



**COLUMBIA UNIVERSITY
SMALL BUSINESS PROGRAM (PLUG)
PLAN USER GUIDE**

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What

A Small Business Plan (Plan) is a requirement by law to provide maximum practicable opportunity to Small Business Concerns (small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business). A Small Business Plan is required for proposals for federal contracts that exceeds \$550,000.00 (\$1 million for construction projects).

Why

Some of the reasons for this law provision are that Small Businesses...

- ... directly impact US economy
- ... number approximately 22.9 million
- ... provide 75% of net new jobs
- ... represent over 99% of US employers
- ... employ over 50% of US workforce

Who

There are three main groups involved with developing and fulfilling Small Business Plans:

Research Administration

- As the administrative office that supports the research mission of Columbia University and ensures researchers have access to information they need to seek funding research, maintain grants, and adhere to all regulations, RA provides notification of federal contracts with Small Business goals and submits proposals for federal grants and contracts.

Department

- Ultimately, the Project Investigator (PI) is responsible as the federal contract holder for any Small Business requirements.
- Departmental Administrators in support of the PI perform the tasks where Small Business goals are to be met.

Procurement Services Office

- In the Procurement Office resides the Small Business Liaison Officer (SBLO) has day to day responsibility for implementing the University's SBA Program including enhancing, assisting, and coordinating Small Business procurement responsibilities for federal contracts and grants.

