



DON OSBP
Mentor Protégé Program (MPP)

Date
March 21, 2024

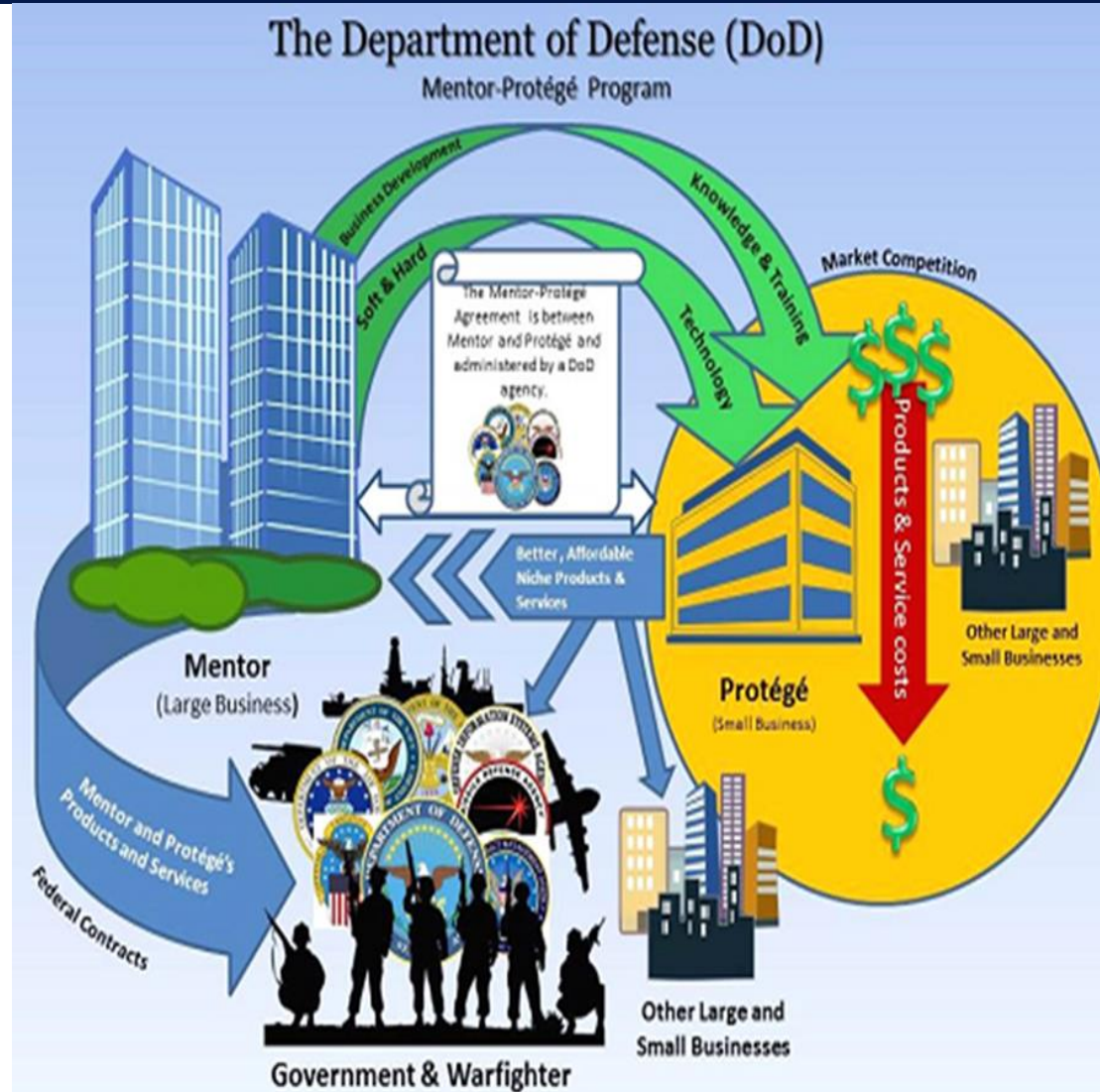
Briefer: Ms. Yolandra Nathaniel
DON OSBP Rotational Excellence Program
Participant

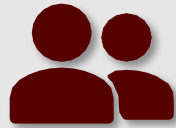
“Small Business -
The First Option”

What is the Mentor Protégé Program (MPP)?



