



# DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



## Procurement Technical Assistance Program

APTAC Fall 2012 Training Conference  
Briefing for New Program Managers

Washington, D.C.  
November 5, 2012

WARFIGHTER SUPPORT

STEWARDSHIP EXCELLENCE

WORKFORCE DEVELOPMENT



# Your Role as Program Manager

- This briefing highlights only a portion of the topics pertaining to the SCAA and to the PTA Program
- You, as the Program Manager, are responsible for understanding, implementing, and complying with the requirements of the SCAA and other applicable regulations (Section I, Paragraph C.)
- If you have any questions, please call or email us. We are here to assist you and want to ensure that your program is successful.



# Authority

Chapter 142 of Title 10, United States Code (USC), authorizes the Secretary of Defense, acting through the Director of DLA, to enter into cost sharing cooperative agreements with eligible entities.



# DLA's Role

- Responsibility for execution of the PTAP has been delegated to DLA.
- Within DLA, the Director of the Office of Small Business Programs is responsible for PTAP management.
- DLA Grants Officers are responsible for solicitation, application evaluation and award of cooperative agreements to carryout the PTAP.



# Eligible Entities

- States
- Local Governments
- Private, nonprofit organizations
- Tribal organizations
- Indian-owned economic enterprises



# Purpose

To generate employment and to improve the general economy of a locality by assisting **all** business firms in obtaining and performing under Federal, state and local government contracts.



# Assisting all businesses

- Meaning existing businesses of any size, large and small – not “new” businesses
- Client businesses should be established with products that are ready to go to market – e.g. ready to pursue Federal, State and Local Government contracts
- Businesses Development, new businesses should be referred to the Small Business Development Centers



# Program Focus

Assist all businesses in government contracting

- Concerted effort to provide outreach to:
  - Small businesses
  - Small disadvantaged businesses
  - Women-owned small businesses
  - Historically underutilized business zone small businesses (HUBZones)
  - Veteran-Owned small businesses (including service disabled veteran-owned small businesses)

***NOT A SMALL BUSINESS EXCLUSIVE PROGRAM !***



# Services

## **Procurement Technical Assistance Center (PTAC) Services include - NOT limited to - the following:**

- Helping clients understand Government contracting procedures and requirements
- Identifying marketing opportunities
- Bid matching services
- Assisting and advising clients about pre-award and post-award functions



# Training

**PTACs train clients in areas such as:**

- Federal contracting regulations
- Required registrations such as SAM
- Subcontracting opportunities
- Accounting procedures



# Funding

- **Third party in-kind contributions**
  - Acceptable only if it would have been included as direct cost if not donated
  - Not accepted
    - Activities normally performed in course of business
    - Available to PTAC or business free of charge
    - “Discounts”
- **Program income**
  - Earned as a result of the program (e.g. sponsored events - if a fee was charged)
  - SPEND Program Income first!
  - Disburse before requesting federal payments



# Personnel

- **Program Manager**
  - Full-time (i.e. must devote 100% of time to the program)
  - Government contracting knowledge and experience
  - Notify within 2 business days of position becoming vacant
  - Approved in advance in writing by AGO, in consultation with Grants Officer, prior to assuming position



## Personnel (continued)

- Staff
  - All personnel being charged to the program must directly contribute to the operation and mission of providing PTA to clients
- Vacant positions
  - Filled promptly
  - Will be considered in performance assessment



## Personnel (continued)

- **Code of professional conduct**
  - Shall not use their PTAC positions for personal gain
  - No verbal or written implication that organization, program or employees are part of DoD or DLA
- **Personnel positions not in budget and added after award**
  - Requires AGO's prior approval
- **Limitations on consultant services**
  - Limited to 10% of Total Program Cost
  - Consultant services defined in Section II of SCAA



# Program Execution

- Website
- Email address not tied to a specific person
- Do not use DLA and/or DoD logo on PTAC materials



