES ☐ NO
Is the contractor adhering to this assurance? ☒ YES ☐ NO ☐ NOT APPLICABLE

k. FAR 52.219-9(d)(11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plans including:

- (1) Source lists (e.g. SAM), guides, and other data the contractor uses to identify small businesses in accordance with FAR 52.219-9(d)(11)(i). Is the contractor maintaining records as described in the plans [Field 14]? ☒ YES ☐ NO**

DESCRIBE:

LM uses "Supplier Wire" a social media tool to target and identify new suppliers. The site also advertise immediate procurement opportunities (245 inquiries and 238 referred), showcase what Lockheed Martin buys, point of contact and events. LM procurement representatives also rely on their Supplier Marketing Portal, SBA SAM database and Supplier Connection to find suppliers.

- (2) List organizations that are contacted by the contractor in an attempt to locate sources that are small businesses in accordance with FAR 52.219-9(d)(11)(ii). Is the contractor maintaining records as described in the plans [Field 15] ?**

☒ YES ☐ NO

DESCRIBE:

LM records show an extensive list of organizations used to identify small businesses. LM Supplier Diversity officials held board memberships with over 50 organizations, all documented in FY15. Among these organizations: Local Chambers of Commerce, National Minority Supplier Development Councils (NMSDC), Veteran's Chamber of Commerce, DFW Region V Small Business Liaison Officer Council, Women's Business Enterprise National Council (WBENC), National American Indian Council for Economic Development (NAICED). Records are being maintained.

- (3) Records for each subcontract of more than \$150,000 in accordance with FAR 52.219-9(d)(11)(iii). See Exhibit I. Is the contractor maintaining records as described in the plans [Field 18]? ☒ YES ☐ NO ☐ NOT APPLICABLE**

DESCRIBE:

LM maintains all purchase order records electronically. Each purchase order documented the rationale for award and if small business and its sub-categories were solicited or not. LM's record keeping methodology is adequate.

- (4) Records of any outreach efforts to contact trade associations, business development organizations, conferences and trade fairs and veteran service organizations in accordance with FAR 52.219-9(d)(11)(iv). Is the contractor maintaining records as described in the plans [Field 19]? ☒ YES ☐ NO**

DESCRIBE:

LM maintains records of Corporate and local sponsored events to locate small businesses. In FY15, LM attended 159 events, an increase from FY14. LM holds targeted Supplier Information Sessions (SIS) with focus on negotiated initiatives. The Return on Investment (ROI) for these events is tracked and reported to the DCMA analyst quarterly. At the business unit level, MST hosted a joint SIS session with IS & GS business unit. The DCMA analyst examined the records and they are considered adequate.

- (5) Records of internal guidance and encouragement to buyers through (A) workshops, seminars, training, etc. and (B) monitoring performance to evaluate compliance with program requirements in accordance with FAR 52.219-9(d)(11)(v). Is the contractor maintaining records as described in the plans [Field 20]?

☒ YES ☐ NO

DESCRIBE:

The contractor tracks buyers training at all levels of the corporation. Over 70 pages of training records were validated. The records were complete. LM trained their buyers in Supplier Diversity and held an annual All-Hands supplier diversity meeting with focus on compliance and legislation. LM employees benefit from having additional tools like the Supplier Diversity Handbook.

- (6) FAR 52.219-9(d)(11)(vi) Records on a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement. Is the contractor maintaining records as described in the plans [Field 21]? ☒ YES ☐ NO

☒ NOT APPLICABLE to Commercial Plans

DESCRIBE:

LM Exostar electronic system supports the requirements of FAR 52.219-9(d)(11)(vi). Records to include name, address and supplier's size are maintained. Records are adequate.

I. FAR 52.219-9(e) In order to effectively implement this plan to the extent consistent with efficient contract performance the contractor shall perform the following functions:

- (1) Is the contractor assisting small businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules to facilitate the participation by such concerns in accordance with FAR 52.219-9(e)(1)? ☒ YES ☐ NO

DESCRIBE:

LM provided copies of their compliance and solicitation policies for our review. LMAP policy 2.320, entitled "Identifying Potential Sources for Competitive Solicitations", encourages buyers to consider small business suppliers. This procedure also outlines guidelines for limiting competitions to small business concerns. The other two policies are more general in nature and describe solicitation requirements. Because of the type of business of this contractor, delivery schedule consideration is not a common practice, in fact it could hinder opportunities to either large or small business suppliers.

- (2) Is the contractor providing adequate and timely consideration of small businesses in all "make-or-buy" decisions in accordance with FAR 52.219-9(e)(2)? ☒ YES ☐ NO

DESCRIBE:

The reviewer was provided with a copy of LM policy CPS-018, entitled "Make or Buy", dated February 2, 2015. The policy covered definitions, policy, "Make or Buy" program and responsibilities. The program is being managed at top level by the Senior Vice President & Chief Technology Officer, Vice President Contracts, and Vice President & Controller. In essence, the program apply competitive principles to make or buy decisions, with special considerations to performance, schedule, quality, and cost factors. Each business unit manages its own "Make or Buy" program.

- (3) Is the contractor counseling and discussing subcontracting opportunities with small businesses in accordance with FAR 52.219-9(e)(3)? ☒ YES ☐ NO

DESCRIBE:

In 2015, LM received 400 supplier inquiries and they conducted an average of 250 capability reviews a month. This capability reviews involve counseling and discussing subcontracting opportunities. Further, it enables the supplier to assess their qualifications to compete for those future opportunities.

- (4) Is the contractor confirming a HUBZone small business concern is a certified HUBZone small business by accessing the System for Award Management (SAM) database or by contacting SBA in accordance with FAR 52.219-9(e)(4) and FAR 52.219-8(d)(2)? See Exhibit I ☒ YES ☐ NO

- (5) Is the contractor providing notice to subcontractors concerning penalties and remedies for misrepresentations of business status as a small business for the purpose of obtaining a subcontract in accordance with 15 U.S.C. 645(d) and FAR 52.219-9(e)(5) [Field 22]? ☒ YES ☐ NO

DESCRIBE:

LM supplier electronic self-certification provides with a penalty clause that is agreed by each supplier self-certifying into LM Exostar database. The analyst examined this clause and found it to be acceptable.

- (6) Is the contractor providing notice to inform each unsuccessful small business offeror in writing of the name and location of the apparent successful offeror prior to award of the contract in which a small business concern received a small business preference for subcontracts over the Simplified Acquisition Threshold in accordance with FAR 52.219-9(e)(6)? ☐ YES ☐ NO ☒ NOT APPLICABLE

2. Other Regulatory Compliance

- a. Has the contractor provided the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems for small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns in accordance FAR 52.219-8(b)? ☒ YES ☐ NO

DESCRIBE: LM keep records of small business spend by North American Industry Classification (NAICS).

They also have a good amount of small businesses in specialized areas on the following NAICS:

- b. Has the contractor established procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in accordance with FAR 19.702 and FAR 52.219-8(b)?

☒ YES ☐ NO

Is the contractor ensuring timely payment of subcontractors? ☒ YES ☐ NO

- c. FAR 52.232-40: Providing Accelerated Payments to Small Business Subcontractors. If this clause is included in their prime contract(s) is the contractor making the required accelerated payments to their small business subcontractor(s), as prescribed [Field 23]? ☒ YES ☐ NO ☐ NOT APPLICABLE

- d. Has the contractor adequately addressed all previous Corrective Action Plans (CAPs) [Field 24]? ☒ YES ☐ NO ☐ NOT APPLICABLE.
If applicable, describe the previous findings/deficiencies and the corrective actions implemented.

3. Additional Program Administration

- a. Has a company-wide small business policy statement been issued by current senior management and disseminated throughout the company [Field 25]? ☒ YES

Issued By: Marillyn Hewson

Title: Chairman, President & CEO

Date: Yearly, most recent st

☐ NO

- b. Small Business Liaison Officer (SBLO) appointment/authority placement in the organization:

- (1) Has the SBLO been formally appointed by senior level management to effectively administer the program [Field 26]? ☒ YES ☐ NO

- (2) SBLO is a: ☒ Corporate ☐ Division (if a division SBLO, describe the relationship between this division and the corporate SBLO).

Comments:

Susannah Rehab holds the Corporate SBLO title. She has a team of Supplier Diversity leads located at each major business unit that assist her with many diverse functions of the Supply Chain organization.

- (3) Is there an organization chart that displays the position of the SBLO within the organization [Field 27]? ☒ YES ☐ NO

- b. Has the contractor established procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in accordance with FAR 19.702 and FAR 52.219-8(b)?

