



U.S. Small Business
Administration

Report to Congress on Mentor-Protégé Programs for Fiscal Year 2022

July 21, 2023

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Department of Homeland Security (DHS)
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Small Business Administration (SBA)

Abbreviations

Coronavirus disease 2019 (COVID-19)
Economically Disadvantaged Women-Owned Small Business (EDWOSB)
Federal Procurement Data System-Next Generation (FPDS-NG)
Fiscal year (FY)
Historically Black Colleges and Universities (HBCUs)
Historically Underutilized Business Zone (HUBZone)
International Organization for Standardization (ISO) 9000
Mentor-Protégé Agreement (MPA)
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Minority-Serving Institution (MSI)
National Defense Authorization Act (NDAA)
Office of Small and Disadvantaged Business Utilization (OSDBU)
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Small Business Concern (SBC)
Small Disadvantaged Business (SDB)
Service-Disabled Veteran-Owned Small Business (SDVOSB)
Software Engineering Institute/Cybersecurity Maturity Model Certification (SEI/CMMC)
Strategic Acquisition Council (SAC)
System for Award Management (SAM)
Veteran-Owned Small Business (VOSB)
Women-Owned Small Business (WOSB)

Report to Congress on Mentor-Protégé Programs for Fiscal Year 2022

I. Introduction

The Small Business Act (the Act), at Section 45(c), requires the Small Business Administration (SBA) to submit a report on Mentor-Protégé programs to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate. 15 U.S.C. § 657r(c). The Act requires annual reporting as follows:

“(1) In general. Not later than 2 years after the date of enactment of this section [enacted Jan. 2, 2013], and annually thereafter, the Administrator shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report that—

- A identifies each Federal mentor-protégé program;*
- B specifies the number of participants in each such program, including the number of participants that are—*
 - i. small business concerns;*
 - ii. small business concerns owned and controlled by service-disabled veterans;*
 - iii. qualified HUBZone small business concerns;*
 - iv. small business concerns owned and controlled by socially and economically disadvantaged individuals; or*
 - v. small business concerns owned and controlled by women;*
- C describes the type of assistance provided to protégés under each such program;*
- D describes the benefits provided to mentors under each such program; and*
- E describes the progress of protégés under each such program with respect to competing for Federal prime contracts and subcontracts.*

II. Federal Mentor-Protégé Programs

Six Federal agencies reported six active Mentor-Protégé Programs (MPPs) in Fiscal Year (FY) 2022. SBA’s MPP is the largest of all Federal MPPs, with 1,602 approved partnerships, followed by MPPs administered by Department of Defense (DOD), Department of Homeland Security (DHS), Department of Energy (DOE), National Aeronautics and Space Administration (NASA), and Department of Transportation (DOT), respectively.

III. Distribution of Small Business Participants

SBA reported 1,426 Mentor-Protégé partnerships and five other agencies collectively reported 122 Mentor-Protégé partnerships bringing the FY 2022 total to 1548 Mentor-Protégé partnerships. Over 90% of all Federal Mentor-Protégé agreements were administered through SBA’s Mentor-Protégé Program.

Table 1 summarizes the number of protégé program participants that are: non-categorized Small Business Concerns (SBCs), Small Disadvantaged Businesses (SDBs), including 8(a) participants, Woman- Owned Small Businesses (WOSBs), non-Service-Disabled Veteran Owned Small Businesses (VOSBs), Service-Disabled Veteran Owned Small Businesses (SDVOSBs), HUBZone enterprises, and Historically Black Colleges and Universities (HBCUs). In addition to participating as a protégé, a small business may also participate in the program as a mentor.

Table 1 Mentor-Protégé Programs by Federal Activity with Number of Small Business Participants and Socioeconomic¹

Federal Agency	SBC ²	SDB	WOSB/EDWOSB	SDVOSB	VOSB ³	HUBZone	HBCU	Total Agreements ⁴
DoD	40	36	4	4	0	3	0	40
DOE	45	24	17	12	0	6	1	46
DOT	0	0	0	0	0	0	0	0
DHS	5	19	8	7	0	9	0	28
NASA	0	1	6	1	1	2	1	8
SBA: MPP	195	600	373/271	463	38	226	0	1,548

¹ As reported by each Federal Activity. Some agencies authorize participation by entities that are not businesses, including non-profit organizations and Historically Black Colleges and Universities.

² Small Business Concerns that do not fall into a category otherwise represented in the table.

³ Veteran Owned Small Businesses that are not Service Disabled

⁴ Figures in the rows will not add up to Total Agreements because many protégés qualify in multiple socioeconomic categories.

IV. Assistance and Benefits to Protégés (by Federal Activity)

Federal MPPs throughout the government provide different types of assistance to protégés, and the participant relationships formed through these programs provide benefits to both protégé and mentor. The following section outlines the assistance and benefits provided to protégés through each of the six active MPPs, as submitted by the agencies. One MPP program, that of DOT, received no new applications in FY2022.

