### C H A P T E R 1

### THE MENTOR-PROTÉGÉ PROGRAM (MPP)

The Mentor Protégé Program (MPP) is 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.

This Program is a community-based effort involving leaders of major firms, financial and bonding institutions, industry associations, contract officers, policy and compliance, small business enterprises, and support service organizations. It provides an opportunity for the small disadvantaged (protégé) firm to overcome barriers that typically inhibit or restrict the success of its business. It encourages major federal prime contractors (mentors) to enhance the management and technical capabilities of the protégé. The mentor may provide financial assistance in the form of equity investments and/or loans, subcontracts/subcontract support. The prime contractor may also provide technical assistance, operational assistance, etc. in performing prime contracts through agreements with protégé firms.

Overall, the Program is designed to produce a broad base of high quality, competitive and profitable companies through incremental improvement. It is expected that as a result of the Program, protégés will experience a greater than industry average success rate and realize the growth and profitability objectives of their business plans, as well as, long range stability.

#### BENEFITS OF THE PROGRAM

By implementing this Program as a component of our small business enterprise, TREASURY will provide a community benefit by strengthening emerging businesses and providing them with previously denied opportunities for growth, expansion and increased participation in Treasury’s economic development. The MPP enables TREASURY to build effective working relationships between leaders of mature established companies and new/emerging small business enterprises in order for the small businesses to benefit from the knowledge and experience of the established mentor firms. Furthermore, the Program:

**»** Fosters the establishment of long-term, mutually beneficial business relationships between TREASURY and industry associations.

**»** Facilitates the ability to acquire an expanded base of qualified small businesses who can successfully win contracts in TREASURY.

**»** Strengthens subcontracting opportunities.

**»** Provides greater assurance that a protégé subcontractor will be able to perform under a contract than a similarly situated non-protégé subcontractor.

**»** Supports Treasury mission to increase job opportunities and promote the conditions that strengthen economic growth.

### MENTOR-PROTÉGÉ PROGRAM PROCESSES

Treasury’s OSDBU has a particular set of responsibilities to ensure that the Program is executed in accordance with the policy in the Department of the Treasury’s Acquisition Regulations (DTAR) including:

**»** Coordinating with OPE to formulate MPP policies and procedures.

**»** Marketing and promoting the MPP to support HBCU’s and small businesses that are located in undeserved communities

**»** Organizing Mentor Protégé trainings, representing Treasury OSDBU at vendor outreach and industry association events and hosting an annual MP match-making event.

**»** Reviewing and approving mentor protégé agreements for participation in the Program

**»** Attending SBA’s and other industry mentor-protégé meetings to learn from best practices and lessons learned

**»** Conducting annual performance reviews under the approved MP agreements.

**»** Attracting the support of large business contractors and mature small business prime contractor

### C H A P T E R 2

# THE MENTOR

ELIGIBILITY REQUIREMENTS

As a potential mentor, you must meet the established eligibility requirements to participate in the MPP. A mentor can be either a large business or a mature small business. Regardless of size, the mentor must have the capability to assist the protégé firm and be able to make a commitment for at least one year. The eligibility requirements will be updated in Treasury’s DTAR and is summarized below:

**»** The potential mentor may be either a large or mature small business entity;

**»** The potential mentor must be eligible for award of Government contracts;

**»** The potential mentor must be able to provide developmental assistance that will enhance the ability of protégés to perform as prime contractors or subcontractors; and

**»** The potential mentor will be encouraged to enter into arrangements with entities with which it has previously established business relationships.

**»** The potential mentor shall not appear on the Federal list of debarred or suspended contractor as described in the FAR Subpart 9.4, Debarment, Suspension, and Ineligibility.

