to seek other prime contracts or sub-
contracts.

(e) Potential Mentors may submit an
application for admittance to the Men-
tor-Protégé Program at any time as
long as the requirements at section
519.7006 are met.

(f) The determination of affiliation is
a function of the SBA.

519.7004 Incentives for prime contrac-
tors.

(a) Under the Small Business Act, 15
U.S.C. 637(d)(4)(E), the GSA is author-
zized to provide appropriate incentives
to prime contractors in order to en-
courage subcontracting opportunities
for small business concerns consistent
with the efficient and economical per-
formance of the contract. This author-
ity is limited to negotiated procure-
ments, including the GSA Multiple
Award Schedule contracts and the GSA
Governmentwide Acquisition Con-
tracts. It does not include orders under
any GSA contracts.

(b) Costs incurred by a mentor to
provide developmental assistance, as
described in section 519.7012 to fulfill
the terms of their agreement(s) with a
protégé firm(s), are not reimbursable
as a direct cost under a GSA contract.

If GSA is the mentor’s responsible
audit agency under FAR 42.703–1, GSA
will consider these costs in deter-
mining indirect cost rates. If GSA is
not the responsible audit agency, men-
tors are encouraged to enter into an
advance agreement with their respon-
sible audit agency on the treatment of
such costs when determining indirect
cost rates.

(c) In addition to paragraph (b) of
this section, contracting officers may
give mentors evaluation credit during
the source selection process for sub-
contracts awarded under their subcon-
tracting plans pursuant to their Men-
tor-Protégé Agreements. (See FAR
15.101–1). Therefore:

(1) Contracting officers may evaluate
proposals with subcontracting plans
containing Mentor-Protégé Agree-
ments more favorably than proposals
with subcontracting plans that do not
include Mentor-Protégé Agreements;
and

(2) Contracting officers may assess
the prime contractor’s compliance with
the subcontracting plans submitted in
previous contracts as a factor in evalu-
ating past performance under certain
circumstances (see FAR 15.304(c)(3) and
15.305(a)(2)(v)) and determining con-
tractor responsibility FAR section

(d) OSBU Mentoring Award. A non-
monetary award may be presented an-
nually to the mentoring firm providing
the most effective developmental sup-
port of a protégé. The Mentor-Protégé
Program Manager will recommend an
award winner to the Administrator of
GSA.

(e) OSBU Mentor-Protégé Annual Con-
ference. At the conclusion of each year
in the Mentor-Protégé Program, men-
tor firms will be invited to brief con-
tracting officers, program leaders, of-

cine directors, and other guests on their
experience and progress under the Pro-
gram. Participation is voluntary.

519.7005 Measurement of program suc-
cess.

The overall success of the GSA Men-
tor-Protégé Program encompassing all
participating mentors and protégés
will be measured by the extent to
which it results in:

(a) An increase in the number, dollar
value, and percentage of subcontracts
awarded to protégés by mentor firms
under GSA contracts since the date of
entry into the Program. The baseline
that demonstrates an increase is deter-
mined by comparing the number and
total dollar amount of subcontract
awards made to the identified protégé
firm(s) during the two preceding fiscal
years (if any) that are listed in applica-
tion;

(b) An increase in the number and
dollar value of contract and sub-
contract awards (including percentage
of subcontract awards) to protégé firms
since the date of the protégé’s entry
into the Program (under GSA con-
tracts and contracts awarded by other
Federal agencies);

(c) An increase in the number and
dollar value of subcontracts awarded to
a protégé firm by its mentor firm; and

(d) An increase in subcontracting
with protégé firms in industry cat-
egories where they have not tradition-
ally participated within the mentor
firms’s activity (i.e., the protégé is expanding its field of expertise or increasing its opportunities in areas where it has not traditionally performed).

(e) Assessments of the semi-annual reports submitted by the mentors and “Lessons Learned” evaluation submitted by the mentors and protégés to the GSA Mentor-Protégé Program Manager.

519.7006 Mentor firms.

(a) Mentors must be:

(1) A large business prime contractor that is currently performing under an approved subcontracting plan as required by FAR 19.7 - Small business mentors are exempted; or

(2) A small business prime contractor that can provide developmental assistance to enhance the capabilities of protégés to perform as contractors, subcontractors, and suppliers; and

(b) Must be eligible (not listed in the “Excluded Parties List System”) for U.S. Government contracts and not excluded from the Mentor-Protégé Program under section 519.7014(b);

(c) Must be able to provide developmental assistance that will enhance the ability of protégés to perform as contractors and subcontractors; and

(d) Must provide semi-annual reports detailing the assistance provided and the cost incurred in supporting protégés.

519.7007 Protégé firms.

(a) For selection as a protégé, a firm must be:

(1) A small business concern, small disadvantaged business concern, veteran-owned small business concern, service-disabled veteran-owned small business concern, HUBZone small business concern, or women-owned small business concern;

(2) Small for the NAICS code the prime contractor/mentor assigns to the subcontract; and

(3) Eligible (not listed in the “Excluded Parties List System”) for U.S. Government contracts and not excluded from the Mentor-Protégé Program under section 519.7014(b).

(b) A protégé firm may self-represent to a mentor firm that it meets the requirements set forth in paragraph (a)

of this section. Mentors may check the Central Contractor Registration (CCR) at www.ccr.gov to verify that the self-representation of the potential protégé meets the specified small business and socioeconomic category eligibility requirements (see FAR 19.703(b) and (d)). HUBZone and small disadvantaged business status eligibility and documentation requirements are determined according to 13 CFR parts 124 and 126.

(c) A protégé firm must not have another formal, active mentor-protégé relationship under GSA’s Mentor-Protégé Program but may have an active mentor-protégé relationship under another agency’s program.

519.7008 Selection of protégé firms.

(a) Mentor firms will be solely responsible for selecting protégé firms. Mentors are encouraged to select from a broad base of small business concerns including small disadvantaged business concerns, women-owned small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, and HUBZone small business concerns. A protégé must be either a current subcontractor or a newly selected subcontractor for the prime contractor’s GSA contract.

(b) Mentor firms may have more than one protégé. GSA reserves the right to limit the number of protégés participating under each mentor firm.

(c) The selection of protégé firms by mentor firms is not protestable, except for a protest regarding the size or eligibility status of an entity selected by a mentor to be a protégé. Such protests shall be handled in accordance with FAR 19.703(b). The contracting officer shall notify the Office of Small Business Utilization (OSBU) of the protest.

519.7009 Application process.

(a) Prime contractors interested in becoming a mentor firm must apply in writing by submitting the GSA Form 3695 to the GSA Mentor-Protégé Program Manager, at GSA Office of Small Business Utilization (E), Washington, DC 20405. The Application shall include the Mentor-Protégé Agreement and will be evaluated for approval based on