Department of Defense (DOD)

Mentors provided Small Business protégés with the following types of assistance:

- a.) Business infrastructure development
- b.) Marketing Support
- c.) Manufacturing training
- d.) Quality training
- e.) Engineering and technical training
- f.) Equipment provided
- g.) Corporate management training
- h.) Finance and accounting training and assistance
- i.) Human resource training
- j.) Proposal management training support

Department of Energy (DOE)

Technical, business and/or administrative assistance provided to the protégé includes:

- a. Technical and other Engineering Assistance
- b. Business Planning and Assessment
- c. Quality Assurance and Quality Control

- d. Safety and Health Program and Practices
- e. Business Development and Marketing Assistance
- f. Procurement and Proposal Development
- g. Cost Estimating
- h. Construction Management
- i. Project Budgeting and Controls
- j. Risk Management

Department of Transportation (DOT)

Below is the list of the developmental assistance provided to protégés under DOT's program since the program's inception:

- a. Review and analysis of DOT's Procurement Forecast
- b. Establish a strategy to target those opportunities listed in the procurement Forecast
- c. Meetings with Small Business Specialists and Program Managers from DOT Operating Administration
- d. Cost analysis to prepare Request for Proposals (RFPs)
- e. Develop marketing strategies as part of the Protégé's business plan
- f. Provided assistance in proposal writing and business presentations to prospective buyers
- g. Assistance with contract administration for current contracts
- h. Assistance developing a pricing strategy
- i. Strengthen Protégé's accounting systems
- j. Participants worked together with Protégé's processes and procedures to enhance the Protégé's capabilities
- k. Established a strategic plan to identify potential buyers within DOT Operating Administrations and other Federal agencies
- l. General guidance on how to do business with the Federal government

- m. Assistance in contract estimating, pricing, and scheduling
- n. Provided assistance with contract preparation and negotiation
- o. Assistance with business development with DOT Operating Administrations, state, and local transportation agencies
- p. Monthly meetings to discuss potential opportunities and collaboration
- q. Marketing assistance
- r. Project management training to protégé staff
- s. Program participants presented before DOT's Strategic Acquisition Council (SAC)

Department of Homeland Security (DHS)

In addition to providing small businesses with mutually beneficial developmental assistance, the program is also designed to:

- 1) Improve the performance of contracts and subcontracts;
- 2) Foster the establishment of long-term business relationships between large prime contractors and small business subcontractors; and
- 3) Strengthen subcontracting opportunities and accomplishments through pre and post incentives.

National Aeronautics and Space Administration (NASA)

Small Business Protégés must receive a minimum of 70% Technical Assistance and 30% Business Development based on the total proposed cost of the agreement. HBCU/MSI Protégés must receive a minimum of 70% Business Development and 30% Technical Assistance based on the total proposed cost of the agreement. The type of developmental assistance HBCU/MSI protégés receive has been tailored to assist them in developing the ability to move towards doing contracts instead of grants. HBCUs/MSIs can benefit from business development assistance and mentors can harvest the technology being developed

by the HBCU/MSI. Any deviation from the above shall be justified in writing and pre-approved by the NASA MPP Manager.

Examples of MPP development assistance includes:

I. Technical Development, including but not limited to:

- a) Aerospace and lean manufacturing
- b) Quality Management programs: ISO 9000 Certification, SEI/CMMC
- c) Technology transfer
- d) Telecommunication and satellite services
- e) Obtaining security clearances for Institutional facilities

II. Business Development, including but not limited to:

- a) Organizational planning management: Strategic and Business Planning, legal/risk management, proposal development
- b) General business/ business development/ marketing/ sales: Market Research, Product Forecasting; web-based marketing, e-commerce
- c) Human Resource Management

Small Business Administration (SBA)

Protégés receive benefits including:

- a. Improved access to the Federal marketplace through Joint Venture opportunities with Mentor
- b. Stronger ability to stand-alone and bid independently from Mentor on government contracts
- c. Expanded opportunity for subcontracts from Mentor
- d. Increased wealth and employment growth

- e. Enhanced business capabilities and experience through guidance and mentoring from experienced firms in the follow area:
1. Guidance on internal business management systems, accounting, marketing, manufacturing, and strategic planning
 2. Financial assistance in the form of equity investments, loans, and bonding
 3. Assistance navigating Federal contract bidding, acquisition, and performance process
 4. Education about international trade, strategic planning, and finding markets
 5. Business development including strategy and identifying contracting and partnership opportunities
 6. General and administrative assistance, like Human Resources sharing or security clearance support

V. *Benefits Provided to Mentors (by Federal Activity)*

This section describes the assistance and benefits provided to mentors through each of the six active MPPs.

Department of Defense (DoD)

Mentors receive the following types of benefits from their participation in the DoD MPP:

- 1) Credit towards achievement of their small business subcontracting goals associated with Federal government Prime contracts;
- 2) Access to innovative technology developed by small businesses; and
- 3) Strengthened supply chains consisting of more diverse suppliers.

Department of Energy (DoE)

Benefits for the mentor under the program include:

- 1) Receipt of credit for subcontracts awarded pursuant to MPP Agreement(s) toward subcontracting goals contained in Mentor subcontracting plan;

- 2) Award of subcontracts on a noncompetitive basis as a set-aside subcontract to its Protégé;
- 3) Opportunity to utilize the unique/specialized skills of the Protégé; and
- 4) Mentors may develop very beneficial business relationships with their Protégés that exceed the term period of the MPP Agreement.

Department of Transportation (DOT)

Below is a list of the benefits mentors receive under DOT's Mentor Protégé program:

- Goodwill and corporate responsibility (mentors receive no financial incentive for participation)
- Long-term relationship with a potential subcontractor
- Develop innovative approaches and technology
- Potential Joint Venture with small business

Department of Homeland Security (DHS)

The benefits to a mentor for their participation includes a pre-award incentive and post-award incentive phase of applicable DHS contracts:

Pre-Award Incentive

For unrestricted acquisitions that require a subcontracting plan, mentors are eligible to receive evaluation credit in accordance with Homeland Security Acquisition Regulation 3052.219-72. In order to receive credit under the source selection factor or subfactor, the offeror must provide an approved mentor-protégé agreement from the DHS Office of Small and Disadvantaged Business Utilization (OSDBU) before initial evaluation of proposals. Moreover, the mentor's intent to diversify and incorporate socioeconomic programs as identified in the evaluation criteria is also taken under consideration.