- The Department of Defense (DoD) Mentor-Protégé Pilot Program was established under Section 831 of Public Law 101-510, the National Defense Authorization Act for Fiscal Year 1991.
- Created to provide incentives for DoD Prime Contractors to assist small business in enhancing their capabilities and increasing participation in government and commercial contracts.





The DoD Mentor-Protégé Program (MPP) assists small businesses (Protégés) to successfully compete for prime contract and subcontract awards by partnering with eligible companies (Mentors) under individual, project-based agreements for three years*.



Mentor-Protégé Agreements (MPA) consist of general business management assistance and engineering and technical (Technology Transfer) assistance.



Technology Transfer can include implementation of quality management systems, certifications, or it can work on specific technology that provides a benefit to a program within the DoD.



MPP Purpose

Office of the Secretary of the Navy Small Business Programs



- Increase the overall participation of Small Disadvantaged Businesses (SDBs), Women Owned Small Businesses (WOSBs), Historically Underutilized Business Zone Small Businesses (HUBZone) and Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) in Government contracts.



- Enhance the capabilities of eligible small businesses so that they may perform significant work on DoD contracts which results in a increase in the overall defense industrial business base.



- Facilitate the formation or enhancement of long-term business relationships in order to develop a stable industrial business base for the Mentor, Protégé and DoD



MPP Regulatory Update

Office of the Secretary of the Navy
Small Business Programs



- National Defense Authorization Act for Fiscal Year 2023 codification from pilot to permanent and addressed industry concerns related to the MPP.
 - Lower threshold for Mentor Eligibility: from \$100 million to \$25 million in total defense contracts for the prior fiscal year;
 - Increased Duration for MPP Relationships: extends participation from two to three years;
 - Enhanced Data Collection: requires DoD OSBP to “maintain outcome-based performance goals and annually collect data
 - Pilot Program to Incentivize Protégé Participation: Protégé Technical Reimbursement Program which allows the protégé to receive up to 25 percent of the agreement.
 - Increased Post-Award Reporting: from 2 years to 5 years



Types of MPP Agreements

Office of the Secretary of the Navy
Small Business Programs



- Reimbursable MPAs
- Credit MPAs
- Hybrid MPAs (Credit MPA + Reimbursable MPA)





Reimbursable:

- Provides monetary reimbursement only for the cost of developmental assistance incurred by the Mentor firm and provided to a Protégé firm in accordance with the approved agreement.
- Allowable Cost include:
 - Assistance provided by HBCU/MI/SBDC/APEX Accelerator
 - Direct labor costs (for assistance by Mentor firm employees)
 - Cost for developmental trainings and conferences





Credit:

- Allow mentor to receive credit toward subcontracting goals for costs incurred
- Credit Agreements are administered by DCMA

Hybrid:

- Combination of the reimbursable and credit agreement.
- One year must be credit and one year is reimbursable.
- Developmental assistance costs may only be incurred after receipt of DCMA approval letter.



Who Can Be A Mentor?

Office of the Secretary of the Navy
Small Business Programs



The Mentor



- Currently performing under at least one active approved Subcontracting plan
- Has DoD contracts totaling at least \$25M* in previous fiscal year.
- Is other than small entity (can be waived)
- Prime contractor with an active subcontracting plan or is an 8(a) graduate with documentation of its ability to serve as a Mentor.

Eligibility



- Be eligible for award of a Federal contract
- Must Demonstrate:
 - Qualified to provide assistance;
 - In good financial health and character; and,
 - Is not on debarred/suspended



Who Can Be A Protégé?

Office of the Secretary of the Navy Small Business Programs



The Protégé



- Small Business Concern
- Eligible for award of Federal contracts
- Not owned by individual/entity with stock options/securities in Mentor
- Satisfy at least one of the eligibility criteria.
- No more than size of standard corresponding to primary North American Industry Classification System (NAICS) code.