A mentor may have several Treasury mentor-protégé relationships. In that case, separate Mentor-Protégé packages must be submitted for each mentor-protégé relationship. Assistance may be obtained by the mentor’s firm for the protégé firm from one or more of the following resource centers:

**»** Small Business Development Centers (SBDC) established pursuant to the Small Business Act (15 U.S.C. 648)

**»** Entities providing procurement technical assistance pursuant to Title 10 U.S.C. (Procurement Technical Assistance Centers)

## BENEFITS OF THE PROGRAM

For acquisitions that contain the requirement for a subcontracting plan, mentors are eligible to receive credit in the source selection and evaluation criteria process for mentor-protégé participation.

At the Bureau’s descretion, a post-award incentive for subcontracting plan credit may be available by recognizing allowable costs incurred by a mentor firm in providing assistance to a protégé firm and using this credit for purposes of determining whether the mentor firm attains a subcontracting plan participation goal applicable to the mentor firm under a TREASURY contract. Each Treasury Bureau will make a determination as to whether this credit will be provided.

As an entity seeking to participate as a mentor, you must go to the website and complete the Mentor application. Once approved, you will provide the appropriate developmental assistance as specified in your MP Package.

### SELECTING A PROTÉGÉ

As the mentor, you are solely responsible for selecting a protégé with whom you believe you can develop a successful business relationship. Be aware that a previously, established association is highly recommended between you and the protégé. Consider the following when selecting a protégé:

**»** The protégé’s geographic proximity to you;

**»** The protégé’s strategic vision and how the developmental assistance will align;

**»** The protégé’s attitude regarding being mentored;

**»** The protégé’s commitment to the relationship;

**»** The protégé’s capabilities and how they may interface with your business;

**»** The protégé’s financial status and the overall stability of their management;

**»** The protégé’s past performance including the results of any contract or subcontract work between you and the protégé; and

**»** The protégé’s overall expectations.

### **MENTOR-PROTÉGÉ PROGRAM PACKAGE**

Once your firm has identified an eligible entity to participate as the protégé, you should perform a needs assessment prior to completing the Mentor-Protégé Package. The needs assessment will help you determine the difference between current and desired states. Furthermore, it will help your firm discover the needs expressed by management and/or other employees and establish realistic developmental needs for the protégé firm.

The mentor should also discuss the potential relationship with the Contracting Officer for any existing TREASURY prime contracts or an Indefinite Delivery Indefinite Quantity (IDIQ) Contracts which could be modified to include the provisions of the agreement.

As the mentor, you are responsible for working with the protégé to develop the proposed Mentor-Protégé agreement for each Mentor-Protégé relationship. The package must contain a signed Mentor-Protégé agreement that includes the following information:

**»** Names, addresses, phone numbers, and e-mail addresses of the mentor and protégé firms and point of contacts for both the mentor and protégé;

**»** A description of the developmental assistance that will be provided by the mentor to the protégé, including a description of the work or product contracted for (if any), a schedule for providing assistance, and criteria for evaluation of the protégé’s developmental success.

**»** A listing of the number and types of subcontracts to be awarded to the protégé;

**»** Duration of the agreement, including rights and responsibilities of both parties (mentor and protégé);

**»** Termination procedures, including procedures for the parties’ voluntary withdrawal from the Program firm in writing at least 30 days in advance of its intent to voluntarily terminate the agreement;

**»** Procedures requiring the parties to notify OSDBU/MRC immediately upon receipt of termination notice from the other party;

**»** A plan for accomplishing the work or product contracted for should the agreement be terminated; and

**»** Other terms and conditions, as appropriate.

### SUBMISSION OF MENTOR-PROTÉGÉ PROGRAM PACKAGE

As the mentor, you are responsible for submitting the signed proposed Mentor-Protégé Package for each Mentor-Protégé relationship to Treasury for approval. Application for and enrollment into the Program are free and open to the public. The deadlines for submission to the OSDBU Mentor/Protégé Program Manager are:

**»** January 30th

**»** June 30th

Any proposed Mentor-Protégé Package that is submitted outside of the dates mentioned above will be held for evaluation in the next cycle.