Post-Award Incentive

Subcontracting achievement credit can be applied to the mentor's small business subcontracting plan goal achievement. The mentor can receive dollar-for-dollar subcontracting achievement credit for costs incurred for development assistance to the protégé that is acting in a subcontractor capacity.

National Aeronautics and Space Administration (NASA)

Mentors receive benefits in a variety of ways. Through these established relationships, mentors are able to team with viable high-tech small businesses, receive additional points on proposals, form strategic partnerships, which serves as a foundation for future prime and subcontracts with any agency. With a wide array of small businesses available in all socio-economic categories, mentors are also able to benefit from the subcontracting credit.

Small Business Administration (SBA)

A mentor benefits from the MPP in the following areas:

- A mentor and protégé may form a joint venture and compete as a small business for any government prime contract or subcontract, including 8(a) competitive and 8(a) sole source contracts, provided the protégé individually meets the size and, if applicable, socioeconomic status requirements for the procurement.
- For those willing to create a joint venture, additional benefits may include:
 - Collective representation of past performance;
 - Shared costs;
 - Shared resources; and
 - Leveraging the joint venture partners' collective experience and market share.
- Mentors receive an exception to affiliation with their protégé with respect to the mentor- protégé agreement and the assistance provided under the agreement. This authorizes a mentor to have a closer working relationship with a small business that might otherwise be permissible under SBA's affiliation rule.
- The mentor may own an equity interest of up to 40 percent in the Protégé for the purposes of raising capital.
- Mentors are able to maintain a formal relationship with the Protégé for up to six years, building trust and working together on multiple projects.

VI. Progress of Protégés with Respect to Competing for Federal Prime Contracts and Subcontracts (By Federal Activity)

Based on information provided by agencies to SBA, the following section describes the progress of protégés in competing for contracts.

Department of Defense (DoD)

Protégés in the DoD MPP made the following types of progress with respect to competing for Federal prime contracts and subcontracts:

Based on the 40 annual reviews completed in Fiscal Year (FY) 2022, 82.5% (33) of the Protégé firms experienced revenue growth during the reporting period, and 17.5% (7) of the Protégé firms experienced a decrease in revenue during the reporting period. Based on the forty annual reviews completed in FY22, 80% (32) of the Protégé firms experienced employee growth during the reporting period, 15% (6) of the Protégé firms experienced a decrease in employee growth, and 5% (2) Protégé firms had no change in employee growth for FY22. Employee decreases in several of the Protégé firms were attributed to the Coronavirus Disease 2019 (COVID-19) Pandemic and Mentor- Protégé technological transfer which allowed the companies to operate their businesses in a more efficient manner using less personnel.

In fiscal year 2022, the DoD Mentor- Protégé Program had fewer participants in the program than in recent years. Participating Components experienced delays and changes within their respective contracting offices that directly impacted the number of new awards that were made. Additionally, the delay in reauthorization in fiscal year 2020 had continuing effects on the speed in resuming awarding new agreements. The National Defense Authorization Act (NDAA) 2020 imparted some changes that directly impacted the

agreement relationship period and the number of participants. Proposal submissions along with contract criteria required revisions that incorporated the changes. Therefore, resulting in minimal agreements awarded in fiscal year 2022.

Department of Energy (DOE)

Mentors participating in the DOE MPP award non-competitive and competitive subcontracts to their Protégés as part of their development in the program. DOE Protégés received a total of 718 subcontracting actions through the Program in FY2022. Of the 46 Protégés participating in the DOE MPP, 36 were awarded one or more subcontracts or subcontract actions. During FY2022, 5 participating Protégés were awarded 97 DOE prime contract actions. On average, DOE MPP Protégés added \$3.57M in annual revenue from subcontract and prime awards through the DOE and its MPP.

Department of Transportation (DOT)

- Protégés strengthened their accounting systems to comply with government requirements.
- Protégé staff enhance their proposal writing skills
- Protégés developed strategic plans to increase the number and quality of proposals submitted
- Protégés developed strategic plans to increase their competitiveness and target specific DOT Operating Administrations based on the protégé's core competencies
- Protégés staff has better understanding of the procurement process within DOT and Federal Government
- Protégé staff improved the understanding and use of government systems, such as the Federal Procurement Data System-Next Generation (FPDS-NG), System for Award Management (SAM.gov), procurement forecasts and subcontracting directories, to help them in the marketing process

- Protégé staff strengthened cost analysis, contract pricing, and contract management skillsets
- Protégés were able to get contracts as a prime and a subcontractor

Department of Homeland Security (DHS)

The progress of the mentor-protégé team is evaluated by the submission of an 18-Month Mid- Progress Report (jointly), a 36-Month Lessons Learned Report (separately), and a Protégé Post Mentor-Protégé Program Report, which is submitted annually for two years after the protege firm exits the mentor-protégé program (protégé only). The following data points and/or metrics capture a cyclical reporting period of active mentor- protégé agreements from 2019 to 2022. The mentor-protégé teams submitted eight (8) mid-progress reports, two (2) final lessons learned reports, one (1) annual report and one (1) protégé post mentor-protégé program report.

The 18-Month Mid- Progress Report summary is as follows: (2019) two (2) mentor-protégé teams submitted its progress 2018 mentor-protégé agreements. One (1) protégé submitted it individually and followed it up by a voluntary decision to end their agreement; (2020) One mentor-protégé team submitted its progress report for their 2017 mentor-protégé agreement; (2021) One (1) mid-progress report for a 2018 mentor-protégé agreement; one (1) report for 2020 mentor-protégé agreement; (2022) two (2) mentor-protégé teams submitted its progress report for their 2021 mentor-protégé agreements. During the 18-month mid-progress reporting period protégé participants received at least one subcontract from their respective mentor.