☒ YES ☐ NO

Is the contractor ensuring timely payment of subcontractors? ☒ YES ☐ NO

- c. FAR 52.232-40: Providing Accelerated Payments to Small Business Subcontractors. If this clause is included in their prime contract(s) is the contractor making the required accelerated payments to their small business subcontractor(s), as prescribed [Field 23]? ☒ YES ☐ NO ☐ NOT APPLICABLE

- d. Has the contractor adequately addressed all previous Corrective Action Plans (CAPs) [Field 24]? ☒ YES ☐ NO ☐ NOT APPLICABLE.

If applicable, describe the previous findings/deficiencies and the corrective actions implemented.

3. Additional Program Administration

- a. Has a company-wide small business policy statement been issued by current senior management and disseminated throughout the company [Field 25]? ☒ YES

Issued By: Marillyn Hewson

Title: Chairman, President & CEO

Date: statement is dated Janu

☐ NO

- b. Small Business Liaison Officer (SBLO) appointment/authority placement in the organization:

- (1) Has the SBLO been formally appointed by senior level management to effectively administer the program [Field 26]? ☒ YES ☐ NO

- (2) SBLO is a: ☒ Corporate ☐ Division (if a division SBLO, describe the relationship between this division and the corporate SBLO).

Comments:

Susannah Rehab holds the Corporate SBLO title. She has a team of Supplier Diversity leads located at each major business unit that assist her with many diverse functions of the Supply Chain organization.

- (3) Is there an organization chart that displays the position of the SBLO within the organization [Field 27]? ☒ YES ☐ NO

- b. Has the contractor established procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in accordance with FAR 19.702 and FAR 52.219-8(b)?

☒ YES ☐ NO

Is the contractor ensuring timely payment of subcontractors? ☒ YES ☐ NO

- c. FAR 52.232-40: Providing Accelerated Payments to Small Business Subcontractors. If this clause is included in their prime contract(s) is the contractor making the required accelerated payments to their small business subcontractor(s), as prescribed [Field 23]? ☒ YES ☐ NO ☐ NOT APPLICABLE

- d. Has the contractor adequately addressed all previous Corrective Action Plans (CAPs) [Field 24]? ☒ YES ☐ NO ☐ NOT APPLICABLE.
If applicable, describe the previous findings/deficiencies and the corrective actions implemented.

3. Additional Program Administration

- a. Has a company-wide small business policy statement been issued by current senior management and disseminated throughout the company [Field 25]? ☒ YES

Issued By: Marillyn Hewson

Title: Chairman, President & CEO

Date: ated January 12, 2016

☐ NO

- b. Small Business Liaison Officer (SBLO) appointment/authority placement in the organization:

- (1) Has the SBLO been formally appointed by senior level management to effectively administer the program [Field 26]? ☒ YES ☐ NO

- (2) SBLO is a: ☒ Corporate ☐ Division (if a division SBLO, describe the relationship between this division and the corporate SBLO).

Comments:

Susannah Rehab holds the Corporate SBLO title. She has a team of Supplier Diversity leads located at each major business unit that assist her with many diverse functions of the Supply Chain organization.

- (3) Is there an organization chart that displays the position of the SBLO within the organization [Field 27]? ☒ YES ☐ NO

c. Monitoring small business program performance and requirements:

- (1) Are senior management and staff briefed regularly on achievement and/or program deficiencies [Field 28]? ☒ YES ☐ NO**

Comments:

Susannah Raheb has access to the LM executive office and program status is briefed monthly to executive leadership

- (2) What does the contractor do to improve subcontracting performance if goals are not being met [Field 29]?**

In FY15 LM promoted various incentive programs with focus in awarding to SDB and WOSB, both goals at risk for not being met.

**d. Small Business Subcontracting Procedures**

- (1) Does the contractor have company policies or procedures in place for the small business subcontracting program [Field 30]? ☒ YES ☐ NO**

Comments:

The contractor maintains the most updated copy of their policies and procedures on the LM intranet. Copies of the procedures were given and examined by the reviewer. Operations & Program Management Procedures OPM-002, Revision 10 dated May 5, 2015, covers the Supplier Diversity Program; Corporate Policy Statement CPS-113 Revision 10 dated May 5, 2015 covers the acquisition of goods and services; LM Acquisition Procedure No: LMAP 5.710 covers various small business program aspects such as processing subcontracting plans and ensuring supplier size. Procedures reviewed were a detailed step by step instructions to buyers.

- (2) Do the policies or procedures promote participation of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns?**

☒ YES Comments:

The policies and procedures examined were established under the framework of promoting small business participation for all socioeconomic concerns.

☐ NO Comments:**☐ NOT APPLICABLE**

**Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only**

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

LM negotiated three new initiatives for FY15. LM met and exceeded all three initiatives.

[REDACTED]

On the [REDACTED] initiative, the contractor exceeded their goal of [REDACTED] contracts to [REDACTED]

Is the firm making adequate progress to meet all milestones for all negotiated initiatives?

☒ YES ☐ NO

2. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals?

☒ YES ☐ NO

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

LM FY15 target industry categories were [REDACTED]
LM exceed all three goals for [REDACTED]: the SB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual; the SDB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual and the WOSB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual. LM exceed all three goals for the [REDACTED] target industry as follows: the SB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual, the SDB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual and the VOSB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual. The contractor also achieved all their milestones to improve performance for both targets. Among their efforts [REDACTED]

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

Program Name	Discuss:	Add/Remove	
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
FAST, AEHF, DESPII, F2AST, JAGM, THAAD,		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Countermeasures		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add	<input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ YES ☐ NO

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

**Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only**

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

On the initiative, the contractor exceeded their goal of contracts to by with a total of contracts and over in rebates.

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

2. TARGET INDUSTRIES:

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

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

LM FY15 target industry categories were (b) (4). LM exceed all three goals for the SB goal was and was exceeded by and actual; the SDB goal was and was exceeded by and actual and the WOSB goal was and was exceeded by and actual. LM exceed all three goals for the target industry as follows: the SB goal was and was exceeded by and actual, the SDB goal was and was exceeded by and actual and the VOSB goal was and was exceeded by and actual. The contractor also achieved all their milestones to improve performance for both targets. Among their efforts:

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

Program Name	Discuss:	Add/Remove	
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
FAST, AEHF, DESPII, F2AST, JAGM, THAAD,		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Counterme		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add	<input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ YES ☐ NO

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

**Part IV – Comprehensive Subcontracting Plan (CSP) Test
Program Applies to CSP Only**

1. Describe the efforts the firm uses to achieve all negotiated initiatives.

LM negotiated three new initiatives for FY15. LM met and exceeded all three initiatives. [REDACTED]

[REDACTED] to [REDACTED]
[REDACTED] On the [REDACTED] initiative, the contractor exceeded their goal of [REDACTED] contracts to [REDACTED]

Is the firm making adequate progress to meet all milestones for all negotiated initiatives?

☒ YES ☐ NO

2. TARGET INDUSTRIES:

Has the contractor met, or are they on track to meet all selected industry category goals?

☒ YES ☐ NO

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

three goals for the [REDACTED] target industry as follows: the SB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual, the SDB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual and the VOSB goal was [REDACTED] and was exceeded by [REDACTED] and [REDACTED] actual.

[REDACTED]
[REDACTED] LM efforts seemed adequate. LM was able to met and exceed their negotiated goals and milestones for both targets.

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

Program Name	Discuss:	Add/Remove	
GPS, JASSM, SBIRS, C-130J (AF/Navy), F-22		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
FAST, AEHF, DESP II, F2AST, JAGM, THAAD,		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
AEGIS BMD AWS (Navy/MDA), Target & Countermeasures		<input type="checkbox"/> Add	<input type="checkbox"/> Remove
C2BMC, H-60 R&S, F-35 JSF		<input type="checkbox"/> Add	<input type="checkbox"/> Remove

4. Did the firm fully comply with the request to provide program specific information as requested by the customer? ☒ YES ☐ NO

5. PERFORM INTERIM ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

Indicate by analysis and contractor concurrence, one or more of the plan's goals may not be attained by end of performance.

[REDACTED]

COMPREHENSIVE PLAN	Goal May Not Be Met – Check Box(es) where goals may not be met						Demonstrated Good Faith Efforts
	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB	
Midyear SSR Date Range:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Recommended Action:

NA

6. PERFORM FINAL ANALYSIS OF COMPREHENSIVE SUBCONTRACTING PLAN

COMPREHENSIVE PLAN	All Goals Were Met	Goals Not Met – Check Box(es)						Demonstrated Good Faith Efforts
		SB	SDB	WOSB	HUBZ	VOSB	SDVOSB	
Year End SSR Date Range:	<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:

DCMA applauds LM efforts in affording opportunities to Small Business and exceeding all of their FY15 negotiated goals. The total subcontracted dollars forecasted for FY15 dropped by \$3B from \$19B to actuals of \$16B. This drop is mostly attributed to (b) (4) program delays in funding. The delays in procurements from this segment resulted in an increase of the small business percentages as the purchase orders placed out of the (b) (4) are in its majority awarded to large. A breakdown of LM FY15 achievement by socio-economic categories follows:

1. SB goal: LM surpassed their negotiated FY15 SB goal by and dollars in awards to small business

Part V – Program Rating Determination

The DCMA Small Business Programs Compliance rating scale below is a modified version of FAR 42.1503-Contractor Performance Information, Procedures, and Table 42-2—Evaluation Ratings Definitions.