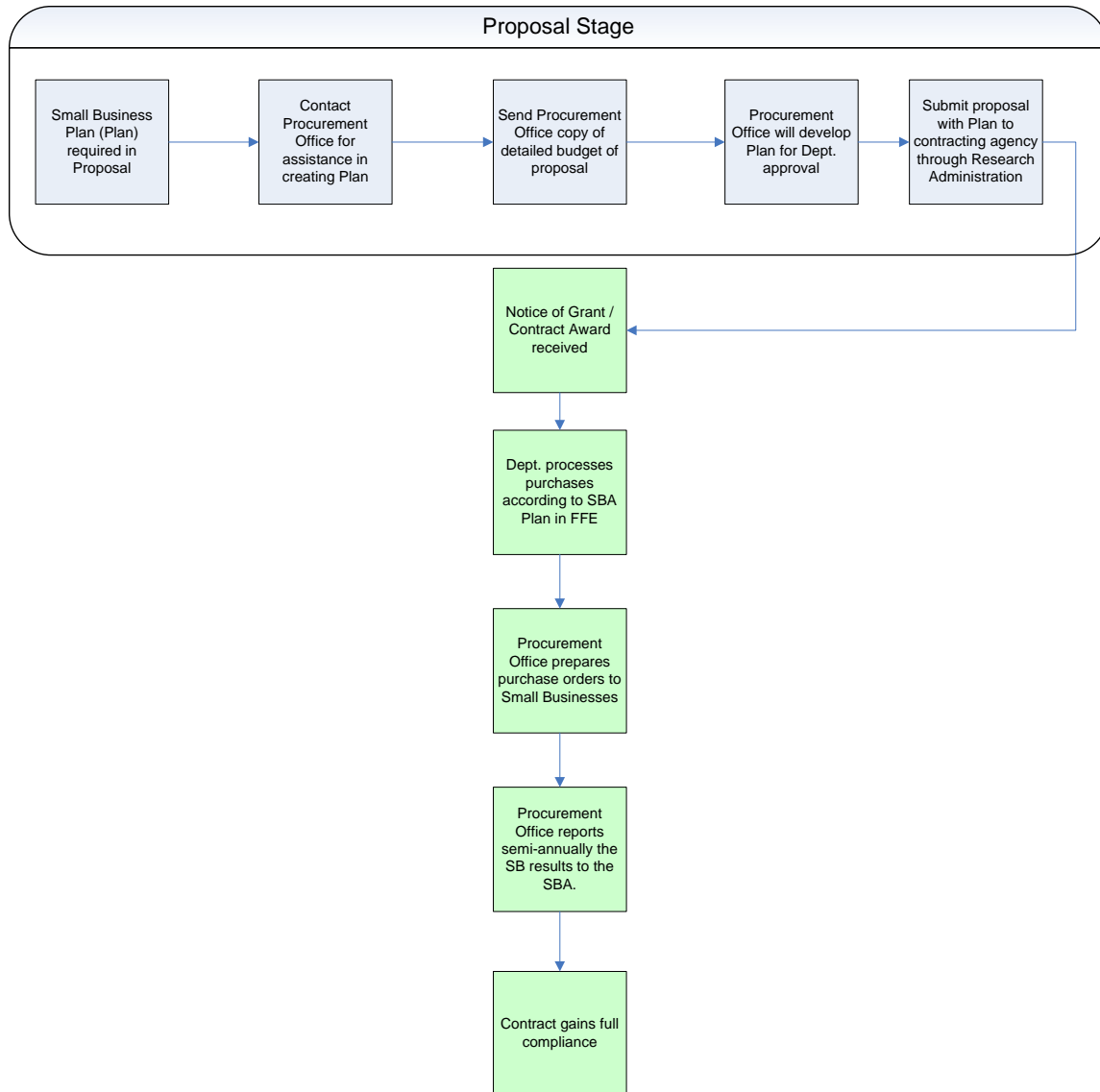
Things to Know

- Small Business Plans are negotiable in the proposal stage. However, upon receipt of an award the proposed Small Business Plan becomes a contractual obligation subject to any of the normal federal procedures for non-performance, including cancellation or assessment of liquidated damages. In addition, future federal award decisions can be impacted.
- Small Business goals are expressed as a dollar amount and percentage of the proposed contract's budgeted external direct expenditures. Therefore, in order to be in full compliance with Small Business goals the percentage of any additional funds received for a specific federal contract must be used with Small Business Concerns.
- The Small Business requirement "flows down" to any Subcontractor when a subcontract exceeds \$550,000.00.
 - Columbia University can be a Subcontractor with a flow down plan.
 - Columbia University can have a subcontractor with a flow down plan.
- For grants and contracts less than \$550,000.00, the University still must provide maximum practicable opportunity to small business concerns. The University meets this requirement through the use of SBA Pop-Up Screens in FFE for any requisition using federal funds. The only difference is that for federally sponsored projects the University is not required to provide individual reporting to the federal government. However, all aspects of the University's SBA Program, reports, systems, and documentation are subject to a federal audit.
- Small Businesses classified as Small Disadvantaged Businesses and / or HUBZone Businesses must be certified by the Small Business Administration. All other Small Business classifications may self certify using the University's Vendor Questionnaire:
<http://www.columbia.edu/cu/purchasing/vendors.html>
- The University has negotiated a number of University-Wide Purchasing Agreements (UwPA) with businesses registered as Small Business Concern Vendors. Vendors designated with the SBA



are registered as Small Business Concern vendors. Please see the Procurement Office Preferred Vendor's website:
http://tp194.purch.columbia.edu/purchasing/pv_list.html

Life of a Small Business Plan



CU Small Business Concerns Background and Policy Statement

SBA PROGRAM BACKGROUND

The US Small Business Administration (SBA) promotes the use of small businesses through the SBA Program because small businesses directly impact the US economy, provide 75% of net new jobs, represent over 99% of US employers, and employ more than half of the US workforce. The SBA Program set in 1953 asked for voluntary participation from large entities to give “best efforts” toward using small businesses in their procurement process. The SBA statutory requirements for percentage of total federal contract awards to be spent with small businesses in the different SBA business categories are as follows:

- 23% with Small Businesses (SB)
- 5% with Small Disadvantaged Businesses (SDB)
- 5% with Woman-Owned Businesses (WOSB)
- 3% with HubZone suppliers (HUB)
- 3% with Veteran Owned Businesses (VOSB)
- 3% with Small Disadvantaged Veteran Owned Businesses (SDVOSB)

However, a new law passed in 1978, Public Law 95-507 amended Section 8(d) of the Small Business Act of 1953 and created the foundation for the Subcontracting Assistance Program as it is known today. It changed the participation of large contractors in the program from voluntary to mandatory, and it changed the language of the law from “best efforts” to “maximum practicable opportunities.” Other key features include a requirement that all federal contracts in excess of \$100,000.00, as amended, provide maximum practicable opportunity for small and small disadvantaged business to participate. Columbia University (CU) meets this requirement through the use of a pop-up screen communication in the University’s Financial Front End (FFE) system for all purchases on federally sponsored accounts, requesting end users to articulate their efforts in using small businesses. Another requirement is that all federal contracts in excess of \$550,000.00 (\$1,000,000.00 in the case of federal construction contracts for public facilities in which Columbia University has not received) be accompanied by a formal subcontracting plan containing separate goals for small business and small disadvantaged business.