The 36-Month Final Lessons Learned Reporting summary is as follows: In 2022, two (2) 36-Month Lessons Learned reports were submitted and two (2) mentor-protégé agreements ended. Notably, during this time period, both participating protégés reported an increase in the number of employees and revenue. There was also one (1) mentor-protégé team that voluntarily ended their 2021 agreement. The mentor exercised this option because of a planned acquisition by a large business to purchase the protégé's company.

Protégés are required to report their progress annually for two (2) consecutive years after exiting the mentor-protégé program. In 2022, the OSDBU received one (1) report from a protégé on the first anniversary date of their mentor-protégé approval letter.

A mentor-protégé team is eligible to submit a nomination for the Mentor-Protégé Team award category under DHS-OSDBU's annual small business awards program. Those teams who qualify must have an active agreement during the entire previous fiscal year to be eligible. The submittals average five (5) per year and a selection is established by an OSDBU panel consensus. The award is presented to the mentor and protégé based on teamwork and the most effective development support provided to the protégé.

National Aeronautics and Space Administration (NASA)

Through NASA's Mentor-Protégé Program, Protégés have strengthened and increased their core competencies, hired additional personnel, and increased revenues with some receiving direct subcontracting opportunities from the Mentor. In order to measure the Protégé's progress during the life of the agreement, NASA conducts informal semi-annual reviews and requires the Protégé to submit independently developed annual reports.

Every six months, both Mentor and Protégé provide a briefing on the status of each developmental task based on their milestone chart. Semi-annual reviews afford all parties the opportunity to address any challenges early and prior to the annual reporting period. Protégés are required to document the status of milestones/tasks, and accomplishments made every 12 months in their annual reports. Protégés are encouraged to rate their Mentor's performance of the developmental assistance provided by milestone/task. To ensure the Protégé is getting what they need from the program, they are also required to outline the progress made in employment growth, contract opportunities awarded, and gross revenue.

For a period of two years after the conclusion of the agreement, Protégés are required to submit two Post Agreement reports.

This allows tracking of the Protégé's gross revenue, and employment growth for each of the two years. These reports document the developmental assistance provided to the Protégé, which enhances their ability to perform successfully under prime contracts and/or subcontracts within NASA and other Federal agencies.

Small Business Administration (SBA)

Data from SBA MPP was received in FY2022 and Protégés reported the following outcomes:

- Protégés submitted 16,651 offers; won 34%; lost 39%; and pending are 27%⁵
- 558 subcontracts were awarded by the mentors to their respective protégés

⁵ SBA reported stats, there is no similar information available information for the federal government at this time.

ENCLOSURES

VII. ENCLOSURE 1 Department of Defense (DoD)

Department of Defense

FY 2022 Mentor-Protégé Report



Office of Small Business Programs

**Office of the Under Secretary of Defense for
Acquisition and Sustainment**

March 2023

**Department of Defense
FY 2022 Mentor-Protégé Report**

In support of the requirement from Section of the Small Business Act for the Small Business Administration (SBA) (15 U.S.C. 657r(c)) shall provide to the Administrator, on an annual basis, the information necessary for the Administrator to submit a report that-

- A) Identifies the DoD Mentor-Protégé program
- B) Specifies the number of participants within the DoD program that are:
 - i. Small business concerns;
 - ii. Small business concerns owned and controlled by service-disabled veterans;
 - iii. Qualified HUBZone small business concerns;
 - iv. Small business concerns owned and controlled by socially and economically disadvantaged individuals; or
 - v. Small business concerns owned and controlled by women;
- C) Describes the type of assistance provided to protégés
- D) Describes the benefits provided to mentors
- E) Describes the progress of protégés with respect to competing for Federal prime contracts and subcontracts.

Report Requirements

A) The DoD Mentor-Protégé program

The Department of Defense Mentor-Protégé Program is the oldest continuously operating federal mentor-protégé program in existence. Originally established in the midst of the First Gulf War, the MPP helps eligible small businesses expand their footprint in the defense industrial base.

B) The number of participants within the DoD program

The DoD had 40 active agreements in FY 2022

- i. Small business concerns: **40**
- ii. Small business concerns owned and controlled by service-disabled veterans: **4**
- iii. Qualified HUBZone small business concerns: **3**
- iv. Small business concerns owned and controlled by socially and economically disadvantaged individuals: **36**
- v. Small business concerns owned and controlled by women: **4**

C) The type of assistance provided to protégés

- a. Business infrastructure development
- b. Marketing Support
- c. Manufacturing training

- d. Quality training
- e. Engineering and technical training
- f. Equipment provided
- g. Corporate management training
- h. Finance and accounting training and assistance
- i. Human resource training
- j. Proposal management training support

D) Benefits provided to mentors

- a. Credit toward achievement of their small business subcontracting goals associated with federal government Prime contracts
- b. Access to innovative technology developed by small businesses
- c. Strengthened supply chains consisting of more diverse suppliers

E) Progress of protégés with respect to competing for Federal prime contracts and subcontracts

Based on the forty annual reviews completed in FY22, 82.5% (33) of the Protégé firms experienced revenue growth during the reporting period, and 17.5% (7) of the Protégé firms experienced a decrease in revenue during this reporting period. Based on the forty annual reviews completed in FY22, 80% (32) of the Protégé firms experienced employee growth during the reporting period, 15% (6) of the Protégé firms experienced a decrease in employee growth, and 5% (2) Protégé firm had no change in the employee growth for FY22. Employee decreases in several of the Protégé firms were attributed to the COVID-19 Pandemic and Mentor-Protégé technological transfer which allowed the companies to operate their businesses in a more efficient manner using less personnel.

