

Mentor-Protégé Program

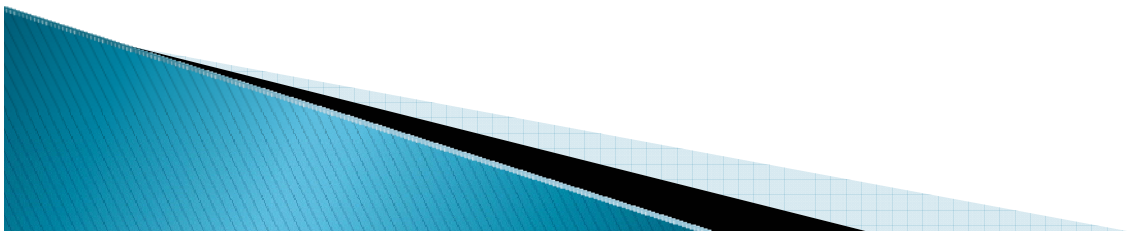


U.S. Small Business Administration

**Santa Ana District
Office**

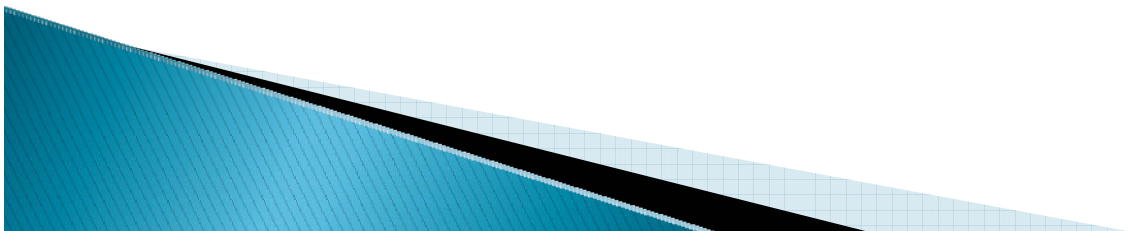
Today's Objectives

- ▶ Purpose of the Program
- ▶ Background
- ▶ Mentor/Protégé Requirements
- ▶ Rules Participation/Compliance Requirements
- ▶ Additional Guidance



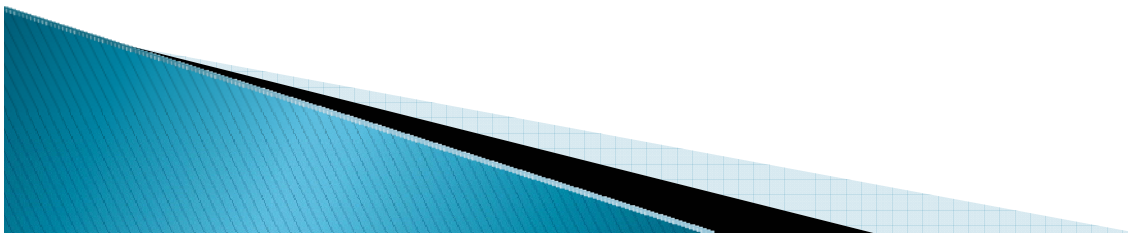
Purpose of the Program

- ▶ To encourage approved Mentors to provide various forms of assistance to eligible participants
- ▶ To serve as an additional developmental tool for 8(a) participants
- ▶ To enhance the capabilities of the Protégé and to improve its ability to successfully compete for contracts.



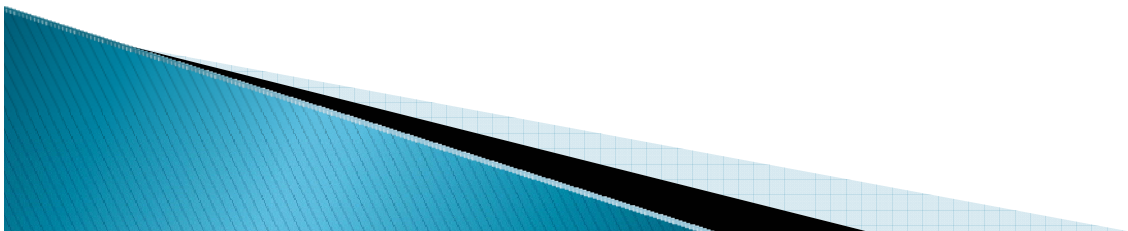
8(a) Mentor Protégé Program Began as a 1998 SBA reinvention initiative

- ▶ Enhance 8(a) business development
- ▶ Encourage private sector partnerships
- ▶ Complement ongoing acquisition reforms
- ▶ Increase 8(a) options for Federal buyers