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| --- | --- |
| **EXCEPTION:** | Mentor-Protégé agreement packages submitted in response to a current Request for Proposal (RFP) will be reviewed as a part of the procurement process. |

### EVALUATION OF MENTOR-PROTÉGÉ PACKAGE

Proposed Mentor-Protégé packages will be evaluated by Treasury OSDBU’s Mentor-Protégé Program Manager (MPPM) for OSDBU. The program manager will review the information to ensure that the mentor and protégé meet the eligibility requirements and will ensure that the appropriate information is included. If the agreement relates to a specific contract, then the OSDBU will consult with the responsible Contracting Officer on the adequacy of the proposed agreement. The OSDBU will complete its review no later than 30 calendar days after the program enrollment cutoff date. All proposed packages will be **evaluated on the following criteria in descending order of importance**:

**»** Merit of the developmental assistance to the protégé firm;

**»** Perceived benefit and value of the agreement to TREASURY; and

**»** Subcontracting opportunities available to the protégé.

Notification of the endorsement or rejection will be sent to the mentor and protégé with an explanation. Unsuccessful agreements may be revised and resubmitted in the next submission cycle. The supplemental information must be provided within 15 days of the notification. OSDBU will complete its review of the materials no later than 30 days after its receipt.

### PROGRAM EXECUTION AND DEVELOPMENTAL ASSISTANCE

As a mentor, it is essential that you devote the necessary time, staff and other resources to fulfill your responsibilities as a mentor and to provide a stronger, more capable small business. You may provide guidance in the following areas:

**»** Financial Management such as identifying processes and procedure for timesheets, billing and invoicing, accounts receivable and accounts payable, as well as interfacing with auditors.

**»** Organizational Management such as identifying a hierarchical structure for effective management of the firm.

**»** Business Management such as assisting with strategic planning, business planning, legal issues, and risk management.

**»** Business Development such as market research, product forecasting and web-based marketing techniques, and proposal management.

**»** Operational assistance

**»** Technical Assistance such as ISO 9000 and SEI/CMM Certifications.

**»** Award of subcontracts under TREASURY contracts or other contracts on a non-competitive basis.

**»** Administer advance payments under subcontracts in accordance with FAR Subpart 32.4.

**»** Investment(s) in the protégé firm in exchange for an ownership interest in the firm, not to exceed ten percent of the total ownership interest. Investments may include but are not limited to cash, stock, contributions in kind, etc.

#### MEETINGS

As the approved mentor, TREASURY encourages you to conduct regular face-to-face coaching sessions with the protege. During these meetings, you must work together to develop the protégé’s strategic business plan and to discuss problems, strategies, and objectives that are critical to achieve the plan and to obtain results. You are encouraged to establish a meeting to discuss items relevant to the protégés previously identified problem areas and the firms changing needs, as well as the current experiences in your business relationship. Furthermore, inquire on the protégés efforts to establish and implement their business plan and discuss any actions suggested at the previous coaching session(s). Both parties should establish target dates for any further improvements or enhancement

#### INFORMAL CONTACTS

TREASURY encourages the mentor to routinely communicate with the protégé and attempt to correspond on a routine basis to discuss daily problems and situations encountered by the protégé and to provide periodic review.

#### INTRODUCTION TO RESOURCES

We also encourage you to introduce the protégé to a variety of business resources in which he/she consults, including representatives in the banking, bonding, management, and business industries as means of providing access and breaking down previously existing barriers which may have hindered the firm in the past.

#### INDEPENDENCE

Be aware that as a mentor, you must not assume managerial or administrative control of the protégé during or following the membership period.

#### DEVELOPMENTAL ASSISTANCE PLAN

Through your needs assessment, you should determine what stage of development the protégé (i.e., start- up, growth, expansion, and mature) is in. The criteria to be considered shall include but not necessarily limited to the following:

**»** Net Worth – Does the protégé firm have a positive new worth?

**»** Cash flow or Bank Credit or banking line of credit?

**»** Bonding Capacity – Does the protégé firm have bonding? If so, to what capacity?

**»** Necessary Equipment – Does the protégé firm have the ability to rent/lease equipment as necessary to compete for work?