Summary

In fiscal year 2022, the DoD Mentor-Protégé Program had fewer participants in the program than recent years. Participating Components experienced delays and changes within their respective contracting offices that directly impacted the number of new awards that were made. Additionally, the delay in reauthorization in fiscal year 2020 had continuing effects on the speed in resuming awarding new agreements. The NDAA 2020 imparted some changes that directly impacted the agreement relationship period and the number of participants. Proposal submissions along with contract criteria required revisions that incorporated the changes. Therefore, resulting in minimal agreements awarded in fiscal years 2022.

VIII. ENCLOSURE 2 Department of Energy (DOE)



**Office of Small and Disadvantaged
Business Utilization**

Fiscal Year 2022 Mentor-Protégé Annual Report

**Submitted to:
The U.S. Small Business Administration**

Introduction

In accordance with Section 15 of the Small Business Act (15 U.S.C. 657r(c)), the U.S. Department of Energy (DOE) is providing the U.S. Small Business Administration (SBA) with the following narrative of its Mentor-Protégé Program.

The DOE Mentor-Protégé Program (MPP) was implemented in December 1999. It was established to provide an opportunity for eligible small businesses to receive developmental assistance in business and/or technical areas from experienced large and small businesses performing as DOE prime contractors. Through this developmental assistance, participating small businesses can improve and expand their capabilities to more successfully compete for prime federal contracts and/or subcontracts.

The DOE Office of Small and Disadvantaged Business Utilization (OSDBU) is responsible for the management and administration of the MPP. The program regulations and guidance are found in 48 C.F.R Part 919 – Small Business Program and in the DOE Acquisition Regulation, 48 C.F.R. § 919.70 – The Department of Energy (DOE) Mentor-Protégé Program. DOE contractors eligible under 48 C.F.R. § 919.7005 may enter into MPP agreements with businesses certified by the SBA in the 8(a) Program, other small disadvantaged businesses (SDBs), women-owned small businesses (WOSBs), historically black college or universities (HBCUs), other minority-serving institutions (MSIs), small businesses in Historically Underutilized Business Zones (HUBZone), and small business concerns owned and controlled by service-disabled veterans (SDVOSBs).

The Number of Participants in the DOE Program

During Fiscal Year (FY) 2022, forty-six (46) Protégés actively participated in the DOE MPP. Several Protégés qualified for multiple socio-economic categories:

- i. 45 Protégés were small business concerns
 - a. 12 Protégés were small business concerns owned and controlled by service-disabled veterans
 - b. 6 Protégés were certified HUBZone small business concerns
 - c. 24 Protégés were SDBs and 14 are 8(a) small business concerns owned and controlled by socially and economically disadvantaged individuals
 - d. 17 Protégés were small business concerns owned and controlled by women
- ii. 1 Protégé was a Minority Institution of Higher Education

Description of the Type of Assistance Provided to Protégés under the DOE MPP

Technical, business, and/or administrative assistance is provided to the Protégé under the program. Examples of the type of assistance provided include:

1. Technical and Other Engineering Assistance
2. Business Planning and Assessment
3. Quality Assurance & Quality Control
4. Safety and Health Programs and Practices
5. Business Development and Marketing Assistance
6. Procurement and Proposal Development
7. Cost Estimating
8. Construction Management
9. Project Budgeting and Controls
10. Risk Management

Description of the Benefits Provided to Mentors under the DOE Program

Benefits for the Mentor under the program include:

1. Receipt of credit for subcontracts awarded pursuant to MPP Agreement(s) toward subcontracting goals contained in Mentor subcontracting plan,
2. Award of subcontracts on a noncompetitive basis as a set-aside subcontract to its Protégé,
3. Opportunity to utilize the unique/specialized skills of the Protégé, and
4. Mentors may develop beneficial business relationships with their Protégés that exceed the term period of the MPP agreement.

Description of the Progress of Protégés under the Program with Respect to Competing for Federal Prime Contracts and Subcontracts

Mentors participating in the DOE MPP award non-competitive and competitive subcontracts to their Protégés as part of their development in the Program. DOE Protégés received a total of 718 subcontracting actions through the Program in FY 2022. Of the 46 Protégés participating in the DOE MPP, 36 were awarded one or more subcontracts or subcontract actions. During FY 2022, 5 participating Protégés were awarded 97 DOE prime contract actions. On average, DOE MPP Protégés added \$3.57M in annual revenue from subcontract and prime awards through the DOE and its MPP.

Agency Information:

U.S. Department of Energy
Office of Small and Disadvantaged Business Utilization
1000 Independence Avenue, SW
Washington, DC 20585

Approval:

Ron Pierce
Director
Office of Small and Disadvantaged Business Utilization

Date

IX. ENCLOSURE 3 Department of Transportation (DOT)

**U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (OSDBU)
MENTOR PROTÉGÉ REPORT (FY 2022)**

Section 15 USC 657r(c)(1)(A)- Identify each Federal mentor-protégé program

DOT's Mentor-Protégé Program enhances the capability of disadvantaged and small business owners to compete for federal procurement opportunities. The program encourages private-sector relationships and expands DOT's efforts to identify and respond to the developmental needs of small and disadvantaged businesses.

The program is also designed to improve the performance of DOT contractors and subcontractors, foster the establishment of long-term business relationships between small businesses and prime contractors, and increase the overall number of small businesses that receive DOT contract and subcontract awards.

Program eligibility

A mentor can be a business that has graduated from the 8(a) Business Development program, a firm in the transitional stage of the program, or a small or large business. For this program, mentors will consist of DOT prime contractors. A protégé should be a Small Business (SB), HUBZone, small disadvantaged business, women-owned small business, veteran-owned small business, or service-disabled veteran-owned small business.

In addition, potential mentors and protégés should be able to show that it are currently eligible for Federal contracting opportunities, are not under a suspension and/or debarment action, and are not in the EPLS database.