COLUMBIA UNIVERSITY SMALL BUSINESS CONCERNS POLICY

Columbia University supports the SBA Program for small business concerns, particularly those owned and controlled by socially and economically disadvantaged individuals and / or women, by ensuring they have the maximum practicable opportunity to provide goods and services to the University. The University policy is also designed to assure that its business practices and procedures are in conformity with applicable federal law. This policy is implemented through the CU Small Business Administration Program (SBA Program) developed and coordinated by the Small Business Liaison Officer, as referred to by the Small Business Administration, D. Sean Johnson.

Proposal Stage

OBJECTIVE

The proposal stage is the critical stage in meeting prescribed SBA goals. It is in the proposal stage where it is decided how the funds received for an award will be distributed. It is also the best phase to source Small Business Concern vendors that can assist in meeting the prescribed SBA goals. Therefore, it is in this stage that extra care must be taken in assuring Small Business expenditures provide the maximum practicable opportunities to Small Businesses, but at the same time be realistic.

INSTRUCTIONS

- If the proposal is over \$550,000.00, departments must contact the Small Business Compliance Office to create a Subcontracting Plan.
- The Small Business Compliance Office will require the following documentation in order to assist the department in creating the Subcontracting Plan:
 - Detailed Budget (a budget line titled “Equipment” or “Supplies” is not sufficient; there needs to be description of what type of goods or services are required).
 - Please use the Subcontracting Plan Worksheet found by going to the CU Purchasing website under the “Forms” link.
- From the detailed budget, a Subcontracting Plan will be created for departmental approval with specific sources of goods or services provided. There are a number of tools that can be utilized for sourcing Small Business Concern Vendors:
 - Procurement Services Small Business Compliance Office: D. Sean Johnson (212) 8544-2335 dj223@columbia.edu , Edid Betancourt (212) 854-2347 betancou@columbia.edu
 - Procurement Services Vendor Classified Website: <http://tp194.purch.columbia.edu/purchasing/classifieds/index.asp>
 - Small Business Administration website: <https://www.bpn.gov/ccrsearch/Search.aspx>
- After departmental approval of Subcontracting Plan, the Plan and the rest of the Proposal is submitted to government and not-for-profit sponsors through Research Administration.
- Please note upon contract award the Subcontracting Plan becomes a contractual obligation subject to the any of the normal federal procedures for non-performance, including cancellation or assessment of liquidated damages. In addition, future federal award decisions can be impacted.

Award Stage

OBJECTIVE

It is during the initial award stage, and during each initial funding stages for multi-year contracts, that it is the most easiest and efficient time to meet the prescribed SBA goals. It is assumed that in order to begin working on a federal contract that some expenditures have to be incurred. Therefore, it is during this initial award stage, and during each initial funding stages for multi-year contracts, that the Subcontracting Plan must be adhered to. It is increasingly more difficult to achieve compliance after the initial expenditures are incurred or time has elapsed on a federal contract as the opportunities to use Small Businesses for direct expenses would not be available.

INSTRUCTIONS

- Upon notice of award, departments contact the Procurement Services Small Business Compliance Office to execute the Subcontracting Plan. The Procurement Services Office serves as the liaison between the University and the proposed Small Business for initial contact and preparing an order.
- Process requisition in FFE and obtain necessary approvals. For all requisitions using federal funds, there are FFE Pop-Up SBA boxes for Small Business Concerns that must completed (See Appendix A for screen shots and instructions for the FFE Pop-Up SBA boxes).
- Purchase Orders processed to Small Business Concern Vendors are reported toward the specific federal contract SBA goals.
- Please note that the SBA goals are both based on dollar amount and percentage of federal contract. Therefore, any increase in funds on federal contracts increases the corresponding SBA dollar amounts. Both the dollar amount and percentage of SBA goals must be met to be in full compliance.
- The same SBA goals and requirements apply and flow down to any subcontractor issued a subcontract in excess of \$550,000.00. Therefore, reporting from the Subcontractor must include their Small Business Concerns expenditures and must meet any prescribed SBA goals of the prime contractor.
- After federal contract SBA goals are met, continue on an ongoing basis to give Small Business Concerns the maximum practicable opportunities as this will assist our SBA rating and overall University spending with Small Business Concerns.