**»** Administrative Capacity – Does the protégé firm have the resources to solicit and hire the employees necessary to prepare reports and forms, and the resources to provide leadership for the organization?

**»** Technical Capacity – Does the protégé firm have adequate resources to direct the project’s management and operational requirements of their items of work?

**»** Estimating Capacity – Does the protégé firm have the ability to project and determine the pertinent cost factors associated with the performance of an item of work?

**»** Accounting Capacity – Does the protégé firm have the ability to document projected cost associated with the performance project cost associated with the performance of items of work?

**»** Supervisory Staff – Does the protégé firm have an appropriate number of technically trained and experienced staff for their volume of work?

**»** Experience – Does the protégé firm have a sufficient number of trained staff and level of completed work, to provide a minimum level of operational expertise in their area of work?

Once, identified, the plan should be drafted and used to develop the necessary skills required by the firm. The plan should be structured to recognize the firms’ current business capacity and future goals. It should also set the parameters of assistance for monitoring purposes and clearly describe the limits of assistance that are allowable in each phase of development.

#### MILESTONE REALIGNMENT

As you begin your developmental assistance with the protégé firm you may find that efforts may fall behind schedule or you may find it necessary to add new milestones. TREASURY encourages you to submit a formal request to the OSDBU Director to realign or add milestones to the plan. To do so, the mentor must include a letter signed by both the mentor and protégé requesting the realignment or addition of milestones with a justification explaining why it is necessary. The letter must include:

**»** Milestones accomplished;

**»** Milestones not accomplished with explanation;

**»** Any new milestones proposed; and

**»** Formal modification or an addendum to the agreement signed by both parties (include updates to developmental assistance, milestones, and metrics.

As the mentor, you are responsible for submitting the request to the Mentor Protégé Program Manager for review and approval.

#### REPORTING PROBLEMS TO OSDBU

Treasury encourages you to discuss progress issues or problems encountered with the business arrangement with OSDBU Director as soon as possible.

#### WORKING RELATIONSHIP

Be aware that the relationship may develop slowly and at times the process may be time consuming. As a mentor, you must be motivated by a desire to give something back and to help nurture a small business in your community. You should also know that there is nothing in the regulations that prohibits you and the protégé from working together on other projects or in contractor- subcontractor arrangements provided that control of the protégé firm remains with the protégé itself.

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#### INCENTIVES

Under the Small Business Act, 15 U.S.C. 637(7)(E)(3), TREASURY is authorized to provide appropriate incentives to encourage subcontracting opportunities for small business consistent with the efficient and economical performance of the contract. This authority is limited to negotiated procurements. The FAR provides additional guidance.

Costs incurred by a mentor to provide developmental assistance, to fulfill the terms of their agreement(s) with a protégé firm(s), are not reimbursable as a direct cost under a TREASURY contract. TREASURY will consider these costs in determining indirect cost rates.

In addition, Contracting Officers may grant credit for a mentor’s proposal evaluation considerations for subcontracts awarded pursuant to their Mentor-Protégé agreements and their subcontracting plans. Therefore:

**»** Contracting officers may evaluate subcontracting plans containing Mentor-Protégé arrangements more favorably than subcontracting plans without Mentor-Protégé agreements.

**»** Contracting officers may assess the prime contractor’s compliance with the subcontracting plans submitted in previous contracts as a favorable factor in evaluating past performance under FAR 15.305(a)(2) and determining contractor responsibility 19.705-5(a)(1).

The OSDBU will also present an annual non-monetary Mentor Protege Award to the mentoring firm providing the most effective developmental support of a protégé. Each year a mentor firm will be invited to present program progress. OSDBU certificates/plaques will be given to the Mentor Protégé Firm who successfully completes the mentor protégé program.