Evaluation Ratings Definitions (for the Small Business Subcontracting Evaluation Factor, when FAR clause 52.219-9 is used).

Rating	Definition	Note
<input checked="" type="checkbox"/> Exceptional	Performance meets Very Good rating and exceeds many subcontracting program elements to the Government's benefit. There should have been NO weaknesses identified. Identify multiple significant events that were exceptional and state how they were benefits to the Government.	To justify an Exceptional rating, identify multiple documented successes that exceed the subcontracting plan requirements. State how they were a benefit to small business utilization. An Exceptional rating signifies that the company has an exemplary program or practices that could be used as a model by other contractors in similar industries. There is no action taken or planned action to be taken for compliance with

- ☐ **Very Good** Performance meets Satisfactory rating and exceeds one subcontracting program element to the Government's benefit. There should have been NO weaknesses identified. Identify at least one significant event and state how it was a benefit to the Government.
- ☐ **Satisfactory** Performance meets the subcontracting program elements to the Government's benefit. The performance of the subcontracting plan requirement's elements or sub-elements being evaluated was accomplished with only minor problems or major problems the contractor recovered from without impact to the contract/order or subcontracting program elements. The corrective actions taken by the contractor were highly effective. Also, there should have been NO weaknesses identified. A fundamental principle of assigning this rating is that the contractor will not be evaluated with a rating lower than Satisfactory solely for not performing beyond the requirements of the subcontracting plan elements.
- 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9.
- To justify a Very Good rating, identify a significant documented success of exceeding one or more subcontracting plan elements. State how it was a benefit to small business utilization. Provided documentation of achievements and success stories to support efforts demonstrated. There is no action taken or planned action to be taken for compliance with 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9.
- Examples of meeting the subcontracting program elements: Meet or on track to meet all goals as negotiated per contract. The contractor met subcontracting plan(s) elements, instituting initiatives to assist, promote, and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB. The contractor complied with 48 CFR 52.219-8, Utilization of Small Business Concerns which is inclusive of the requirement for a large business to get a written size self-certification from each small business subcontractor accurately reflecting the firm's socio-economic status. The contractor met any other small business participation requirements incorporated in the contract(s)/order(s). The contractor fulfilled the requirements of the Federal Government's Subcontracting program as outlined in 13 CFR 125.3 & 48 CFR 52.219-9. The contractor accurately completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports. The contractor responded to rejected reports within 30 days of rejection notice. Reviewed and accepted or rejected their other than small business (OTSB) lower tier subcontractors' Individual Subcontract Reports within 60 days of submittal. Ensured their OTSB responded to rejected reports within 30 days of rejection notice. The contractor ensured that all levels of OTSB subcontractor flow down the requirement to submit all of their Individual Subcontract Reports and/or Summary Subcontract Reports as required by regulation. Ensured that all levels of OTSB subcontractor flow down

the requirement to review and accept or reject their OTSB Individual Subcontract Reports within 60 days of submittal and respond to rejected reports within 30 days of rejection notice.

Note: To justify a Satisfactory rating, there are multiple documented successes to identify meeting or on track to meet the negotiated goals for each contract. Identify multiple documented successes of meeting subcontracting plan elements. There is no action taken or planned action to be taken for compliance with 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9.

☐ **Marginal** Performance does not meet some subcontracting program elements and contractual requirements. The contractual performance of the element or sub-element being evaluated reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.

Examples of marginally meeting the subcontracting program elements: Demonstrated a good faith effort to meet all of the negotiated subcontracting goals per contract. The contractor demonstrated a good faith effort to meet all of the subcontracting plan(s) elements, instituting initiatives to assist, promote, and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB. Complied with 48 CFR 52.219-8, Utilization of Small Business Concerns is inclusive of the requirement for a large business to get a written size self-certification from each small business subcontractor accurately reflecting the firm's socio-economic status. The contractor demonstrated a good faith effort to meet any other small business participation requirements in the contract/order. Submitted Individual Subcontract Reports and/or Summary Subcontract Reports but not within the time frame required by regulation. The contractor has consulted DCMA and SBA for assistance. Demonstrated a good faith effort to review and accept or reject their OTSB lower tier subcontractors' Individual Subcontract Reports within 60 days of submittal. Demonstrated a good faith effort to ensure their OTSB responded to rejected reports within 30 days of rejection notice. The contractor demonstrated a good faith effort to ensure that all levels of OTSB subcontractor flow down the requirement to submit all of their Individual Subcontract Reports and/or Summary Subcontract Reports as required by regulation. Demonstrated a good faith effort to ensure that all levels of OTSB

subcontractor flow down the requirement to review and accept or reject their OTSB Individual Subcontract Reports within 60 days of submittal and respond to rejected reports within 30 days of rejection notice.

Note: To justify Marginal performance, identify a significant event in each category that the contractor had trouble overcoming and state how it impacted the Government and small business utilization. A Marginal rating should be supported by referencing the good faith effort to correct the deficiency. Identify multiple documented concerns of not meeting other subcontracting plan elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR 52.219-8, 13 CFR 125.3 & 48 CFR 52.219-9. Explain the good faith effort taken by the OTSB to overcome the challenge and describe how it impacted small business utilization. The DCMA Small Business Professional (SBP) will notify the Administrative Contracting Officer (ACO) and will notify SBA's applicable Area Director in the SBA Area in which the firm business resides.

- ☐ **Unsatisfactory** – Performance does not meet most subcontracting program element requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains a serious problem(s) for which the contractor's corrective actions appear or were ineffective.

Examples of Unsatisfactory performance of meeting the subcontracting program elements: A good faith effort was not demonstrated to meet all of the negotiated subcontracting goals per contract. A good faith effort was not demonstrated to meet all of the negotiated initiatives to assist, promote and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB. A good faith effort was not demonstrated to comply with FAR 52.219-8, Utilization of Small Business Concerns which is inclusive of the requirement for a large business to get a written size self-certification from each small business subcontractor accurately reflecting the firm's socio-economic status. A good faith effort was not demonstrated to comply with any other small business participation requirements in the contract/order. A good faith effort was not demonstrated to review and accept or reject their OTSB lower tier subcontractors' Individual Subcontract Reports within 60 days of submittal. A good faith effort was not demonstrated to ensure that all levels of OTSB subcontractor flow down the requirement to review and accept or reject their OTSB Individual Subcontract Reports within 60 days of submittal and respond to rejected reports within 30 days of rejection notice.

NOTE: To justify an Unsatisfactory rating, identify multiple significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating should be supported by referencing where there was no documentation to identify good faith effort to meet the subcontracting program elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR , FAR 52.219-8, 13 CFR 125.3 & 48 CFR, FAR 52.219-9. Explain how they did not show a good faith effort to overcome the challenge and describe how it impacted small business utilization. The DCMA SBP will notify the ACO and SBA's applicable Area Director in the SBA Area in which the business firm resides.

* "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).

1. Exceptional Rating Justification

- a. Did the Contractor exceed all statutory goals or goals as negotiated? If no, skip to question

2. ☒ YES ☐ NO

Comments:

LM achieved and exceeded all FY 15 CSP goals. They awarded \$1.7B to 9,700 small businesses corporate-wide, which makes about 63.6% of LM supplier base. LM is also required to negotiate goals for initiatives and target industry categories to increase small business spend in accordance with the CSP test program requirements. The contractor met and exceeded all of their negotiated initiatives and target industry goals as noted previously on this report.

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- b. Has the contractor 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 veteran-owned small business (SDVOSB) [Field 31]?

☒ YES ☐ NO

Comments:

LM documented efforts for the entire corporation but the following exceptional efforts are out of

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- c. Has the contractor complied with FAR 52.219-8, Utilization of Small Business Concerns? Have they exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program [Field 32]? ☒ YES ☐ NO

Comments:

LM is integrating small business suppliers beyond their day to day procurement activity in mission critical aspects of their programs by

NOTE: To justify an Unsatisfactory rating, identify multiple significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating should be supported by referencing where there was no documentation to identify good faith effort to meet the subcontracting program elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR , FAR 52.219-8, 13 CFR 125.3 & 48 CFR, FAR 52.219-9. Explain how they did not show a good faith effort to overcome the challenge and describe how it impacted small business utilization. The DCMA SBP will notify the ACO and SBA's applicable Area Director in the SBA Area in which the business firm resides.