Additional Information on the University's policies, laws and regulations governing the SBA Program, and assistance may be obtained from the Procurement Services Office, or Research Administration.

Frequently Asked Questions

WHAT IS THE SBA?

The Small Business Administration is a federal agency that administers an increasing number of federal contracts requiring small business subcontracting plans to provide enhanced opportunities for small business concerns to participate in the economic opportunities that result from the University's activities.

SOMETIMES I GET SBA POP-UP WINDOWS WHEN I'M ENTERING A REQUISITION, EZPO, OR JOURNAL ENTRY INTO FFE. WHY?

Currently, these screens appear whenever the account has been identified as federally funded. As a prime contractor to the federal government, Columbia University has an obligation to attempt to utilize small businesses to provide products and services whenever appropriate. The use of these screens:

- a) Serves as an alert to the end user
- b) Permits the Procurement Office to capture the information necessary to demonstrate these attempts to utilize small businesses.

WHEN CAN I ANSWER "NO" TO AN SBA POP-UP (I.E., I DID NOT LOOK FOR A SMALL BUSINESS, OR I DO NOT WANT THIS TO COUNT TOWARD MEETING GOALS)?

There are four instances when one is not required to look for a Small Business:

- When the requisition is for a Research and Development Sub-award to a University/Large Business where the agreement has been negotiated by Research Administration (RA).
- When the vendor selected has a University-Wide Purchasing Agreement (UwPA) with Columbia University. However, there are a number of UwPAs that are registered with the SBA as Small Businesses. View a current list of UwPAs registered with the SBA on our website.
- When the item being purchased is "permanent equipment that is only available from a large business."
- "Other," under which users must provide another valid reason for not looking for a Small Business.

WHEN IS A SMALL BUSINESS SUBCONTRACTING PLAN REQUIRED?

A small business subcontracting plan is required on federal contracts that are expected to entail an estimated cost of \$550,000 or above for the entire period of performance. Columbia University is also required to obtain a small business subcontracting plan from of any subcontractor whose total dollar subcontract award is expected to exceed total costs of \$550,000 for the entire period of performance.

WHAT HAPPENS IF WE DO NOT FULFILL THESE REQUIREMENTS?

In the proposal stage, the contract cannot be awarded without the submission of the subcontracting plan and the University's sign-off for compliance.

After an award is received, failure to make a good faith effort to comply, or failure to comply can result in individual and/or University-wide penalties, which may include loss of funding.