### AGREEMENT TERMINATION

If for any reason, the mentor decides to terminate the agreement prior to the scheduled completion date, a formal notification must be submitted to Treasury’s MP Program Manager.

#### VOLUNTARY TERMINATION

You may voluntarily withdraw from the program. To do so, you should notify the protégé firm in writing at least 30 days in advance of your firm’s intent to voluntarily withdraw its participation in the program. Mentor firms may only voluntarily terminate its Mentor-Protégé agreement(s) if it no longer wants to be a participant in the program as a mentor. The mentor is obligated to fulfill its contract requirements under the MP agreement. In no event shall the mentor withdrawal form the contractual requirements under any prime contract.

#### TERMINATION FOR CAUSE

The mentor must furnish the protégé a written and signed notice of the proposed termination, stating the specific reasons for such action, at least 30 days in advance of the effective date of such proposed termination.

**»** The protégé will have 30 days to respond to the notice of proposed termination, and may rebut any issues and offer a proposed plan of remediation.

**»** Upon prompt consideration of the protégé’s response, the mentor must either withdraw the notice of proposed termination and continue their Mentor-Protégé agreement, or issue the notice of termination to the OSDBU/MRC Deputy Director.

**»** The decision of the mentor regarding termination for cause will be reviewed with comments by Treasury’s MP Program Manager.

### ANNUAL REPORTING AND REVIEWS

Annual performance reviews will be conducted by Treasury’s MP Program Manager. These performance reviews will focus on the progress and accomplishment realized under approved Mentor- Protégé Agreements. The mentor-protégé package should include a statement upon submission that both the mentor and the protégé will fully comply with all the reporting requirements outlined in Treasury’s MP Program guidance.

#### ANNUAL REPORTS

As the mentor, you are required to report on the progress made under each of your active Mentor-Protégé agreements annually throughout the term of the agreement. Each report is due 30 days after the end of each twelve-month period commencing with the start of the agreement.

The protégé will also be required to submit an individually developed annual report using the same form. Their report must document the progress made during by the prior twelve months in employment, revenues and participation in TREASURY contracts. The protégé report may be submitted as part of the mentor report or submitted separately, and is due at the same time as the mentor report.

Be aware that the Mentor Protege Program Manager places extra emphasis on the required annual reports, since these reports will be used to determine if the mentor and protégé is meeting its milestones that are outlined in the original agreement package, and the effect of the mentoring on the protégé.

#### POST AGREEMENT REPORTS

The protégé is also required to submit data on employment and revenue for each of the two years following the end of their agreement. These reports are due one month after the end of the first and second year after the end of the agreement. C H A P T E R 3

# THE PROTÉGÉ

ELIGIBILITY REQUIREMENTS

As a potential protégé, you must meet the established eligibility requirements to participate in the program. A protégé must be in good standing and must be current with all reporting requirements. The eligibility requirements are summarized below:

**»** The prospective protégé must be a small business, veteran-owned small business, service- disabled veteran-owned small business, HUBZone, small socially and economically disadvantaged business, or women-owned small business;

**»** The prospective protégé must meet the size standard corresponding to the NAICS code that the mentor prime contractor believes best describes the product or service being acquired by the subcontract;

**»** The prospective protégé must be eligible for award of government contracts; and

**»** The prospective protégé must not appear on the Federal list of debarred or suspended contractor as described in the FAR Subpart 9.4, Debarment, Suspension, and Ineligibility.

Generally, a protégé will not have more than one mentor at a time; however, protégés participating in additional Mentor-Protégé Programs should maintain a system for preparing separate reports of mentoring activity so that the results of the Treasury’s MP program can be reported separately from other agency programs.

## BENEFITS OF THE PROGRAM

The program is intended to enhance the capability of the small businesses so that they may compete more successfully for Federal Government contracts.