* "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).

1. Exceptional Rating Justification

a. Did the Contractor exceed all statutory goals or goals as negotiated? If no, skip to question

2. ☒ YES ☐ NO

Comments:

LM achieved and exceeded all FY 15 CSP goals. They awarded \$1.7B to 9,700 small businesses corporate-wide, which makes about 63.6% of LM supplier base. LM is also required to negotiate goals for initiatives and target industry categories to increase small business spend in accordance with the CSP test program requirements. The contractor met and exceeded all of their negotiated initiatives and target industry goals as noted previously on this report.

b. Has the contractor 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 veteran-owned small business (SDVOSB) [Field 31]?

☒ YES ☐ NO

Comments:

(b) (4)

c. Has the contractor complied with FAR 52.219-8, Utilization of Small Business Concerns? Have they exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program [Field 32]? ☒ YES ☐ NO

Comments:

LM is integrating small business suppliers beyond their day to day procurement activity in mission critical aspects of their programs by

NOTE: To justify an Unsatisfactory rating, identify multiple significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating should be supported by referencing where there was no documentation to identify good faith effort to meet the subcontracting program elements. There is evidenced action and planned action to be taken that demonstrated non-compliance pursuant to 48 CFR , FAR 52.219-8, 13 CFR 125.3 & 48 CFR, FAR 52.219-9. Explain how they did not show a good faith effort to overcome the challenge and describe how it impacted small business utilization. The DCMA SBP will notify the ACO and SBA's applicable Area Director in the SBA Area in which the business firm resides.

* "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).

1. Exceptional Rating Justification

- a. Did the Contractor exceed all statutory goals or goals as negotiated? If no, skip to question

2. ☒ YES ☐ NO

Comments:

LM achieved and exceeded all FY 15 CSP goals. They awarded \$1.7B to 9,700 small businesses corporate-wide, which makes about 63.6% of LM supplier base. LM is also required to negotiate goals for initiatives and target industry categories to increase small business spend in accordance with the CSP test program requirements. The contractor met and exceeded all of their negotiated initiatives and target industry goals as noted previously on this report.

- b. Has the contractor 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 veteran-owned small business (SDVOSB) [Field 31]?

☒ YES ☐ NO

Comments:

(b) (4)

- c. Has the contractor complied with FAR 52.219-8, Utilization of Small Business Concerns? Have they exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program [Field 32]?

☒ YES ☐ NO

Comments:

LM is integrating small business suppliers beyond their day to day procurement activity in mission critical aspects of their programs by

- d. Has the contractor gone above and beyond the required elements of the subcontracting plan and other small business requirements of the contract/order [Field 33]?

☒ YES ☐ NO

Comments:

LM FY15 accomplishments beyond the basic small business program requirements. LM awarded \$4.7B to 9,700 small business corporate wide. (b) (4)

LM was the recipient of 17 National and Local awards for their contributions to the Small Business program in FY15.

- e. Has the contractor completed and submitted Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in an accurate and timely manner. See Part II, Exhibits II and III for details. ☒ YES ☐ NO

Comments:

Last SSR report submitted by LM is dated October 30, 2015. The report was submitted timely and was found to be accurate.

- f. Discuss multiple or a significant events and state how they were a benefit to small business utilization. A singular benefit, however, could be of such magnitude that it constitutes a significant benefit to small business [Field 34].

Discuss:

The most significant accomplishments examined by the reviewer was

[REDACTED]

2. Very Good Justification

- a. Has the contractor met all of the statutory goals or goals as negotiated? If no, skip to question 3. ☐ YES ☐ NO

Comments:

- b. Has the contractor had significant success with initiatives to assist, promote and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB? Have they complied with FAR 52.219-8, Utilization of Small Business Concerns [Field 32]? ☐ YES ☐ NO

Comments:

- d. Has the contractor gone above and beyond the required elements of the subcontracting plan and other small business requirements of the contract/order [Field 33]?

☒ YES ☐ NO

Comments:

LM FY15 accomplishments beyond the basic small business program requirements. LM awarded \$4.7B to 9,700 small business corporate wide. (b) (4)

LM was the recipient of 17 National and Local awards for their contributions to the Small Business program in FY15.

- e. Has the contractor completed and submitted Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in an accurate and timely manner. See Part II, Exhibits II and III for details. ☒ YES ☐ NO

Comments:

Last SSR report submitted by LM is dated October 30, 2015. The report was submitted timely and was found to be accurate.

- f. Discuss multiple or a significant events and state how they were a benefit to small business utilization. A singular benefit, however, could be of such magnitude that it constitutes a significant benefit to small business [Field 34].

Discuss:

(b) (4)

2. Very Good Justification

- a. Has the contractor met all of the statutory goals or goals as negotiated? If no, skip to question 3. ☐ YES ☐ NO

Comments:

- b. Has the contractor had significant success with initiatives to assist, promote and utilize SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB? Have they complied with FAR 52.219-8, Utilization of Small Business Concerns [Field 32]? ☐ YES ☐ NO

Comments:

c. Has the contractor met or exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program [Field 33]?

☐ YES ☐ NO

Comments:

d. Has the contractor gone above and beyond the required elements of the subcontracting plan? ☐ YES ☐ NO

Comments:

e. Has the contractor completed and submitted Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in an accurate and timely manner? See Part II, Exhibits II and III.

☐ YES ☐ NO

Comments:

3. Satisfactory Justification

a. Has the contractor demonstrated a good faith effort to meet all of the negotiated subcontracting goals in the various socio-economic categories for the current period?

☐ YES ☐ NO

Comments:

b. Has the contractor complied with FAR 52.219-8, Utilization of Small Business Concerns? Has the contractor met any other small business participation requirements included in the contract [Field 32]?

☐ YES ☐ NO Comments:

c. Has the contractor fulfilled the requirements of the subcontracting plan included in the contract?

☐ YES ☐ NO

Comments:

d. Has the contractor completed and submitted Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) in an accurate and timely manner? See Part II, Exhibits II and III.

☐ YES ☐ NO

Comments:

4. Marginal Justification

a. Is the contractor deficient in meeting key subcontracting plan elements?

☐ YES ☐ NO

Comments:

b. Is the contractor deficient in complying with FAR 52.219-8, Utilization of Small Business Concerns, and any other small business participation requirements in the contract

[Field 32]? ☐ YES ☐ NO

Comments:

c. Did the contractor not submit Individual Subcontracting Reports (ISR) and/or Summary Subcontract Reports (SSRs) in an accurate or timely manner? See Part II, Exhibits II and III.

☐ YES ☐ NO

Comments:

- d. The contractor failed to satisfy one or more requirements of a corrective action plan (CAP) currently in place; however, does show an interest in bringing performance to a satisfactory level and has demonstrated a commitment to apply the necessary resources to do so. A corrective action plan is required. See Part III, Question 2.c.

☐ YES ☐ NO

Comments:

5. Unsatisfactory Justification:

- a. The contractor is noncompliant with FAR 52.219-8 and 52.219-9, and any other small business participation requirements in the contract.

☐ YES ☐ NO

Comments:

- b. The Individual Subcontracting Reports (ISRs) and/or Summary Subcontract Reports (SSRs) are not submitted in an accurate or timely manner. See Part II, Exhibits II and III.

☐ YES ☐ NO

Comments:

- c. The contractor shows little interest in bringing performance to a satisfactory level or is generally uncooperative. A corrective action plan is required.

☐ YES ☐ NO

Comments:

PART VI –Summary**1. Program Rating:**

Exceptional

2. Deficiencies:

None

3. Recommendations:

LM utilizes a “bottoms up” forecasting process from all the Business Areas, business development, procurement, material planning and finance. [REDACTED]

[REDACTED] The DCMA analyst has reviewed their basis for establishing goals described in their CSP plans and entered into numerous discussions to determine any variations from the procedures because their forecast seems to not be at par with their goal achievement. DCMA recommendation is for LM to investigate the root cause associated with their gaps and implement measures to prevent future forecasts to come below their capability.

4. Additional Remarks:

[REDACTED] . However, LM agreed to modify their procedures to clarify this requirement to ensure buyers do provide required notice, if applicable.

5. Methodology for selection of contracts reviewed.

This review was based on NA contracts with small business subcontracting plans out of a total population of NA contracts with small business subcontracting plans for the review period. Exhibit III.

This review was based on 19 subcontracts with large businesses over \$650,000/\$700,000, as applicable, out of a total population of 61 subcontracts with large businesses over \$650,000/\$700,000, as applicable, for the review period. Exhibit I Part 1.