Section 15 USC 657r(c)(1)(B)- Specify the number of participants in the agency's mentor-protégé program

DOT's Mentor Protégé program has 9 business relationships.

Socioeconomic group	Mentor	Protégé
small business concerns	0	0
small business concerns owned and controlled by service-disabled veterans	0	0
qualified HUBZone small business concerns	0	0
small business concerns owned and controlled by socially and economically disadvantaged individuals	0	0
small business concerns owned and controlled by women	0	0

Section 15 USC 657r(c)(1)(C)- Describe the types of assistance provided to protégés

Below is a list of the developmental assistance provided to protégés under DOT's program since the program inception:

- Review and analysis of DOT's Procurement Forecast
- Establish a strategy to target those opportunities listed in the procurement forecast
- Meetings with Small Business Specialists and Program Managers from DOT Operating Administrations
- Cost analysis assistance to prepare Request for Proposals (RFP)
- Develop marketing strategies as part of the protégé's business plan
- Provided assistance in proposal writing and business presentations to prospective buyers
- Assistance with contract administration for current contracts
- Assistance developing a pricing strategy
- Strengthen Protégé's accounting systems
- Participants worked together with Protégé's processes and procedures to enhance the Protégé's capabilities
- Established a strategic plan to identify potential buyers within DOT Operating Administrations and other federal agencies.
- General guidance on how to do business with federal government.
- Assistance in contract estimating, pricing and scheduling.
- Provided assistance with contract preparation and negotiation.
- Assistance with business development with DOT Operating Administrations, state and local transportation agencies.
- Monthly meetings to discuss potential opportunities and collaboration.
- Marketing assistance.
- Project management training to protégé staff.
- Program participants presented before DOT's Strategic Acquisition Council (SAC)

Section 15 USC 657r(c)(1)(D)- Benefits provided to mentors under DOT's Mentor Protégé program

Below is a list of the benefits mentors receive under DOT's Mentor Protégé program

- Goodwill and corporate responsibility (mentors receive no financial incentive for participation)
- Long-term relationship with a potential subcontractor
- Develop innovative approaches and technology
- Potential Joint Venture with small business

Section 15 USC 657r(c)(1)(E)- Describe the progress of protégés under each such program with respect to competing for Federal prime contracts and subcontracts.

- Protégés were able to strengthen their accounting systems to comply with government requirements
- Protégé staff has been able to enhance their proposal writing skills
- Protégés have been able to increase the number and quality of proposals submitted
- Protégés were able to develop strategic plans to increase their competitiveness and target specific DOT Operating Administrations based on the protégé's core competencies
- Protégé staff has better understanding of the procurement process within DOT and federal government
- Protégé staff improved the understanding and use of government systems, such as FPDS, SAM.GOV , procurement forecasts and subcontracting directories, to help them in the marketing process
- Protégé staff strengthen cost analysis, contract pricing, and contract management skillsets.
- Protégés were able to get contracts as a prime and a subcontractor.

In FY2022, we submitted a request for a Mentor Protégé Program Manager, however, funding was not approved/ We will attempt in the upcoming FY. This Mentor Protégé Program (MPP) Manager will revamp, manage, and oversee the program. Also, we are developing a strategic approach to work with large prime transportation businesses to increase MPP participation.

X. ENCLOSURE 4 Department of Homeland Security (DHS)

**U.S. Department of Homeland Security
Mentor Protégé Annual Report**

Fiscal Year 2022



**Homeland
Security**

U.S. Department of Homeland Security (DHS)
Fiscal Year (FY) 2022 Mentor-Protégé Annual Report

In accordance with Section 15 of the Small Business Act (15 U.S.C. 657r(c)), DHS provides the following information:

• **15 USC 657r(c) Reporting.**

- (A) DHS has an active Mentor-Protégé Program. The Mentor-Protégé program is primarily designed to motivate and encourage large business prime contractor firms to provide mutually beneficial developmental assistance to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small-disadvantaged business, and women-owned small business concerns.
- (B) There are 28 active mentor-protégé agreements. The small business protégé participants also identify in several socioeconomic categories:
 - (i) Five (5) of the 28 protégé firms have no socioeconomic designation. They only represent as general small business concerns.
 - (ii) Seven (7) of the 28 protégé firms are designated as service-disabled veteran-owned small businesses and one protégé firm is designated only as veteran-owned small businesses. Five (5) of the 28 protégé firms are categorized as both as SDVOSB and VOSB.
 - (iii) Nine (9) of the 28 protégé firms are certified as HUBZone small business concerns.
 - (iv) Two (2) of the 28 protégé firms are only designated as 8(a); Eight (8) of the 28 protégé firms are only designated as small-disadvantaged businesses (SDB); and Nine (9) of the 28 protégé firms are categorized as both 8(a)/SDB.
 - (v) Eight (8) of the 28 protégé firms are designated as women-owned small business concerns with no economically disadvantaged women-owned small business.

The type of assistance provided by a mentor is mutually agreed and specified in the DHS Mentor-Protégé Agreement. Under National Defense Authorization Act 2013, Section 1623, the Office of Small and Disadvantaged Business Utilization Director will provide opportunities for the participation of small business concerns during acquisition planning processes and in acquisition plans. These opportunities include at the prime award level and subcontracting.

- (C) In addition to providing small businesses with mutually beneficial developmental assistance, we also designed the program to:
 - improve the performance of contracts and subcontracts,
 - foster the establishment of long-term business relationships between, large prime contractors and small business subcontractors; and
 - strengthen subcontracting opportunities and accomplishments through.

pre and post award incentives.

- (D) The benefits provided to a mentor for their participation occur in the pre and post award phase of applicable DHS contracts.