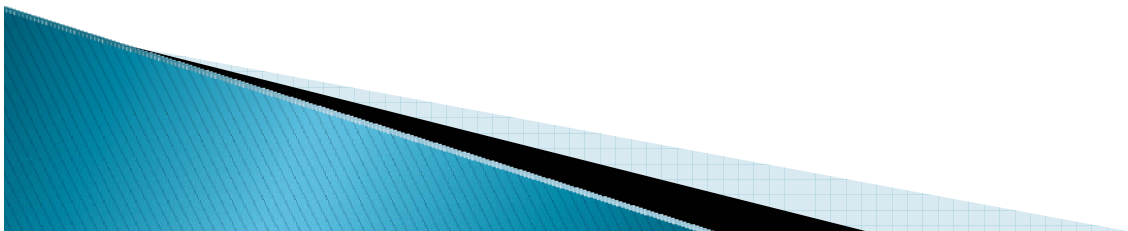
Mentors (and Protégés) Benefits

- ▶ Mentors develop new qualified small subcontractors and suppliers to:
 - Strengthen their proposals
 - Meet the targets of their small business subcontracting plans
- ▶ SBA approved 8(a) Mentor Protégé joint venture teams are small for Federal contracts and subcontracts



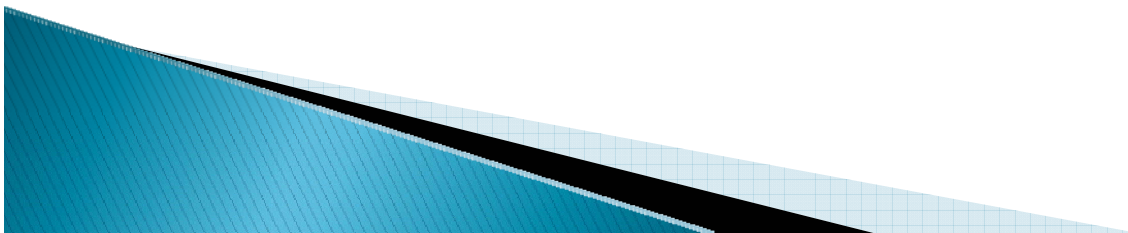
Protégés Benefits

- ▶ Negotiating beneficial Developmental Assistance Agreements, which are at the core of your Mentor–Protégé Agreements
- ▶ Invaluable management and technical assistance from successful government contractors



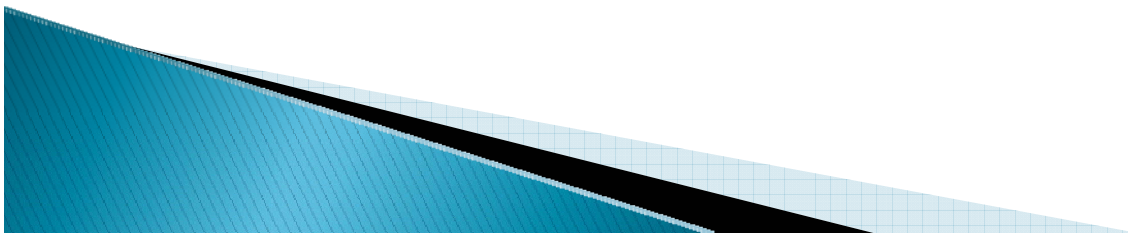
Qualifications for Mentors

- ▶ Must have favorable financial health
- ▶ Must demonstrate good character
- ▶ Must not appear on the Federal list of debarred or suspended contractors
- ▶ Must demonstrate knowledge and ability to strengthen protégé capabilities



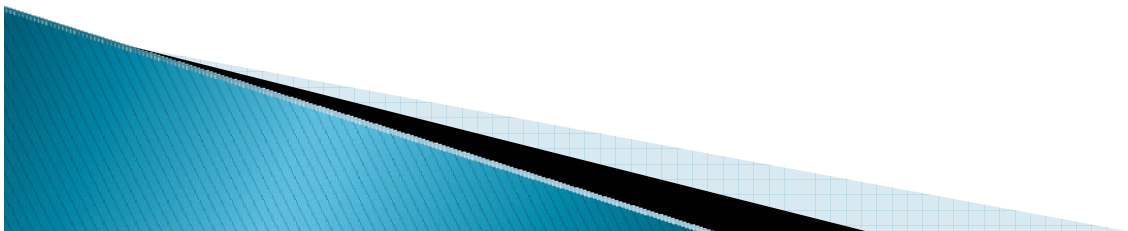
Qualifications for Protégés

- ▶ Certified as 8(a) company
- ▶ Must be either: (1) in the developmental stage of program participation; (2) never received an 8(a) contract; or (3) be less than half the size standard corresponding to your primary NAICS code.
- ▶ SBA is prohibited from approving a new Mentor/Protégé relationship within six months of the end of an 8(a) Participant's program term.



