



How to Locate Small Business Sources

Good Business Practice and Sub-Contracting Plan Compliance

Searching for new suppliers? Looking for minority vendors? Woman-owned? Veteran-owned? Does your federal grant or similar funding source require giving these vendors an opportunity to participate? Is it possible to achieve better service or better prices from new product and service providers?

It seems simple to turn to the same sources over and over again, but that option might not always be in the best interest of Mississippi State University. Maximizing participation in the procurement process often ensures better products, better prices, and more opportunities for small and disadvantaged vendors.



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Convenience and Compliance

Organizations receiving federal funding for contracts are required by law to offer subcontracting opportunities to businesses in several special classifications: small businesses (SBs), small disadvantaged businesses (SDBs), women-owned small business concerns (WOSBs), historically black colleges and universities (HBCUs), minority institutions (MIs), businesses located in historically underutilized business zones (HUBZones), veteran-owned small businesses, and disabled-veteran businesses. This requirement may apply to contracts (not grants) of \$500,000 or more.

Mississippi State University's Office of Sponsored Programs assists Principal Investigators (PIs) with the preparation of small business plans when the sponsor requires them. Perhaps the most frequently encountered difficulty is the sourcing of qualified firms, but assistance is available if you know where to look.

On campus, the Office of Procurement and Contracts is a great starting place, and there are a number of other options worth exploring online, including:

U.S. Small Business Administration's Pro-Net

The U.S. Small Business Administration's Pro-Net. Pro-Net is an Internet-based database of information on more than 195,000 small, disadvantaged, 8(a), HUBZone, and women-owned businesses. It is free to federal and state government agencies as well as to those seeking small business contractors, subcontractors and/or partnership opportunities. This site links directly to a list of Certified HUBZone businesses. Businesses profiled on the Pro-Net system can be searched by SIC codes, key words, location, quality certifications, business type, ownership race and gender, electronic data interchange (EDI) capability, and more.

The Pro-Net project is a cooperative effort among SBA's offices of Government Contracting, Minority Enterprise Development, Advocacy, Women's Business Ownership, Field Operations, Marketing and Customer Service, the Chief Information Officer, and the National Women's Business Council.

Central Contractor Registration

The Central Contractor Registration is another federal government website that provides a great source of potential vendors. Any vendor that desires to do business with the federal government must register on this site.

To explore vendor possibilities, go to <http://www.ccr.gov/> and on the left side of the page, click on "Search CCR". Click on "NAICS Code Search". Enter a description of the item/service (example: mattress) and click on "2007 NAICS Search". You will find a NAICS for the item in question. (In this case 423210). Go back to the CCR search page and put the code in the box. Check the box next to small business (by NAICS code). Click on the state 'down arrow' and choose Mississippi. Click on "Search" at the bottom of the page. Once you have the list of vendors, you can click on the "Detail" to find more information about the firm.



U.S. Office of Small and Disadvantaged Business Utilization

The federal government's Office of Small and Disadvantaged Business Utilization (SADBU) is another means of locating businesses within these special categories. Many government contracting sites have SADBU representatives who are eager to assist in small business plan preparation and in identifying potential small business sources.

About those contract funds...

Now for a little more information about those contract funds. Many of the sources require subcontracting plans that require certain goals.

The offeror's subcontracting plan shall include the following:

Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use 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 as subcontractors. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.

— In accordance with 43 U.S.C. 1626

Big picture perspective

Keep in mind that a subcontracting plan is not about who will be subcontracted to within a project. It is about who will benefit or share the wealth of the project.

The PI should determine the amount to be spent within the various categories within the budget, which are contractual, commodities and equipment. The PI should determine what services, supplies, and equipment they will need. The government is interested in knowing what small businesses will benefit from the award.

Once the PI has a list of these items and services needed, the PI may need the expertise of MSU's Office of Procurement and Contracts to help categorize the items. For example, which ones may be able to be procured from the various categories of small business, woman-owned, or veteran-owned small business concerns.

One thing to remember and this is stated at the end of the Federal Acquisition Regulation (FAR) 52.219-9, the subplan is a good faith attempt to do business with others. It is not something that is set in stone.

Please note: This information is subject to change. It is provided as a general information resource. Direct specific questions to the Office of Sponsored Programs, (662) 325-7404.

Small Business Source Checklist

- ❑ The Office of Sponsored Programs assists Principal Investigators (PIs) on campus with the preparation of small business plans when a sponsor requires them.
- ❑ The MSU Office of Procurement and Contracts is a great starting place for information about finding qualified firms to subcontract with on your project.
- ❑ The U.S. Small Business Administration's Pro-Net. Pro-Net is an Internet-based database of information on more than 195,000 small, disadvantaged, 8(a), HUBZone, and women-owned businesses — <http://www.sba.gov>
- ❑ The Central Contractor Registration is another federal government website that provides a great source of potential vendors. Any vendor that desires to do business with the federal government must register on this site — <https://www.bpn.gov/ccr>
- ❑ The federal government's Office of Small and Disadvantaged Business Utilization is another way to find businesses within special categories — <http://www.osdbu.gov/offices.html>
- ❑ Keep in mind that a subcontracting plan is not about who will be subcontracted to within a project. It is about who will benefit or share the wealth of the project.
- ❑ A subplan is a good faith attempt to do business with others. It is not something set in stone.



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