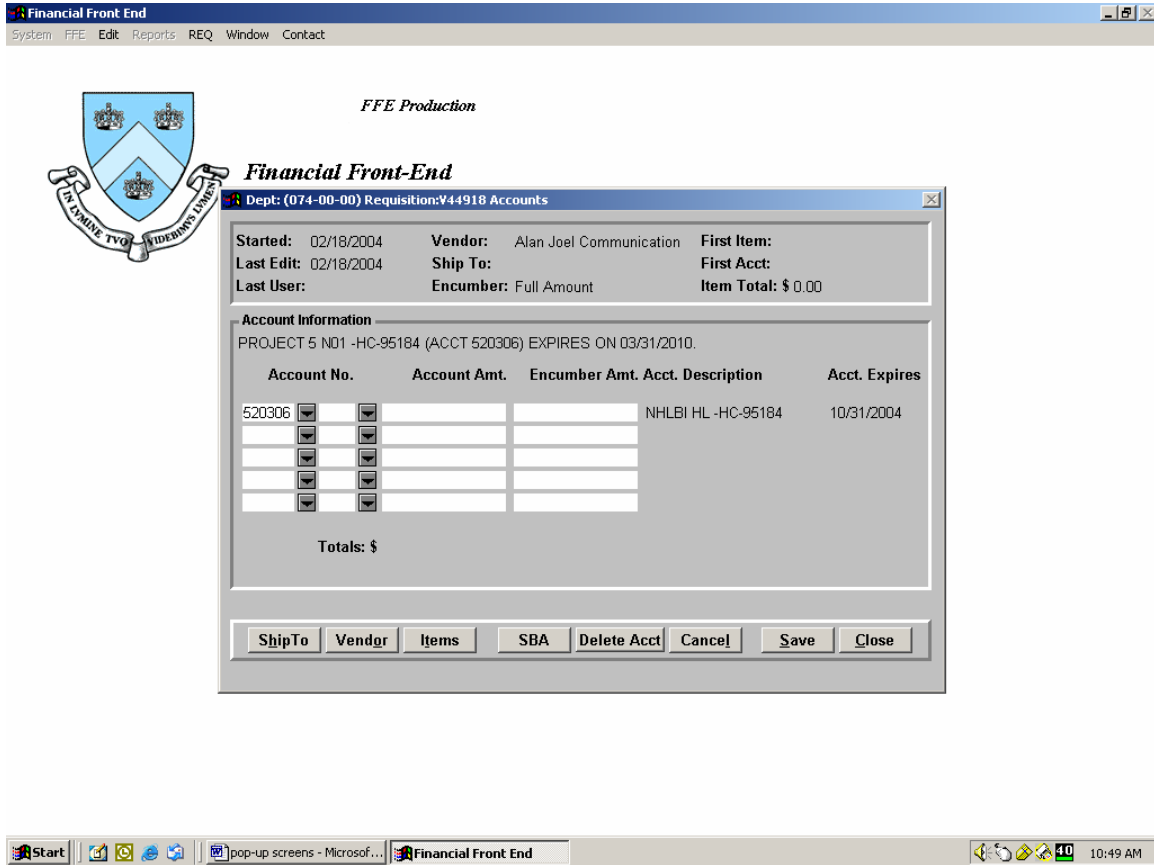
WHAT IS THE EIN? AND WHERE DO I FIND IT?

The EIN is the company's tax identification number; it is similar to an individual's social security number. If the University has not previously done business with the company, this can only be obtained from the company itself. In this case, the best way to obtain this information is to request the company register using our online form at

<http://tp194.purch.columbia.edu/purchasing/qualification/> .

Appendix A

FFE POP-UP SBA BOX SCREEN SHOTS



When entering a requisition, if the account entered requires goals to be met, or an affirmative effort to be made, the SBA tab becomes active.



FFE Production

Financial Front-End

Pending Requisitions

Dep#	Req#	Acct #1	Item #1	Vendor	Item Total	Modifier	Date	Status
074-00-00	004787		CFDGFQCH	Deil Marke	0.	Job	09/16/2003	OPEN
074-00-00	005922		SDF	Ris	0.	Park	09/18/2003	OPEN
074-00-00	009							003 DONE
074-00-00	V12							003 OPEN
074-00-00	V13							003 OPEN
074-00-00	V23							003 OPEN
074-00-00	V23							003 OPEN
074-00-00	V28							003 OPEN
074-00-00	V28							003 OPEN
074-00-00	V37							004 OPEN
074-00-00	V38							004 OPEN
074-00-00	V38							004 OPEN

? An account has federal small, small disadvantaged, women owned, or HUBzone business goals associated with it.

It is your responsibility to meet these goals. Failure to do so may limit your ability and that of the University to apply for government contracts in the future.

Do you intend for this purchase to be counted against your small, small disadvantaged, women-owned or HUBzone business goals?

Tab to Exit

This screen appears if the account is a “goal” account. If the purchase you intend to make is to a Small Business Concerns Vendor, then click YES. If not, then click No.