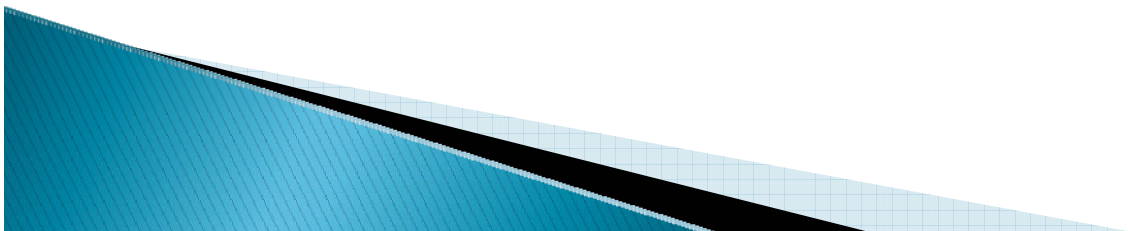
Checklist for Mentors

- ▶ Most current Business Tax Returns–3 Years
- ▶ Most current Financial Statements–3 Years
- ▶ Mentor’s Narrative and at least two letters of commendation
- ▶ DUN & Bradstreet/SAM/DSBS Profile
- ▶ Certification Regarding Debarment, Suspension, & Other Responsibility Matters



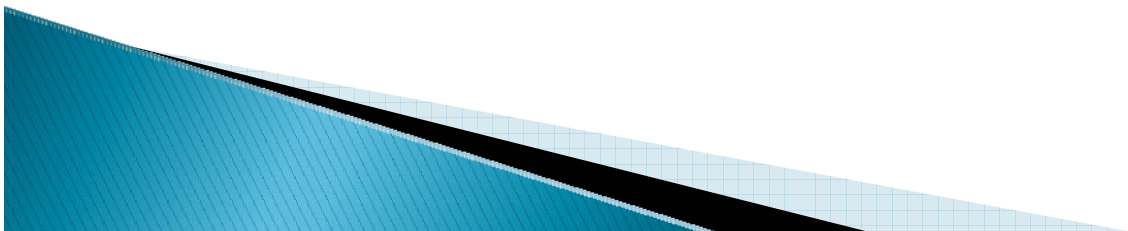
Checklist for Protégés

- ▶ Properly negotiated developmental assistance agreement
- ▶ Updated Business Plan
- ▶ Most recent approved Annual Review
- ▶ Mentor Protégé Worksheet
- ▶ DSBS Profile



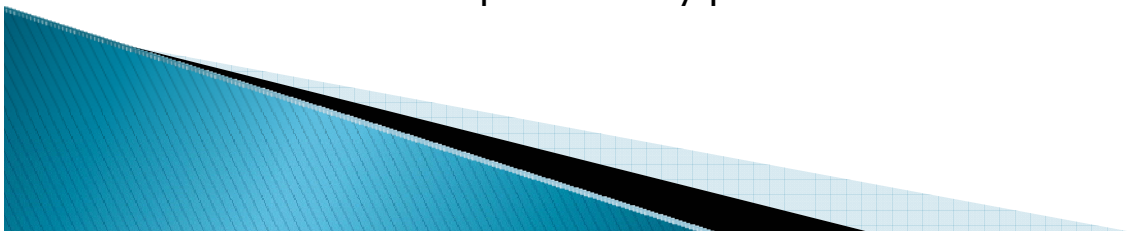
What Must a Mentor-Protégé Agreement Include?

- ▶ Must be in writing
- ▶ Must include an assessment of the Protégé's needs
- ▶ Must include a description of the specific assistance that the Mentor will provide to address those needs
- ▶ Must be for at least one year
- ▶ Must include a provision that either party can terminate with 30 days advance notice to the other party and SBA



How Will SBA Annually Evaluate a Mentor-Protégé Relationship?

- ▶ Annually, the protégé must certify that the Mentor-Protégé Agreement has not been modified without prior SBA Approval.
- ▶ The annual update must describe:
 - all technical and/or management assistance provided by the mentor;
 - all loans and/or equity investments made by the mentor;
 - all subcontracts awarded by the mentor and the value of each subcontract;
 - all federal contracts awarded to the mentor-protégé relationship as a joint-venture (JV);
 - the value of each contract, and the percentage of the contract performed and the percentage of the revenue accruing to each party to the JV;
 - A narrative describing the benefits and successes realized by the protégé due to the mentor's assistance in addressing its developmental needs of the protégé together with a description of any problems encountered



Additional Information

- ▶ Karen Burgess: 714.560.7451 karen.burgess@sba.gov
- ▶ www.sba.gov/content/mentor-protege-program
- ▶ CFR § 124.520