- **Pre-Award Incentive**

For unrestricted acquisitions that require a subcontracting plan, mentors are eligible to receive evaluation credit in accordance with Homeland Security Acquisition Regulation 3052.219-72. To receive credit under the source selection factor or subfactor, the offeror must provide an approved mentor-protégé agreement from the DHS Office of Small Business and Disadvantaged Business Utilization (OSDBU) before initial evaluation of proposals. Moreover, the mentor's intent to diversify and incorporate socioeconomic programs as identified in the evaluation criteria is also taken under consideration.

- **Post-Award Incentive**

Subcontracting achievement credit can be applied to the mentor's small business subcontracting plan goal achievement. The mentor can receive dollar-for-dollar subcontracting achievement credit for costs incurred for developmental assistance to a protégé that is acting in a subcontractor capacity.

- (E) The progress of the mentor-protégé team is evaluated by the submission of an 18-month Mid-Progress Report (jointly), a 36-Month Lessons Learned Report (separately), and a Protégé Post Mentor-Protégé Program Report, which is submitted annually for two years after the protégé firm exits the mentor-protégé program (protégé only).

The following data points and/or metrics capture a cyclical reporting period of active mentor-protégé agreements from 2019 to 2022. The mentor-protégé teams submitted eight (8) mid-progress reports, two (2) final lessons learned reports, one (1) annual report, and one (1) protégé post mentor-protégé program report.

12-Month Annual Progress Reporting:

The DHS OSDBU received reporting information on a mentor-protégé's quarterly and 12-month progress. While these reports are not required the report indicated the protégé's progress was outstanding and showed increased revenue for the protégé as a small business prime and subcontractor.

18-Month Mid-Progress Reporting:

- (2019) Two (2) mentor-protégé teams submitted its progress for 2018 mentor-protégé agreements. (1) protégé submitted it individually and followed it up by a voluntary decision to end their agreement.
- (2020) One (1) mentor-protégé team submitted its progress report for their 2017 mentor-protégé agreement.
- (2021) One (1) mid-progress report for a 2018 mentor-protégé agreement; (1) report for a 2020 mentor-protégé agreement.

- (2022) Two (2) mentor-protégé teams submitted its progress report for their 2021 mentor-protégé agreements.

During the 18-month mid-progress reporting period, protégé participants received at least one subcontract from their respective mentor.

36-Month Final Lessons Learned Reporting:

In 2022, two (2) 36-Month Lessons Learned reports were submitted and two (2) mentor-protégé agreements ended. Notably, during this time-period, both participating protégés reported an increase in the number of employees and revenue.

There was also one (1) mentor-protégé team that voluntarily ended their 2021 agreement. The mentor exercised this option because of a planned acquisition by a large business to purchase the protégé's company.

Two-Year Post-Protégé Report:

Protégé's are required to report their progress annually for two (2) consecutive years after exiting the mentor-protégé program. In 2022, the OSDBU received one (1) report from a protégé on the first anniversary date of their mentor-protégé approval letter.

Mentor-Protégé Team of the Year Award (Incentive)

A mentor-protégé team is eligible to submit a nomination for the Mentor Protégé Team award category under DHS-OSDBU's annual small business awards program. Those teams who qualify must have an active agreement during the entire previous fiscal year to be eligible. The submittals average five (5) per year and a selection is established by an OSDBU panel consensus. The award is presented to the mentor and protégé based on teamwork and the most effective developmental support provided to the protégé.

XI. ENCLOSURE 5 National Aeronautics and Space Administration (NASA)



A.) Identifies each Federal Mentor-Protégé Program

The National Aeronautics Space Administration's (NASA's) Office of Small Business Program's Mentor-Protégé Program (MPP) provides incentives for NASA's large prime contractors to assist eligible small businesses as well as Historically Black Colleges and Universities (HBCU) and Minority Serving Institutions (MSI), as defined in NASA Federal Acquisitions Regulation (FAR) Supplement (NFS) 1819.72, in enhancing their capabilities to perform as prime and subcontractors under government and commercial contracts.

B.) Specifies the number of participants in each such program, including the number of participants in each socio-economic concern

In FY22 the NASA MPP had 8 active Mentor-Protégé agreements (MPAs). The length of the agreements ranged from 12 months to 36 months, which is the maximum length for participation in the MPP. Listed below are the number of NASA Protégé participants in each eligible socio-economic concern (*) for the FY22 reporting period:

- Service-Disabled Veteran-Owned Small Business (SDVOSB) – 1
- Historically Underutilized Business Zone (HUBZone) Concern – 2
- Small Disadvantaged Business (SDB) – 1
- Women-Owned Small Business (WOSB) – 6
- Veteran-Owned Small Business (VOSB) – 1
- HBCUs – 1

*Note: Protégés can be classified in multiple socio-economic categories.

Other eligible Protégés in the MPP include:

- 8(a) Small Businesses
- MSIs
- Entities participating in the AbilityOne Program;
- A small business with an active NASA Small Business Innovation Research (SBIR) Phase II contract; or
- A small business with an active NASA Small Business Technology Transfer (STTR) Phase II contract

When submitting a NASA MPA application, the participants have an option of selecting a credit-based agreement or an award fee agreement. Costs incurred under a credit MPA, are applied on a one-to-one basis toward their applicable small business subcontracting goals. The credit is reported on the Mentor's Individual Subcontracting Report.

A Mentor providing assistance to a NASA SBIR Phase II or STTR Phase II company, under the Award Fee Program, is eligible to receive a separate award fee at the end of the agreement period. The award fee evaluation criteria criterion based on the amount and quality of technology transfer and business development skills that will increase the Protégé's Technology Readiness Level(s) (TRLs). TRLs measure the technology readiness level of the company on a scale of 1 to 9.

C.) Describes the type of assistance provided to Protégés under each such program

Small Business Protégés must receive a minimum 70% Technical Assistance and 30% Business Development based on the total proposed cost of the agreement.