The program encourages private-sector relationships and expands SBA’s efforts to identify and respond to the developmental needs of the participants. The MPP arrangements enable protégés to receive technical, managerial or any other mutually agreed upon benefits from mentors including work that flows from a government or commercial contract through subcontracting or teaming arrangements. Mentors may also provide financial assistance in the form of equity or loans to help the protégé firm.

Successful protégés capitalize on available business development resources, educate themselves on government buying needs, and market themselves based on skills and ability to meet such needs. Further, protégé firms gain opportunities to seek and perform government and commercial contracts through the guidance and support of mentor firms that may not have been available to them without the MPP.

## MENTOR-PROTÉGÉ PROGRAM PROCESSES

As an entity seeking to participate as a protégé, you must establish a business relationship with a mentor and apply to the TREASURY Headquarters OSDBU detailing your qualifications. Once approved, the mentor will provide the appropriate developmental assistance as specified in your agreement package.

### DEVELOPING RELATIONSHIPS WITH MENTORS

As a small disadvantaged business, you are aware of the challenges you face to have a successful business. Learning new disciplines alone can be frustrating, time consuming, and expensive.

Effective mentor-protégé relationships are frequently slow to develop and need to be nurtured in order to become beneficial. But the results are worth the commitment and investment to make effective mentoring happen and to enable you to learn new disciplines quickly and efficiently.

Accomplished mentor firms are busy with their own businesses and have already capitalized on their entrepreneurial endeavors. They generally are motivated by a desire to give something back and to help nurture a small business in their community. In some cases, the protégé firm offers a specific area of expertise that compliments the mentor’s large business.

As the protégé, it is important to solicit and listen to counsel and advice on the full spectrum of experiences of the mentor. As the protégé, you should not tune out information in areas where you think no help is needed, when in fact help in these areas may be more critical to your business than you perceive. A small business seldom if ever graduates from the need for mentoring. As business activities grow and become more complex, there are always mentors with experiences and insights who can provide key assistance in helping the business ascend to the next level. So, nurture and develop a beneficial relationship with your mentor.

### MENTOR-PROTÉGÉ PACKAGE

Prior to drafting the Mentor-Protégé Package, the mentor must ensure your firm is eligible to participate as a protégé. Once you have entered in arrangements with a mentor firm, you must work collectively to complete the Mentor-Protégé Package. A template for the Mentor-Protégé Package can be found in Appendix B.

As the protégé, you are responsible for working with the mentor to develop the proposed Mentor- Protégé Package. The package should identify the difference between current and desired states. The package must contain a signed Mentor-Protégé agreement that includes the following information:

**»** Names, addresses, phone numbers, and e-mail addresses of the protégé firm and a point of contact;

**»** A description of the developmental assistance that will be provided by the mentor to the protégé, including a description of the work or product contracted for (if any), a schedule for providing assistance, and criteria for evaluation of the protégé’s developmental success.

**»** A listing of the number and types of subcontracts to be awarded (if any) to

the protégé;

**»** Duration of the agreement, including rights and responsibilities of both parties (mentor and protégé);

**»** Termination procedures, including procedures for the parties’ voluntary withdrawal from the program. The agreement shall require the mentor or the protégé to notify the other firm in writing at least 30 days in advance of its intent to voluntarily terminate the Agreement;

**»** Procedures requiring the parties to notify OSDBU/MRC immediately upon receipt of termination notice from the other party;

**»** A plan for accomplishing the work or product contracted for should the agreement be terminated; and

**»** Other terms and conditions, as appropriate.

### SUBMISSION OF MENTOR-PROTÉGÉ PACKAGE

The mentor firm is responsible for submitting the signed proposed Mentor-Protégé Package to TREASURY for approval.

Application for and enrollment into the program is free and open to the public. The deadlines for submission to the OSDBU Mentor-Protégé Program Manager are:

**»** January 30th

**»** June 30th

Any proposed Mentor-Protégé Package that is submitted outside of the dates mentioned above will be held for evaluation in the next cycle.