This review was based on 19 subcontracts over \$150,000 out of a total population of 77 subcontracts over \$150,000 for the review period. Exhibit I Part 2.

The review was based on 22 subcontracts out of a total population of 74 subcontracts for the review period. Exhibit I Part 3.

The subcontracts were randomly selected. If a sampling methodology other than random was used state how the sample was selected.

The population number above applies to LM MST only as it was the selected review site.

6. Exit Interview Participants:**Government:**

1. Luz M. Vasquez
2. Michele Vaughn
- 3.

Contractor:

1. Suzanne Rehab
2. Amy Gowder/Phil Goslin
3. Burt Ford/ Associate General Counsel/Supplier Diversity Team

7. DCMA Small Business Professional Signature:

VASQUEZ.LUZ.MARIA.1182397349

Digitally signed by VASQUEZ.LUZ.MARIA.1182397349
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DCMA,
cn=VASQUEZ.LUZ.MARIA.1182397349
Date: 2016.04.12 11:33:23 -05'00'

8. DCMA Small Business Center Supervisor Signature:

EVELYN-
BELLAMY.TATIA.M.1228577665

Digitally signed by EVELYN-BELLAMY.TATIA.M.1228577665
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DCMA, cn=EVELYN-
BELLAMY.TATIA.M.1228577665
Date: 2016 05 04 23:35:03 -04'00'

SUMMARY SUBCONTRACT REPORT

Type of Plan: DoD comprehensive

DUNS #: 834951691

Corporation, Company or Subdivision Covered:

Vendor Name: Lockheed Martin Corporation

Vendor Physical Address: 6801 Rockledge Drive
Bethesda, Maryland 20817

Vendor Mailing Address: 6801 Rockledge Dr.
Bethesda, Maryland 20817

Date Submitted: April 29, 2014

Contact Information: Nancy Deskins

Reporting Period: Oct 1 - Mar 31

Year: 2014

Agency to which the report is being submitted:	COMPREHENSIVE SUBCONTRACT PROGRAM DIVISION (CSP)
--	--

Report Submitted As: both

Contractor's Major Products or Service Lines:

Product or Service #1: Advanced Technology Systems Integrator

Product or Service #2: Information Technology

LMC0000946

MSJ002249

SUBCONTRACTING DOLLARS FOR DEPARTMENT OF DEFENSE

	Whole Dollars	Percent
1a. SMALL BUSINESS CONCERNS	(b) (4)	
1b. LARGE BUSINESS CONCERNS		
1c. TOTAL		
	Whole Dollars	Percent
2. SMALL DISADVANTAGED BUSINESS (SDB) CONCERNS	(b) (4)	
3. WOMEN-OWNED SMALL BUSINESS (WOSB) CONCERNS		
4. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) AND MINORITY INSTITUTIONS (MI)		
5. HUBZone SMALL BUSINESS (HUBZone SB) CONCERNS		
6. VETERAN-OWNED SMALL BUSINESS CONCERNS		
7. SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONCERNS		
8. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT HAVE NOT BEEN CERTIFIED BY THE SMALL BUSINESS ADMINISTRATION AS SMALL DISADVANTAGED BUSINESSES		
9. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT ARE NOT SMALL BUSINESSES		

Remarks:

(b) (4)

[REDACTED]

Contractors Official Who Administers Subcontracting Program:

Name: Nancy H. Deskins
 Title: Director, Supplier Diversity
 Phone Number: (b) (6)

Certification: Yes

Chief Executive Officer(CEO):

Name: Marillyn A. Hewson

Title: CEO & President

Date: April 30, 2014

CEO Approval: Yes

Please enter the email address of the Government employee(s) and/or other person(s) to be notified that you have submitted this report.:

(b) (6)

(b) (6)

SUBCONTRACTING DOLLARS FOR MILITARY SERVICES AND OTHER DEFENSE AGENCIES (Optional)

: Agency: **DEFENSE ADVANCED RESEARCH PROJECTS AGENCY (DARPA) (97AE)**
 Agency: **DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA) (9763)**
 Agency: **DEFENSE INFORMATION SYSTEMS AGENCY (DISA) (97AK)**
 Agency: **DEFENSE LOGISTICS AGENCY (97AS)**
 Agency: **DEFENSE MEDIA ACTIVITY (DMA) (97F1)**
 Agency: **DEFENSE THREAT REDUCTION AGENCY (DTRA) (9761)**
 Agency: **MISSILE DEFENSE AGENCY (MDA) (97JC)**
 Agency: **NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY (NGA) (97AB)**
 Agency: **DEPT OF THE ARMY (2100)**
 Agency: **DEPT OF THE NAVY (1700)**
 Agency: **DEPT OF THE AIR FORCE (5700)**
 Agency: **U.S. SPECIAL OPERATIONS COMMAND (USSOCOM) (97ZS)**

SUBCONTRACTING DOLLARS FOR PROGRAMS (Optional)

: Program Name: **Aegis BMD AWS MDA**
 Program Name: **Aegis BMD AWS Navy**
 Program Name: **AEHF Advance Extra High Frequenc**
 Program Name: **C2BMC Command Control Battle Mgm**
 Program Name: **C-130J Hercules Aircraft Air For**
 Program Name: **C-130J Hercules Aircraft Navy**
 Program Name: **DESPII Design Engineering Suppor**
 Program Name: **F2AST Future Flexible Acquisitio**
 Program Name: **F22 Raptor Aircraft**
 Program Name: **F35 Joint Strike Fighter**
 Program Name: **FAST Flexible Acq Sustainment To**
 Program Name: **GPS Global Positioning System**
 Program Name: **H-60 R&S**
 Program Name: **JAGM Joint Air to Ground Missile**
 Program Name: **JASSM Joint Air to Surface Stand**
 Program Name: **SBIRS Spaced Based Intrared Syst**
 Program Name: **Targets and Countermeasures**
 Program Name: **THADD Terminal High Altitude Are**

SUPPLEMENTAL DOCUMENTATION

Documents: Additional Document: File Name: 2QGFY2014 Milestone SummaryV2.xlsx
 Document Description: **Milestone Summary**
 Additional Document: File Name: ACAT 1 Program GFY2014 Updated 04012014.xlsx
 Document Description: **ACAT-1 Program Summary**
 Additional Document: File Name: MDA Additional Contracts GFY2014 SemiAnnual pam 04252014.xlsx
 Document Description: **MDA Additional Contracts**
 Additional Document: File Name: DoD RC-Mar2014.pptx
 Document Description: **DoD Report Card**
 Additional Document: File Name: ECAT Report GFY2014 SemiAnnual pm 04242014.xlsx
 Document Description: **ECAT Report**
 Additional Document: File Name: Corporate DoD Report GFY2014 SemiAnnual pam 04252014.xlsx
 Document Description: **DoD SSR Report**
 Additional Document: File Name: ACAT 1 Detail Report GFY2014 SemiAnnual pam 04252014.xlsx
 Document Description: **ACAT-1 Detail Report**
 Additional Document: File Name: Military Report GFY2014 Semiannual pam 04252014.xlsx
 Document Description: **Military Report**

CEO Signature: _____

LMC0000949

MSJ002252

SUMMARY SUBCONTRACT REPORT

Type of Plan: DoD comprehensive

DUNS #: 834951691

Corporation, Company or Subdivision Covered:

Vendor Name: Lockheed Martin Corporation

Vendor Physical Address: 6801 Rockledge Drive
Bethesda, Maryland 20817

Vendor Mailing Address: 6801 Rockledge Dr.
Bethesda, Maryland 20817

Date Submitted: October 30, 2013

Contact Information: Nancy Deskins

Reporting Period: Oct 1 - Sept 30

Year: 2013

Agency to which the report is being submitted:	COMPREHENSIVE SUBCONTRACT PROGRAM DIVISION (CSP)
--	--

Report Submitted As: both

Contractor's Major Products or Service Lines:

Product or Service #1: Advanced Technology Systems Integrator

Product or Service #2: Information Technology

LMC0000950

MSJ002253

SUBCONTRACTING DOLLARS FOR DEPARTMENT OF DEFENSE

	Whole Dollars	Percent
1a. SMALL BUSINESS CONCERNS	(b) (4)	
1b. LARGE BUSINESS CONCERNS		
1c. TOTAL		

	Whole Dollars	Percent
2. SMALL DISADVANTAGED BUSINESS (SDB) CONCERNS	(b) (4)	
3. WOMEN-OWNED SMALL BUSINESS (WOSB) CONCERNS		
4. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) AND MINORITY INSTITUTIONS (MI)		
5. HUBZone SMALL BUSINESS (HUBZone SB) CONCERNS		
6. VETERAN-OWNED SMALL BUSINESS CONCERNS		
7. SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONCERNS		
8. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT HAVE NOT BEEN CERTIFIED BY THE SMALL BUSINESS ADMINISTRATION AS SMALL DISADVANTAGED BUSINESSES		
9. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT ARE NOT SMALL BUSINESSES		