HBCU/MSI Protégé's must receive a minimum 70% Business Development and 30% Technical Assistance based on the total proposed cost of the agreement. The type of developmental assistance HBCU/MSI protégés receive has been tailored to assist them in developing the ability to move towards doing contracts instead of grants. HBCUs/MSIs can benefit more from business development assistance and mentors can harvest the technology being developed by the HBCU/MSI.

Any deviation from the above shall be justified in writing and pre-approved by the NASA MPP Manager.

Examples of MPP development assistance include:

- ❖ Technical Development, including but not limited to:
 - Aerospace and lean manufacturing
 - Quality Management programs: ISO 9000 Certification, SEI/CMM certification, AS9100 Certification
 - Technology Transfer
 - Telecommunication and satellite services
 - Obtaining Security Clearance for Institutional facilities

- ❖ Business Development, including but not limited to:
 - Organizational planning management: Strategic and Business Planning, Legal/Risk management, Proposal Development
 - General business/Business development/Marketing/Sales: Market Research, Product Forecasting, Web-based marketing, e-commerce
 - Human Resource Management

D.) Describes the benefits provided to Mentors under each such program

Mentors receive benefits in a variety of ways. Through these established relationships, Mentors are able to team with viable high-tech small businesses, form strategic partnerships, which serves as a foundation for future prime and subcontracts with any Agency. With a wide array of small businesses available in all socio-economic categories, Mentors are also able to benefit from the subcontracting credit.

E.) Describes the progress of Protégés under each such program with respect to competing for Federal prime contracts and subcontracts

Through NASA's MPP, Protégés have strengthened and increased their core competencies, hired additional personnel, and increased revenues. Protégés have not only teamed with their Mentors on various contracting opportunities but have been successful in winning new contracts as primes.

In order to measure the Protégé's progress during the life of the agreement, NASA conducts informal semi-annual reviews and requires the Protégé to submit independently developed annual reports.

Every six months, both Mentor and Protégé provide a briefing on the status of each developmental task based on their milestone chart. Semi-annual reviews afford all parties the opportunity to address any challenges early and prior to the annual reporting period.

Protégés are required to document the status of milestones/tasks, and accomplishments made every 12 months in their annual reports. Protégés are encouraged to rate their Mentor's performance of the developmental assistance provided by milestone/task. To ensure the Protégé is getting what they need from the program, they are also required to outline the progress made in employment growth, contract opportunities awarded and gross revenue.

For a period of two years after the conclusion of the agreement, Protégés are required to submit two Post Agreement reports. This allows tracking of the Protégé's gross revenue, and employment growth after the competition of the agreement. These reports document the developmental assistance received by the Protégé which enhance their ability to perform successfully under prime contracts and/or subcontracts at NASA and other federal agencies.

XII. ENCLOSURE 6 Small Business Administration (SBA)

SBA FY22 Mentor-Protégé Report

In accordance with Section 15 of the Small Business Act (15 U.S.C. 657r(c)), SBA provides the following information:

SBA has one active Mentor-Protégé Program. The 8(a) MPP merged and the new MPP program was effective November 20, 2020. The small business mentor-protégé program is designed to enhance the capabilities of protégé firms by requiring approved mentors to provide business development assistance to protégé firms and to improve the protégé firms' ability to successfully compete for federal [contracts](#). This assistance may include technical and/or management assistance; financial assistance in the form of equity investments and/or loans; sub [contracts](#) (either from the mentor to the protégé or from the protégé to the mentor); trade education; and/or assistance in performing prime [contracts](#) with the Government through joint venture arrangements. Mentors are encouraged to provide assistance relating to the performance of [contracts](#) set aside or [reserved](#) for small business so that protégé firms may more fully develop their capabilities.

- (A) There were **1,426** active mentor-protégé agreements.
- (B) Describe the type of assistance provided to [proteges](#) under the program: Proteges may benefit from participation in the Mentor Protégé Program as follows:
- Improved access to the federal marketplace through joint venture opportunities with mentor;
 - Stronger ability to stand-alone and bid independently from mentor on government contracts;
 - Expanded opportunity for sub-contracts from mentor;
 - Increased wealth and employment growth;

- Enhanced business capabilities and experience through guidance and mentoring from experienced firms in the following areas:
 - Guidance on internal business management systems, accounting, marketing, manufacturing, and strategic planning;
 - Financial assistance in the form of equity investments, loans, and bonding;
 - Assistance navigating federal contract bidding, acquisition, and performance process;
 - Education about international trade, strategic planning, and finding markets;
 - Business development, including strategy and identifying contracting and partnership opportunities;
 - General and administrative assistance, like human resource sharing or security clearance support.

(C) Describes the benefits provided to [mentors](#) under the program:

- A mentor and protégé may joint venture as a small business for any government prime contract or subcontract, provided the protégé qualifies as small for the procurement.
- For those willing to create a joint venture, additional benefits may include:
 - Collective representation of past performance;
 - Shared costs;
 - Shared resources’
 - Leveraging the other partners’ experience and market share.
 - The affiliation exception can also be appealing to mentors, as it may allow a mentor to have a closer working relationship with a small business than might otherwise be advisable under the SBA’s affiliation rules.
 - The mentor may own an equity interest of up to 40 percent in the protégé.
 - Mentor’s are able to maintain a formal relationship with the protégé for up to six years, building trust and working together on multiple projects.

(D) Describe the progress of [proteges](#) under the program with respect to competing for Federal [prime contracts](#) and [subcontracts](#).

- For FY22, protégés submitted 16,651 offers. 34% won, lost 39% and 27% are pending.
- For FY22, 558 subcontracts were awarded by the Mentor to the Protégé.