Eligibility



- Small Disadvantaged Business (SDB)
- Women-Owned Small Business (WOSB)
- HUBZone Small Business (HUBZone)
- Service-Disabled Veteran-Owned Small Business (SDVOSB)
- A business employing the severely disabled;
- A business owned and controlled by a Native American tribe
- A business owned and controlled by a Native Hawaiian Organization
- An entity providing goods/services in private sector critical to enhancing DoD supplier base.





- Support the warfighter;
- Brings innovative tech into established Defense Acquisition Programs;
- Develops a more capable small business industrial base and robust supply chain;
- Ensures capacity & capability to support prime and subcontracting requirements;
- Fosters the establishment of long-term business relationships;
- Promotes other programs and resources that exist with the DoD;
- Protect our investments through cybersecurity hygiene and readiness.





Mentor Benefits



- Develop long-term business relationships with SDB concerns.
- Develop high-quality subcontracting pool
- Pursue new market opportunities as a team
- Issue subcontracts to Protégé on a non-competitive basis
- Receive cost reimbursement or small business subcontracting credit
- Gain source selection past performance on evaluation factor

Protégé Benefits



- Technology transfer
- Engineering & Technical training
- Business Infrastructure enhancement
- Develop business relationship with Prime Contractor
- Expand subcontracting opportunities
- Business development and planning training
- Leverage technical expertise of the Mentor
- Improve competitive advantage