# Program Execution (continued)

- Service Area
  - Must be listed on Website (e.g., list of counties)
  - Servicing clients outside service area should be the exception, not the norm
- Services provided by PTAC
  - May not market on behalf of clients
  - Must be specifically related to government procurement
  - No general business training or small business development counseling
  - Consult Grants Officer if question regarding acceptability of service or training



# Performance Reporting

- **Probationary status**
  - Any time that performance is determined to be less than satisfactory
  - At time of award or any time during performance period
- **Reporting contract and subcontract awards**
  - Active clients only
  - Dollars actually obligated on an award document
  - May not report maximum or estimated value
- **Counseling sessions**
  - Live and direct interaction between PTAC and clients



# Performance Reporting (continued)

- Quarterly report submission – two parts
  - DLA Form 1806
  - Provide copy to GO, AGO and [PTAP@dla.mil](mailto:PTAP@dla.mil)
  - Narrative – 9 items to address
    1. **Goals less than 80%**
    2. **Difficulties and progress in achieving program objectives and meeting implementation plan milestones**
    3. **Training completed – PTAC personnel**
    4. **Success stories**
    5. **Vacant positions**
    6. **Significant budget changes**
    7. **Issues regarding previously committed cost matching funds**
    8. **Adjustments to DLA Form 1806**
    9. **Program income**



# Developing Your Budget

- No cost should be included in your budget before you have consulted the applicable cost principles to determine its allowability.
- All budget estimates should be developed with and supported by verifiable backup data.
- See SCAA Section IV, paragraph E., for guidance on listing and describing budgeted costs.
- You are required to provide a sufficiently detailed description of every budgeted cost to enable the reviewer to make a determination concerning allowability, allocability, and reasonableness.



# The Cost Principles and Fund Raising

- DoD Grant and Agreement Regulations (DoDGARs)

## §32.27 “Allowable costs” -

*“Allowability of costs shall be determined in accordance with the cost principles applicable to the entity incurring the costs.”*

- Title 2, Code of Federal Regulations (CFR), Part 225 –

*“Costs of organized fund raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable, regardless of the purpose for which the funds will be used.”*

(Also refer to DoDGARs §33.22 or §34.17 and 2CFR220 or 2CFR230, as applicable.)

- It is the Recipient's responsibility to obtain the funds needed to satisfy PTAP cost sharing requirements, which are stipulated in Title 10, United States Code, §2413.
- In accordance with the cost principles, all fund raising costs are expressly unallowable. Fund raising costs may not be billed to the program.



# “STATEWIDE” PROGRAM

- Funding Limitations (10 U.S.C. 2414).
  - \$600,000 Statewide Program
  - \$300,000 Regional Program
- “Statewide coverage” is defined in SCAA Section II
  - Service at least 50 percent of the State’s counties; and
  - 75 percent of the State’s labor force.
- SCAA Section IV requires that your application include documentation verifying statewide coverage, if applicable.



# DISTRESSED AREA FUNDING

- The DoD share of costs is limited to 50%, except in the case that the program is providing services in a “distressed area”, where the DoD share is limited to 75% (10 U.S.C. 2413).
- The term “distressed area” means an area that has –
  - a per capita income of 80% or less than the State average; or
  - an unemployment rate that is 1% greater than the national average for the most recent 24-month period (10 U.S.C. 2411).
- SCAA Section IV requires that your application include documentation verifying distressed service area(s), if applicable.



# Procurement Standards

- The DoDGARs Section titled “*Procurement Standards*” sets forth standards for use by recipients in establishing procedures for the procurement of goods and services with program funds.
- “*All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition (DoDGARs §32.43)*”.
- “*Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action (DoDGARs §32.45)*”.



# Spend to Plan

- The recipient is required to expend funds in accordance with the budget approved at the time of award, subject to adjustments allowed by SCAA Section VII.
- The transfer of costs among direct cost categories in excess of 10 percent of Total Program Cost requires prior approval from the AGO.
- The recipient must document that all expenditures under the program are reasonable and necessary in execution of the program. The recipient's records are subject to audit (SCAA Section VII, G.).