FFE Production

Financial Front-End

Pending Requisitions

Dep#	Req#	Acct #1	Item #1	Vendor	Item Total	Modifier	Date	Status
074-00-00	004787		CFDGFDBH	Bell Marke	0.	Job	09/16/2003	OPEN
074-00-00	005922		SDF	Ais	0.	Park	09/18/2003	OPEN
074-00-00	009102	207400	RADIATIO	Bbbb	1,200.	Park	09/30/2003	DONE
074-00-00	V12511	407496	DF	Ais Malts	550.	Park	10/13/2003	OPEN
074-00-00	V13500		NONE	Hudson Bay	0.	Brucia	10/16/2003	OPEN
074-00-00	V23							003 OPEN
074-00-00	V23							003 OPEN
074-00-00	V28							003 OPEN
074-00-00	V28							003 OPEN
074-00-00	V37							004 OPEN
074-00-00	V38							004 OPEN
074-00-00	V38							004 OPEN

The government requires Columbia to demonstrate an "Affirmative Effort" to find and utilize Small Businesses for any acquisitions that use Federal funding.

Have you attempted to find a small business to meet this requirement?

(Double Click) or (Enter) to Edit Requisition

This screen appears if the account is an “affirmative effort” account. If you’ve attempted to utilize a small business to meet this requirement, then click YES. If not, then click No.



FFE Production

Dept: (074-00-00) Requisition:Y44918 Best Effort Justification

	Awarded Bid	Bid #2	Bid #3
Vendor Name:	Alan Joel Communication		
Total Bid Amount:			
EIN # (99-9999999):			
DUNS # (99-999-9999):			
SIC Code# (9999, ...):			
NAICS# (999999):			
UNSPSC # (9999999999):			

Category of Classification (Y/N):

- Small
- Small Disadvantaged
- HUB Zone
- Small Woman Owned
- Large Business
- Veterans
- Service Disabled Veterans

Click to go to Pronet's Website <http://pro-net.sba.gov/>

Is this vendor in Pronet (Y/N)?

Pronet Certification
End Date (MM/DD/YYYY):

Pronet was checked for qualified vendor?

OK Cancel

This screen currently appears if “yes” is selected. The number of bids required complies with the purchasing policy. Please complete this information accordingly.



FFE Production

Financial Front-End

Pending Requisitions

Dept#	Req#	Acct #1	Item #1	Vendor	Item Total	Modifier	Date	Status
074-00-00	004787			CFDGFQGH Dell Marke	0.	Job	09/16/2003	OPEN
Dept:(074-00-00) Requisition:V44918 Non-Goal Purchase								
Enter the reason why you do not want this purchase to be counted against your Small, Small Disadvantaged, Women, Veteran, or Service Disabled Veteran owned, and Hub zone goals:								
<input type="radio"/> Research and development sub-award to university/large business <input type="radio"/> Permanent equipment only available from large business <input type="radio"/> University negotiated master contract <input type="radio"/> Other - explain below								
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>								
<div style="text-align: center;"> <input type="button" value="OK"/> <input type="button" value="Cancel"/> </div>								

Tab to Exit

This screen currently appears if “no” is selected. Please click the appropriate reason why this purchase will not be counted toward the Small Business Concerns goals.



FFE Production

Financial Front-End

Dep#	Req#	Acct #1	Item #1	Vendor	Item Total	Modifier	Date	Status
074-00-00	004787			CFDGFQGH Dell Marke	0.	Job	09/16/2003	OPEN
Dept:(074-00-00) Requisition:V44918 Non-Goal Purchase								
An account is required to exercise "an affirmative effort".								
Enter the reason why you have not attempted to locate a small business that can provide this product or service:								
<input type="radio"/> Research and development sub-award to university/large business <input type="radio"/> Permanent equipment only available from large business <input type="radio"/> University negotiated master contract <input checked="" type="radio"/> Other - explain below								
<div style="border: 1px solid black; height: 30px; width: 100%;"></div>								
								Tab to Exit
								OK Cancel
<input type="button" value="New"/> <input type="button" value="Edit"/> <input type="button" value="Approvals"/> <input type="button" value="Local Reqs"/> <input type="button" value="Delete"/> <input type="button" value="Release"/> <input type="button" value="View"/> <input type="button" value="Notes"/> <input type="button" value="Close"/>								

If "Other" is selected, then explain the reason using the free text box and press OK.