Remarks:

(b) (4)

Contractors Official Who Administers Subcontracting Program:

Name: Nancy H. Deskins
 Title: Director, Supplier Diversity
 Phone Number: (b) (6)

Certification: Yes

Chief Executive Officer(CEO):

Name: Marillyn A. Hewson

Title: CEO & President

Date: October 30, 2013

CEO Approval: Yes

Please enter the email address of the Government employee(s) and/or other person(s) to be notified that you have submitted this report.:

(b) (6)

(b) (6)

SUBCONTRACTING DOLLARS FOR MILITARY SERVICES AND OTHER DEFENSE AGENCIES (Optional)

: Agency: **DEPT OF THE ARMY (2100)**
 Agency: **DEPT OF THE NAVY (1700)**
 Agency: **DEPT OF THE AIR FORCE (5700)**
 Agency: **MISSILE DEFENSE AGENCY (MDA) (97JC)**
 Agency: **U.S. SPECIAL OPERATIONS COMMAND (USSOCOM) (97ZS)**
 Agency: **DEFENSE ADVANCED RESEARCH PROJECTS AGENCY (DARPA) (97AE)**
 Agency: **DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA) (9763)**
 Agency: **DEFENSE INFORMATION SYSTEMS AGENCY (DISA) (97AK)**
 Agency: **DEFENSE LOGISTICS AGENCY (97AS)**
 Agency: **DEFENSE MEDIA ACTIVITY (DMA) (97F1)**
 Agency: **DEFENSE THREAT REDUCTION AGENCY (DTRA) (9761)**
 Agency: **NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY (NGA) (97AB)**

SUBCONTRACTING DOLLARS FOR PROGRAMS (Optional)

: Program Name: **GPS**
 Program Name: **JASSM**
 Program Name: **SBIRS**
 Program Name: **C130J - Air Force**
 Program Name: **C130J - Navy**
 Program Name: **F-22**
 Program Name: **FAST**
 Program Name: **AEHF**
 Program Name: **DESPII**
 Program Name: **F2AST**
 Program Name: **JAGM**
 Program Name: **THADD**
 Program Name: **Aegis BMD MDA**
 Program Name: **Targets & Countermeasures**
 Program Name: **Standard Missile 3 Block IIB**
 Program Name: **C2BMC**
 Program Name: **H-60 R&S**
 Program Name: **Aegis BMD Navy**
 Program Name: **F-35 JSF**

SUPPLEMENTAL DOCUMENTATION

Documents: Additional Document: File Name: 11LM_GFY4Q2013 Milestone Summary1.xlsx
Document Description: **Milestone Summary**
Additional Document: File Name: ACAT 1 Program GFY2014 Updated 09092013.xlsx
Document Description: **ACAT-1 Program Summary**
Additional Document: File Name: MDA Additional Contracts GFY2013 Final pam 10292013.xlsx
Document Description: **MDA Additional Contracts**
Additional Document: File Name: DoD RC-Sep2013.pptx
Document Description: **DoD Report Card**
Additional Document: File Name: ECAT Report GFY2013 pm 10242013.xlsx
Document Description: **ECAT Report**
Additional Document: File Name: Corporate DoD Sept 2013.xls
Document Description: **DoD SSR Report**
Additional Document: File Name: ACAT 1 Detail Report GFY2013 pm 10292013.xlsx
Document Description: **ACAT-1 Detail Report**
Additional Document: File Name: Military Report GFY2013 pm 10292013.xlsx
Document Description: **Military Report**

CEO Signature: _____

LMC0000953

MSJ002256

SUMMARY SUBCONTRACT REPORT

Type of Plan: DoD comprehensive

DUNS #: 834951691

Corporation, Company or Subdivision Covered:

Vendor Name: Lockheed Martin Corporation

Vendor Physical Address: 6801 Rockledge Drive
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Vendor Mailing Address: 6801 Rockledge Dr.
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Contact Information: Nancy Deskins

Reporting Period: Oct 1 - Mar 31

Year: 2013

Agency to which the report is being
submitted:

COMPREHENSIVE SUBCONTRACT PROGRAM DIVISION
(CSP)

Report Submitted As: both

Contractor's Major Products or Service Lines:

Product or Service #1: Advanced Technology Systems Integrator

Product or Service #2: Information Technology

LMC0000954

MSJ002257

SUBCONTRACTING DOLLARS FOR DEPARTMENT OF DEFENSE

	Whole Dollars	Percent
1a. SMALL BUSINESS CONCERNS	(b) (4)	
1b. LARGE BUSINESS CONCERNS		
1c. TOTAL		

	Whole Dollars	Percent
2. SMALL DISADVANTAGED BUSINESS (SDB) CONCERNS	(b) (4)	
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9. ALASKA NATIVE CORPORATIONS (ANCs) AND INDIAN TRIBES THAT ARE NOT SMALL BUSINESSES		

Remarks:

(b) (4)

Contractors Official Who Administers Subcontracting Program:

Name: Nancy H. Deskins
 Title: Director, Supplier Diversity
 Phone Number: (b) (6)

Certification: Yes

Chief Executive Officer(CEO):

Name: Marillyn A. Hewson

Title: CEO & President

Date: April 30, 2013

CEO Approval: Yes

Please enter the email address of the Government employee(s) and/or other person(s) to be notified that you have submitted this report.:

(b) (6)

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 Agency: **DEPT OF THE AIR FORCE (5700)**
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 Agency: **DEFENSE THREAT REDUCTION AGENCY (DTRA) (9761)**
 Agency: **NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY (NGA) (97AB)**

SUBCONTRACTING DOLLARS FOR PROGRAMS (Optional)

: Program Name: **GPS - Global Positioning System**
 Program Name: **JASSM - Joint Air-to-Surface Sta**
 Program Name: **SBIRS - Spaced Based Infrared Sy**
 Program Name: **C-130J (Hercules Aircraft) - Air**
 Program Name: **C-130J (Hercules Aircraft) - Nav**
 Program Name: **F-22 (Raptor Aircraft)**
 Program Name: **FAST - Flexible Acq. Sustainment**
 Program Name: **AEHF - Advance Extra High Freque**
 Program Name: **DESPII - Design Engineering Supp**
 Program Name: **F2AST - Future Flexible Acquisit**
 Program Name: **JAGM - Joint Air-to-Ground Missi**
 Program Name: **THAAD - Terminal High Altitude A**
 Program Name: **AEGIS BMD AWS (Aegis Ballistic M**
 Program Name: **Targets and Countermeasures**
 Program Name: **Standard Missile-3 Block IIB (NG**
 Program Name: **C2BMC - Command, Control, Battle**
 Program Name: **H-60 R&S (Multi Mission Helo-H-6**
 Program Name: **AEGIS BMD AWS (Ballistic Missile**
 Program Name: **F-35 JSF - Joint Strike Fighter**

SUPPLEMENTAL DOCUMENTATION

Documents: Additional Document: File Name: ACAT 1 Program Sum GFY13.xlsx
Document Description: **ACAT-1 Program Summary**
Additional Document: File Name: LM GFY2Q2013 Milestone Summary.xlsx
Document Description: **Milestone Summary**
Additional Document: File Name: Corporate DoD Mar 2013.xls
Document Description: **DoD SSR Report**
Additional Document: File Name: ECAT Report MAR-GFY2013 pm 04232013.xlsx
Document Description: **ECAT Report**
Additional Document: File Name: MDA-Additional Contracts GFY2013 pm 04232013.xlsx
Document
Description: **MDA Additional Contracts**
Additional Document: File Name: Military Report Mar GFY2013.xlsx
Document Description: **Military Report**
Additional Document: File Name: DoD RC-Mar2013.pptx
Document Description: **DoD Report Card**

CEO Signature: _____

LMC0000957

MSJ002260



LOCKHEED MARTIN

**Lockheed Martin Corporation
GFY 2014 Comprehensive Small Business Subcontracting Plan**

**For Utilization of Small, Small Disadvantaged,
Women-Owned, Historically Underutilized, Veteran, and Service Disabled
Veteran-Owned Small Businesses
on Department of Defense Contracts**

The effective date of this plan is:

October 1, 2013 through September 30, 2014

This plan is prepared in accordance with Section 834 of Public Law 101-189 and is pursuant to Federal Acquisition Regulation (FAR) Subpart 19.7 and FAR 52.219-9, Defense Federal Acquisition Regulation Supplement (DFARS) 252.219-7004 and is applicable to all Department of Defense prime contract and subcontracts entered into by all Lockheed Martin operating companies.