CVN, Nuclear Aircraft Carrier



AN/APY- 10 Maritime/Overland Radar



MQ-25

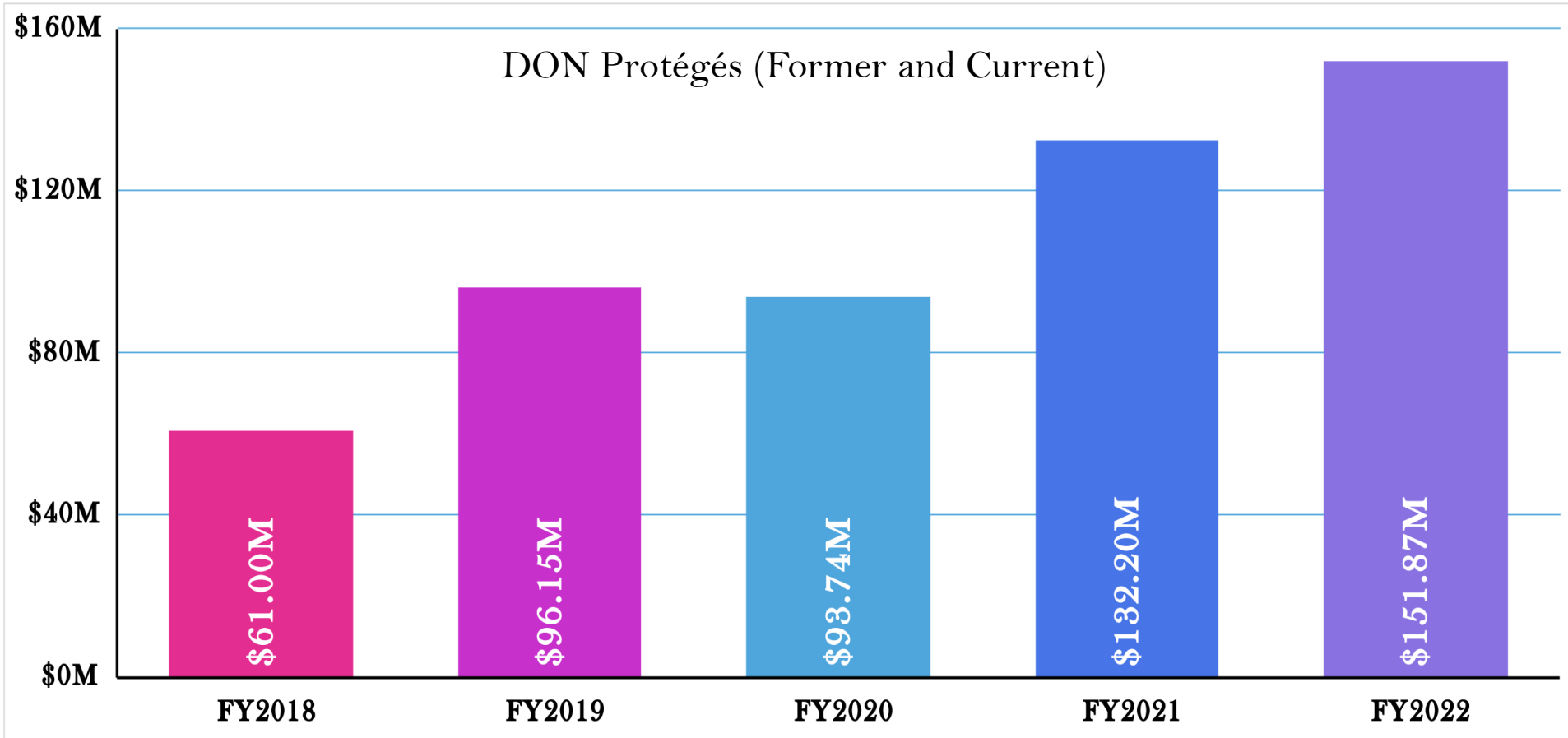


Navy Personnel and Pay Modernization (PPM/NP2)



DON MPP Protégé Performance

Office of the Secretary of the Navy
Small Business Programs



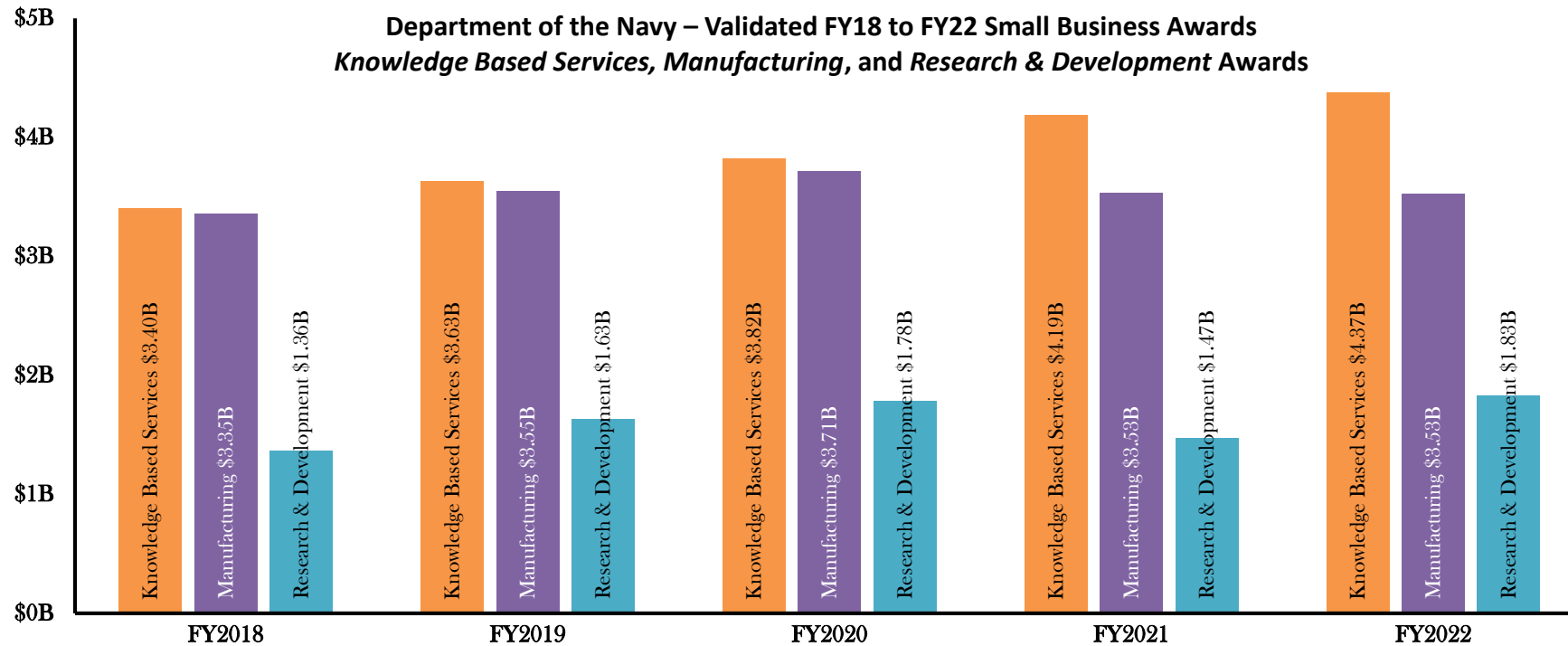
Data Source: Validated awarding procurement data from SAM.gov using the “Small Business Procurement Awarding Data” Report and SAM UEIs of past and present DON Mentor Protégé participants