# Costs

- For the purposes of determining allowability, allocability, and reasonableness of costs, no distinction is made between:
  1. Those costs paid for, or to be paid for, by DoD;
  2. Those items included in the recipient's share of cost;  
or
  3. Costs financed by program income, except in the limited circumstances provided by Section IV for food and beverage expenses.
- 1, 2 and 3 above are considered program costs.
- The applicable cost principles apply to all program costs.



# Know your Administrative Grants Officer (AGO)

- Administration of the cooperative Agreement is delegated to the AGO via the Dept. of Defense Grants and Agreement Regulations (DoDGARs) – either Office of Naval Research or Defense Contract Management Agency
- The SF425s, “Federal Financial Report” is submitted to the AGO.
- **Important:** The AGO approves your invoices for payment!



## Know your AGO (continued)

- Assists in conducting performance reviews and obtaining financial audits.
- Regarding administrative issues (for example, payment problems, WAWF issues), the AGO should be contacted first.



# Performance Reviews

- Responsibilities delegated to DCMA and ONR include conducting an annual performance review of assigned PTACs.
- The purpose of the performance review is to evaluate the recipient's performance and compliance with the DoDGARs, the SCAA, and other applicable regulations.
- Section VII, Paragraph C. of the SCAA outlines the areas to be reviewed and evaluated during performance reviews.



# AGO Preapproval Required

- Changes that require the AGO's preapproval include, but are not limited to, the following.
  - Change in Program Manager. (SCAA Sections III, A.1.a. and VII.D.16.)
  - Addition of personnel working less than 100% (SCAA Section VII, A.6 and D.17)
  - Increase in contributions of part time personnel (SCAA Section VII, A.6 and D.17)
  - Transfer of funds among direct cost categories in excess of 10% of the budget (SCAA Section VII, A.7)
  - Substitution of some cost sharing contributions (SCAA Section VII, A.14 and D.18)



# Important Reporting Requirement

- **Reporting Pursuant to P.L.109-282 The Federal Funding Accountability and Transparency Act (Transparency Act)**
  - Reference SCAA Section IX, paragraph P.
- In accordance with the Federal Funding Accountability and Transparency Act (FFATA or Transparency Act), prime awardees of individual Federal grants that are equal to or greater than \$25,000 are required to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more.

## **More information available at:**

- [www.fsrs.gov](http://www.fsrs.gov)
- [www.usaspending.gov](http://www.usaspending.gov)



# Key Dates

- DLA Form 1806
  - 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> quarterly reports due 21 days after the end of the quarter; 4<sup>th</sup> quarter report is due 90 days after the end of the quarter.

## SF425- Federal Financial report

- The following reporting period end dates shall be used for interim reports: 3/31, 6/30, 9/30, and 12/31. For the final report, the reporting period end date shall be the end date of the period of performance.
- Reports due 30 days after reporting period end date (exception for final report which is due 90 days after end date)



## Key Dates (continued)

- Option Periods – Letters of intent issued by DLA approximately 180 day prior to expiration of the agreement; applications due approximately 120 days prior to expiration.
- Final invoice due within 90 days



## DLA POINTS OF CONTACT & INFORMATION

**Defense Logistics Agency  
Office of Small Business Programs (DB)  
ATTN: Procurement Technical Assistance Program  
8725 John J. Kingman Road, Room 1127  
Fort Belvoir, VA 22060-6221  
E-mail: [PTAP@dla.mil](mailto:PTAP@dla.mil)  
Fax: (703) 767-1670**

**PTAP Website:  
[www.dla.mil/smallbusiness/pages/scaa.aspx](http://www.dla.mil/smallbusiness/pages/scaa.aspx)**



# DISCUSSION/QUESTIONS

**Please contact us if you have any questions!**

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