Lockheed Martin Corporation

Comprehensive Subcontracting Plan Administrator:

(b) (6)

Nancy H. Deskins Revision: October 23, 2013
Director, Category Management & Supplier Diversity
Lockheed Martin Corporation
3 Executive Campus, Suite 6SE
Cherry Hill, NJ 08002

Lockheed Martin Executive Sponsor

(b) (6)

Dan Pleshko Revision: October 23, 2013
Vice President, Global Supply Chain Operations

The signature of the following authorized cognizant Government representative evidences approval of this Comprehensive Subcontracting Plan.

(b) (6)

Veronica Smith
Deputy Director, Small Business Office
Defense Contract Management Agency

Date:

Oct 24, 2013

(b) (6)

Margarette Trimble-Williams
Acting Director, Small Business Office
Defense Contract Management Agency

Date:

Oct 24, 2013

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EXHIBITS

Exhibit 1	Executive Supplier Diversity Commitment Letter for GFY 2013
Exhibit 2	Corporate Reporting Chain
Exhibit 3	Supplier Diversity Network/Organization Listing
Exhibit 4	Corporate Historical Subcontracting Performance
Exhibit 5	Corporate Supplier Diversity Program Procedures (LMAP 12.450 and OPM-002)
Exhibit 6	GFY 2014 Subcontracting Projections by Business Area (Department of Defense Only)
Exhibit 7	GFY 2014 Products and Services Forecast by NAICs Codes
Exhibit 8	(b) (4)
Exhibit 9	SDB and SDVOSB Suppliers Grown to Large Business

Lockheed Martin Corporation
Comprehensive Small Business Subcontracting Plan
GFY 2014

1. INTRODUCTION

Lockheed Martin Corporation is pleased to be a corporate-wide participant in the Department of Defense (DOD) Comprehensive Subcontracting Plan Test Program. In accordance with program requirements, the subcontracting goals and objectives outlined herein represent the performance expectation and strategies for utilizing small business (SB), small disadvantaged business (SDB), women-owned small business (WOSB), veteran-owned small business (VOSB), service disabled veteran-owned small business (SDVOSB), and small businesses located in historically underutilized business zones (HUBZones) for the period 1 October 2013 through 30 September 2014. This plan is applicable to all United States based Lockheed Martin operating companies, but does not apply to joint ventures.

The Lockheed Martin executive management team is committed to the successful execution of this plan and supports the U.S. government's policy requiring maximum practicable subcontracting opportunity for small business consistent with the efficient performance of all government contracts. To reinforce that commitment, Chief Executive Officer and President, Marillyn A. Hewson, annually issues a letter of commitment to Supplier Diversity (see Exhibit 1).

Lockheed Martin recommends the goals be accepted by the contracting officer considering the past performance and opportunities per FAR Subpart 19.705-4. The goals are based on the ability of the business areas to expend good faith effort to use small business, SDB, WOSB, VOSB, SDVOSB and HUBZone small business contractors to the maximum extent possible. The recommended goals are in accordance with past performance and the subcontracting opportunities available and commensurate with the efficient and economical performance of DOD contracts. Rationale is included for large business spend, details on business area base, key business challenges by major program and delta changes from prior year goals.

2. OVERVIEW

Company Overview

Lockheed Martin Corporation, headquartered in Bethesda, Maryland, is a global security and aerospace company that employs about 116,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The Corporation reported 2012 sales of \$47.2 billion, with a backlog of \$82.3 billion. Sixty-one percent of the Corporation's sales are to the DOD with the remainder of the sales attributed to civil and foreign governments, commercial and other customers.

Customer	% of 2012 Sales (\$47.2B)
Dept. of Defense	61%
Air Force	24%
Navy/USMC	20%
Army	12%
Other	5%
Civil Government/Homeland Security/Intelligence/Other	22%
International	17%

The Corporation has five core business areas. Each is comprised of one or more operating companies, which are located throughout the United States. Supplier diversity professionals are strategically assigned to support the procurement functions within each business area. The following is a brief description of the core areas of focus/expertise of each business area:

- Aeronautics: Fort Worth, Texas – World leader in air power projection, including combat, air mobility, special mission/reconnaissance aircraft and design and development of advanced systems.
- Information Systems & Global Solutions (IS&GS): Gaithersburg, Maryland – Leading federal services and information technology contractor with a strong heritage of delivering world-class solutions and advanced technology across a broad spectrum of domains.
- Missiles and Fire Control (MFC): Dallas, Texas – Recognized designer, developer and manufacturer of precision engagement aerospace and defense systems for the U.S. and allied militaries.
- Mission Systems and Training (MST): Washington, DC – Recognized provider of surface, air and undersea applications on more than 460 programs for U.S. military and international customers.
- Space Systems: Denver, Colorado – World's leading system integrator of space products and services for military, civil and commercial application.

Supplier Diversity Program Objectives

The objectives of the Lockheed Martin Supplier Diversity Program are to: 1) ensure that small businesses of all types are afforded the maximum practicable opportunity to participate in the Corporation's subcontracting process; and 2) provide Lockheed Martin personnel involved in the acquisition of materials and services adequate tools and training to enhance their ability to meet the Company's supplier diversity goals and objectives.

Management Commitment

Lockheed Martin Corporation senior management recognizes that small business concerns are a critical national resource and are essential to the ability to successfully deliver products and services (see Corporate Reporting Chain in Exhibit 2). Performance to the goals and objectives will be reviewed during executive performance reviews conducted periodically throughout the calendar year.

Corporate: The Senior Vice President Engineering and Technology and Chief Technology Officer reports to the Chief Executive Officer and President. The Senior Vice President of Supply Chain reports to the Senior Vice President Engineering and Technology and Chief Technology Officer. The Vice President of Global Supply Chain Operations (GSCO) reports to the Senior Vice President of Supply Chain and is responsible for the Supplier Diversity organization. In this capacity, he is responsible for ensuring that the Corporation's policies and business practices do not adversely impact the ability of small business to participate in Lockheed Martin's subcontracting process.

The Company employs a Corporate Director of Category Management & Supplier Diversity to manage the operational activities of the program and to maintain appropriate strategic focus on supplier diversity initiatives. This leader reports directly to the Vice President of GSCO, provides direction to the Corporation's supplier diversity team and is the administrator of this plan. The Senior Manager, Supplier Diversity, reports directly to the Corporate Director of Category Management & Supplier Diversity and assists with the management, operation activities and strategic focus on supplier diversity initiatives.

Business Area: The senior sourcing executive of each business area is required to designate a manager of supplier diversity. These individuals are responsible for managing the supplier diversity-related activity of their respective businesses. They are also responsible for ensuring that all subcontracting goals for their business areas are met and that emphasis is placed on developing small business concerns in each of the designated industry and special initiative categories. Each business area designates Small Business Liaison Officers (SBLO) to serve as the primary point of contact for small businesses and corporate personnel, and provide additional site and program support as required. These individuals are also responsible for generating performance reports and managing outreach activities. Subcontracting forecasts, mentor-protégé selection and program management, special initiatives and supplier

interaction all originate at this level. The Supplier Diversity Network/Organization Listing is shown in Exhibit 3.

Past Performance, Awards & Recognition

The Corporation's DOD subcontracting performance since entering the Comprehensive Subcontracting Plan Test Program is shown in Exhibit 4. Past performance by business area is also included.

Lockheed Martin Corporation has a history of national, state and local award recognitions for its supplier diversity program performance and regularly promotes and nominates key suppliers for recognition. The awards received through August 1, 2013 are included below:

Employee Recognition

- Top 50 Women Leaders in Corporate Supplier Diversity; Women's Enterprise USA, Nancy Deskins, Emma Stevens
- Top 75 Leading Men in Corporate Supplier Diversity; Minority Business Network (MBN) USA, Mark Miller
- Top 25 Women in Power Impacting Diversity Award; DiversityPlus Magazine, Nancy Deskins
- America's Top Diversity Champions; DiversityBusiness.com, Robyn Snyder
- Ambassador Award; Georgia Mentor Protégé Connection Program, Vanessa Bull

Programs Recognition

- Orion Program 2012 Rigel Award to SEAKR Engineering (SB); Lockheed Martin Space Systems
- Lockheed Martin Aeronautics' Small Business Supplier of the Year Award; Co-Operative Industries Defense
- Certificate of Appreciation to Aeronautics in support of Cross Timbers Procurement Center; University of Texas, Arlington

Company Recognitions

- Best of the Best – Top Diversity Employers and Supplier Diversity Programs; Black EOE Journal
- 2013 Best Diversity/Supplier Diversity Company; Diversity/Careers in Engineering & Information Technology
- Dwight D. Eisenhower Award for Excellence – Manufacturing category; Small Business Administration (SBA)
- Top Supplier Diversity Programs; Hispanic Network Magazine
- 2013 WE USA 100 Corporations of the Year
- 2013 Corporate 101 of extraordinary Corporations of the Year; MBN USA
- Champions of Veteran Enterprise for SDVOSB; National Veteran Small Business Coalition (NVSBC)

- Best 10 Corporations for Veteran-Owned Businesses; National Veteran-Owned Business Association (NaVOBA)
- Div50 - America's Top Corporation for Multicultural Business Opportunities; DiversityBusiness.Com
- Top Veteran-Friendly Companies/Top Supplier Diversity Program; U.S Veterans Magazine
- Large Business Prime Contractor of the Year; NASA

3. CORPORATE POLICY

Lockheed Martin has established corporate policy statement CPS-113: Acquisition of Goods and Services addressing its key business processes and initiatives including Supplier Diversity shown in Exhibit 5. The policy statement is issued under the authority of the Executive Office and establishes standards of execution for the entire Corporation.