MPP Focuses on Agreements in the following technology areas:

- Knowledge Based Services *
- Manufacturing ^
- Research and Development *

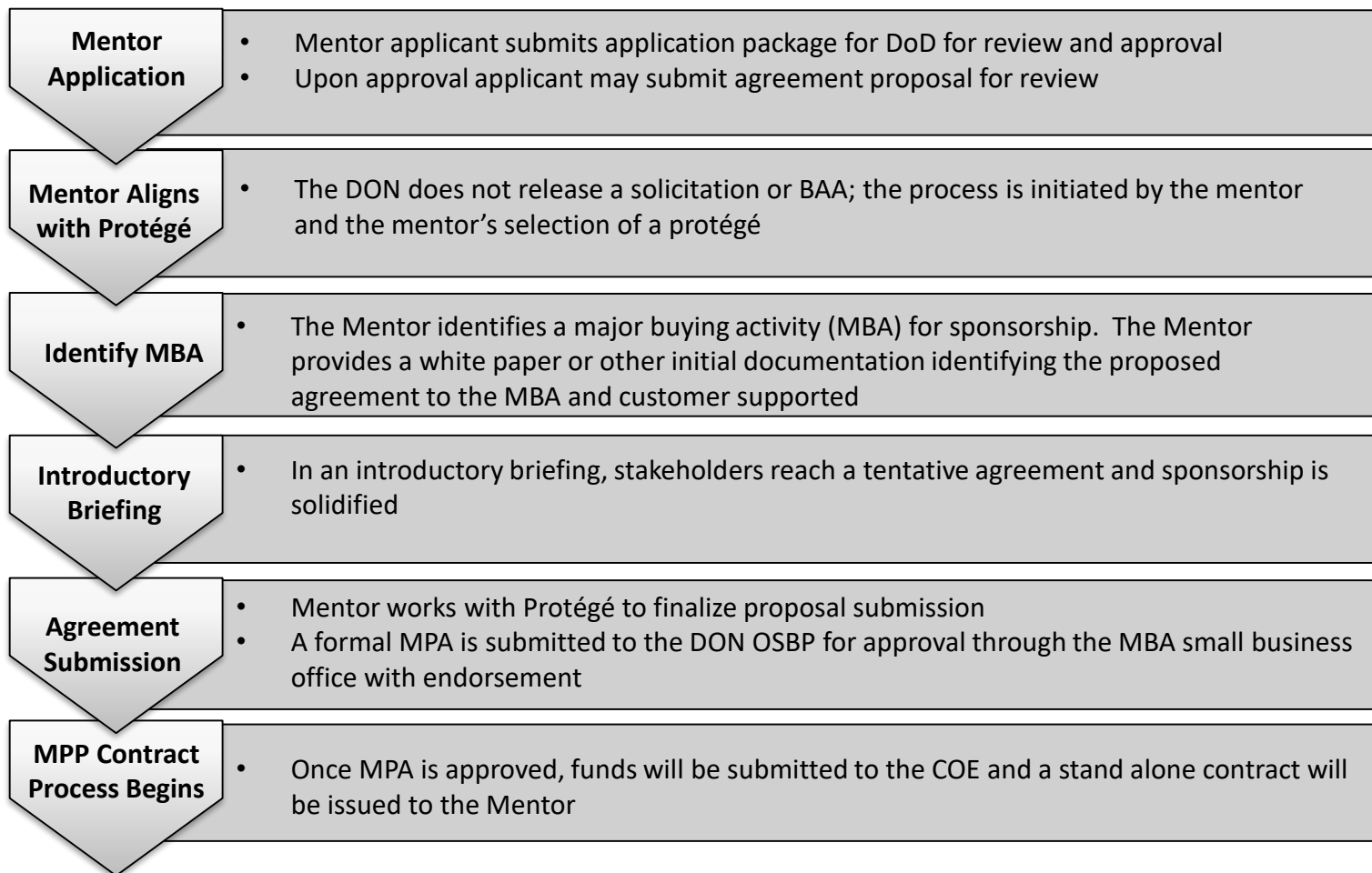


Data Source: Validated FY2018 to FY2022 SAM.gov Procurement Awarding data for the Department of the Navy.
 * Knowledge Based Services and Research & Development are based on PSC – Portfolio Group crosswalk (<https://www.acquisition.gov/psc-manual>)
 ^ Manufacturing awards had a two digit NAICS code starting with '31', '32', or '33' and had PSCs not in Knowledge Based Service or Research and Development Portfolio Groups



How To Participate

Office of the Secretary of the Navy Small Business Programs



Note: A detailed flow and description of the process can be found in the [DON MPP Guidebook](#).



Major Buying Activities (MBA)

Office of the Secretary of the Navy Small Business Programs



Major Buying Activities (MBA):

- A Navy or Marine Corps contracting activity that is responsible for specific duties to support the war fighter and their families.
- The MBA is also the contracting activity that will purchase your product and services. There are 10 MBAs in the DON, which also includes two Marine Corps commands.