Lockheed Martin has further established Supplier Diversity Procedure OPM-002. The procedure describes the methodology for forecasting and establishing Supplier Diversity goals and identifies measures for monitoring and addressing deficiencies in performance to these goals.

4. CORPORATE-WIDE GOALS

Lockheed Martin is committed at the corporate level to achieving goals outlined in this plan. The following goals have been established for GFY 2014.

LMC			
DoD Subcontracting GFY 2014 Goals			
	Dollars		Percent
Small	\$2,788,690,013		18.5%
Large	\$12,285,310,059		81.5%
Total	\$15,074,000,072		100.0%
SDB	\$542,664,003		3.6%
WOSB	\$602,960,003		4.0%
HUBZone	\$165,814,001		1.1%
VOSB	\$422,072,002		2.8%
SDVOSB	\$150,740,001		1.0%

Overview

Lockheed Martin and the defense industry continue to be faced with a challenging economic environment and Lockheed Martin is working closely with its customers to understand how sequestration will impact its programs. Sequestration went into effect on March 1, late in the second quarter of GFY 2013. Lockheed Martin is beginning to receive program notifications as Government offices evaluate and make decisions to eliminate, reduce or delay programs in order to meet budget challenges.

This document contains trade secrets and commercial or financial information that is privileged or confidential. The disclosure of such information is prohibited under the Freedom of Information Act (5 USC SEC 552) and other statutes prohibiting disclosure (e.g. 18 USC SEC 1905).

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The table below depicts Lockheed Martin base distribution by business area:

LM DOD Subcontracting GFY 2014 Base By Business Area		
	Dollars	Percent
Aeronautics	(b) (4)	(b) (4)
Information Systems & Global Solutions	(b) (4)	(b) (4)
Missiles and Fire Control	(b) (4)	(b) (4)
Mission Systems and Training	(b) (4)	(b) (4)
Space Systems	(b) (4)	(b) (4)
Total LM Projection	(b) (4)	(b) (4)

(b) (4)

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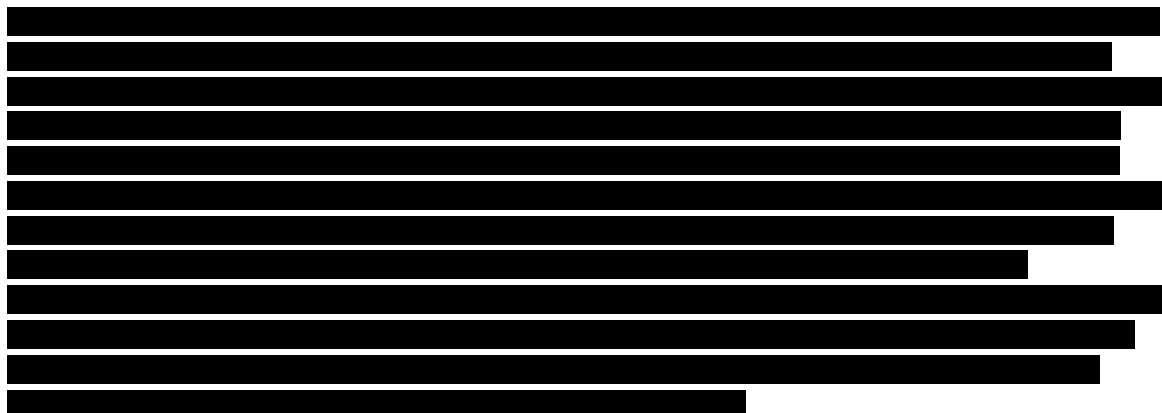
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Basis for Establishing Goals

Lockheed Martin Corporation requires its business areas to develop annual DOD, other federal government agency and commercial business subcontracting forecasts. The forecasts are reviewed with the vice presidents of the GSCO business area organizations and challenging goals are established by anticipated program spend and opportunities for the fiscal year (see GFY 2014 Subcontracting Projections by Business Area shown in Exhibit 6) and a final review of all forecasts is conducted with the Corporate Senior Vice President of Supply Chain and Corporate Vice President of GSCO. The performance and accomplishments toward goals achievement are tracked in the executive performance reviews on a quarterly basis. Business areas report on goals, achievements and progress on a monthly basis to their respective GSCO vice presidents.

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(b) (4)

Business Area Subcontracting Goals Justification

Aeronautics

Aeronautics is known for building the finest military aircraft in the world. Aeronautics products play an important role in the defense of the United States and more than 65 other countries, ensuring peace and stability around the world in today's complex global security climate.

(b) (4)

The table below lists the program estimated dollars fenced to large businesses. (b) (4)

(See next page for Aeronautics Summary of Fenced Large Business by Program)

Aeronautics Summary of Fenced Large Business by Program	
(b) (4)	
Program	Estimated Fenced Large Business GFY 2014
(b) (4)	
TOTAL:	(b) (4)

(b) (4)

-
- A horizontal bar chart titled 'U.S. should take action to address climate change' showing the percentage of respondents who believe the U.S. should take action to address climate change. The chart is broken down by age group (18-29, 30-49, 50-69, 70+) and gender (Male, Female). The y-axis lists the demographic groups, and the x-axis shows the percentage from 0 to 100. The bars are black, and the chart includes a legend for gender.
- | Age Group | Gender | Percentage |
|-----------|--------|------------|
| 18-29 | Male | 95% |
| | Female | 85% |
| 30-49 | Male | 98% |
| | Female | 75% |
| 50-69 | Male | 92% |
| | Female | 95% |
| 70+ | Male | 100% |
| | Female | 68% |
| Total | Male | 93% |
| | Female | 85% |

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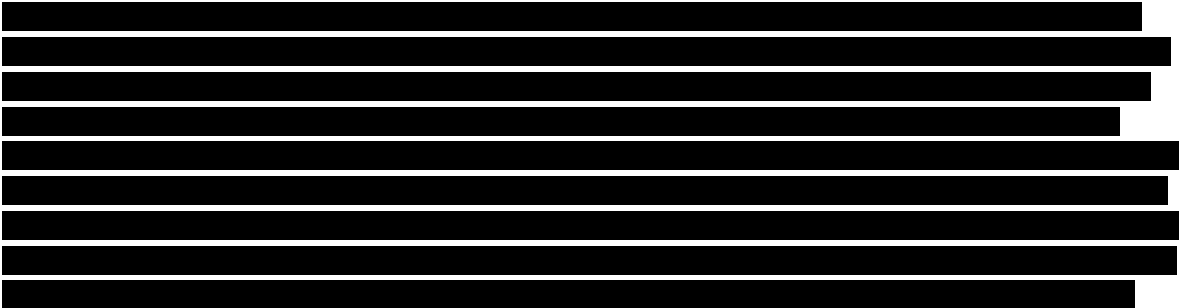
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Information Systems & Global Solutions (IS&GS)

Information Systems & Global Solutions (IS&GS) is a leading federal services and Information Technology contractor with a strong heritage delivering world-class solutions and advanced technology across a broad spectrum of domains.

(b) (4)



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Missiles and Fire Control

The Missiles and Fire Control (MFC) GFY 2014 forecast is generated from a detailed, bottoms-up process with aggressive goals to assure the most realistic and stretch procurements in each of the supplier categories. A review is conducted with individual line of business directors. The review includes total program commitments and an evaluation by business class for inclusion of maximum small business participation, with a final review and concurrence of the MFC vice president of Global Supply Chain.

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Age Group	Percentage of Respondents
18-29	90%
30-49	88%
50-69	85%
70+	75%

Age Group	Percentage of Respondents
18-29	90%
30-49	88%
50-64	85%
65-74	82%
75 and older	78%

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