- Each command has identified challenges/capability gaps within the organization that Small Business can fill.
- A small business specialist within each activities can help review opportunities for your product/services using the Long-Range Acquisition Estimates that are unique to each activity.





- Agreement length of three* years
- Must include a detailed developmental program for the protégé containing
 - Specific milestones
 - Goals and estimated dollar amount of potential subcontracts between the mentor and protégé.
 - Show value to DoD and enhancements to Defense Industrial Base through specific quantitative and qualitative metrics.
- Must provide detailed cost breakdown
 - **The total amount reimbursed to a DoD Mentor for costs of assistance furnished to a DoD Protégé in a fiscal year may not exceed \$1M**
 - **The average cost of a 3-year direct reimbursed agreement* is \$500,000 — \$750,000 (for all three years)**

Specific content found in DFARS Appendix I-107

*Average cost of agreement was calculated from historical 3-year term agreements





Requirements for the Package

- Executive Summary
- The Mentor Protégé Agreement
- Benefits Statement/Return On Investment Document
- Technical Proposal
- Cost Proposal





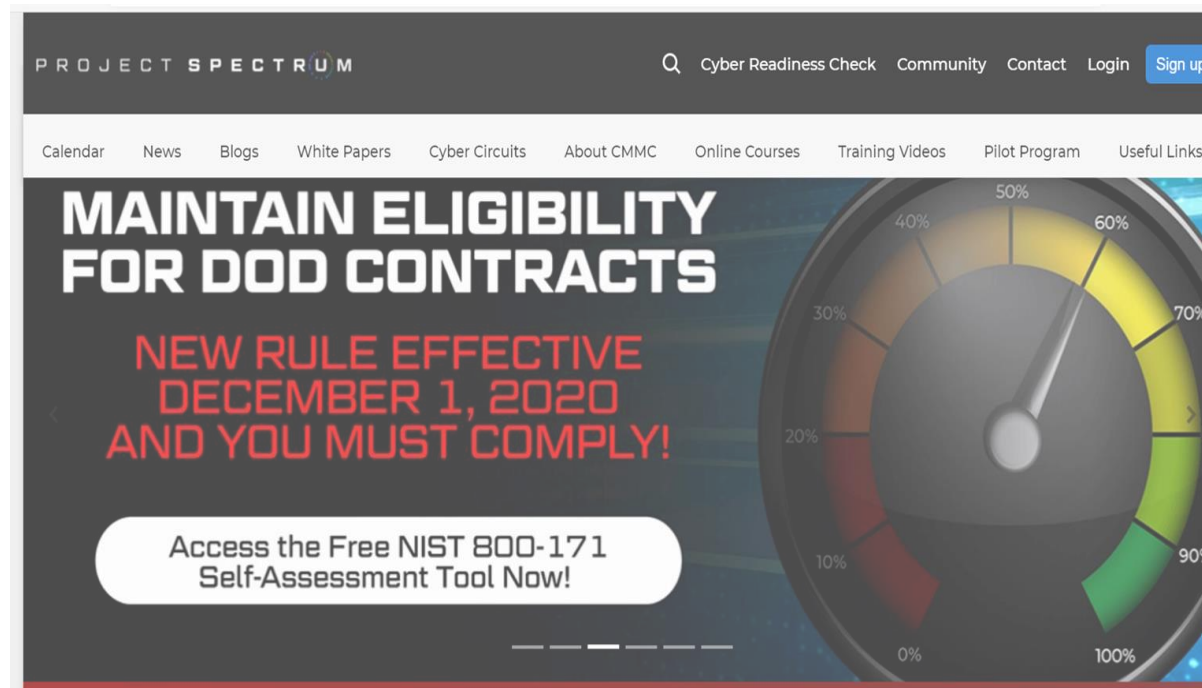
Other Key Notes:

- The assistance to be provided should be based on a needs assessment of the protégé.
- Consideration should be given to ROI for the customer, Navy, Mentor, Protégé, and DoD.
- An MPA is a marriage requiring courtship/dating. In most cases protégés are selected from the supplier base of the Mentor.
- Small businesses should be marketing themselves to large primes for subcontracting opportunities and partnerships. Build performance, grow, and establish yourself as a value-added supplier/partner and potential candidate for the program.





Project Spectrum and the MPP



See [Project Spectrum](https://www.secnav.navy.mil/smallbusiness) website for more information.

- PS includes a web portal, cyber readiness check, and customized dashboard.
- Pilot participation gives unique access to resources and coaching to prepare for Cybersecurity Maturity Model Certification (CMMC).





PRESENTER:

Yolandra Nathaniel

DON OSBP

Rotational Excellence Program Participant

NOSB Small Business Professional

(717)605-1395

Yolandra.V.Nathaniel.civ@us.navy.mil

Mercedes Thurston

DON OSBP Mentor Protégé Program Manager

(202) 685-1076 (Office)

(703) 946-7870 (Cell)

Mercedes.Thurston@navy.mil

Checkout DON's MPP Webpage



Get Connected!
Join Our Mailing List

Office of the Secretary of the Navy
Small Business Programs



Stay up to date on all things happening in DON OSBP!

Stay
current



Learn About
In-Person
Events



Learn About
Industry Days





Questions?





BACK-UP & ALTERNATE SLIDES





Policy and Regulation:

- DFARS 219.71-

https://www.acq.osd.mil/dpap/dars/dfars/html/current/219_71.htm

- DFARS Appendix I-

https://www.acq.osd.mil/dpap/dars/dfars/html/current/appendix_i.htm

Department of Navy (DON):

- DON Operations Plan –

<https://www.secnav.navy.mil/smallbusiness/Documents/DON%20OSBP%20Ops%20Plan%202023.04.11.pdf>

- Mentor Protégé Program Guidebook

<https://www.secnav.navy.mil/smallbusiness/Documents/DON%20Mentor%20Protege%20Program%20Guidebook%20-%20JUNE2023r1.pdf>

DoD Office of Small Business Programs:

<https://business.defense.gov/Programs/Mentor-Protege-Program/>





Small Business Administration's (SBA) Mentor-Protégé Program is a government- wide program designed to assist small businesses in obtaining and performing federal contracts.

- Mentors may:
 1. Form joint ventures with protégés that are eligible to perform federal contracts set aside for small businesses
 2. Make certain equity investments in protégé firms
 3. Lend or subcontract to protégé firms
 4. Provide technical or management assistance to their protégés

The Department of Defense (DOD) Mentor Protégé Program, in contrast, is agency- specific. It is designed to develop various types of small businesses and other entities to obtain and perform on DOD contracts and subcontracts.

- Mentors may:
 1. May make advance or progress (installment) payments to their protégés that DOD reimburses
 2. Award subcontracts to their protégés on a noncompetitive basis when they would not otherwise be able to do so
 3. Lend money to or make investments in protégé firms (not to exceed 10%)
 4. Provide or arrange for other assistance (business lines of credit, security clearances, etc.)