### EVALUATION OF MENTOR-PROTÉGÉ PACKAGE

The proposed Mentor-Protégé Package will be evaluated by Treasury OSDBU’s Mentor-Protege Program Manager. The OSDBU will review the information to ensure that the mentor and protégé meet the eligibility requirements and to ensure that the appropriate information is included. If the application relates to a specific contract, then the OSDBU will consult with the responsible Contracting Officer on the adequacy of the proposed agreement. The OSDBU will complete its review no later than 30 calendar days after receipt of the package. All proposed packages will be **evaluated on the following criteria’s**:

**»** Merit of the developmental, managerial, technical, and operational assistance to the protégé firm;

**»** Perceived benefit and value of the agreement to TREASURY; and

**»** Subcontracting opportunities available to the protégé.

Notification of the endorsement or rejection will be sent to the mentor and protégé with an explanation. Any supplemental information requested by the MP Program Manager must be provided within 15 days of the notification. The MP Program Manager will complete its review of the materials no later than 30 days after its receipt. Unsuccessful agreements may be revised and resubmitted in the next submission cycle.

### PROGRAM EXECUTION AND DEVELOPMENTAL ASSISTANCE

As a prospective protégé, you must be actively conducting business and be considered ready for expansion and must agree to participate fully in the MPP. It is essential that you devote the necessary time, staff and other resources to fulfill your responsibilities as a protégé and to become stronger, more capable small businesses. Mentors may provide guidance in the following areas:

**»** Financial Management such as identifying processes and procedure for timesheets, billing and invoicing, accounts receivable and accounts payable, as well as interfacing with auditors.

**»** Organizational Management such as identifying a hierarchical structure for effective management of the firm.

**»** Business Management such as assisting with strategic planning, business planning, legal issues, and risk management.

**»** Business Development such as market research, product forecasting and web-based marketing techniques and proposal management.

**»** Technical Assistance such as ISO 9000 and SEI/CMM Certifications.

**»** Award of subcontracts under TREASURY contracts or other contracts on a non-competitive basis.

**»** Administer advance payments under subcontracts in accordance with FAR Subpart

32.4.

**»** Investment(s) in the protégé firm in exchange for an ownership interest in the firm, not to exceed ten percent of the total ownership interest. Investments may include but are not limited to cash, stock, contributions in kind, etc.

#### STRATEGIC BUSINESS PLAN

The protégé should work with the mentor to prepare and strive to achieve goals outlined in a strategic business plan. The business plan shall serve as a guideline and benchmark for evaluating a firm’s progress in the program.

#### MEETINGS

As the protégé, you must make yourself available for regular virtual or face-to-face coaching sessions with the mentor. During these meetings you should be prepared to review progress made in achieving the desired outcome outlined in your strategic business plan. In addition, you should make the mentor aware of all problems affecting the timely and efficient completion of projects and effective management of your firm. Treasury encourages the establishment of an agenda consisting of items relevant to the previously identified problem areas and your firms changing needs, as well as, the current experiences in your business relationship. The mentor may require you to provide reports on your efforts in implementing your business plan or any other actions suggested at the previous coaching session(s). Both parties should establish target dates for any further improvements or enhancements.

#### INFORMAL CONTACTS

Treasury encourages the protégé to routinely communicate with the mentor and attempt to correspond on a routine basis to discuss daily problems and situations encountered and to obtain periodic counseling and guidance as needed.

#### INTRODUCTION TO RESOURCES

We also encourage the mentor to introduce a protégé firm to a variety of business resources in which he/she consults, including representatives in the banking, bonding, management, and business industries as means of providing access and breaking down previously existing barriers which may have hindered your firm in the past.

#### INDEPENDENCE

Be aware that the mentor must not assume managerial or administrative control of your firm during the agreement period.

#### MILESTONE REALIGNMENT

As you begin your developmental assistance with the mentor firm, you may find that efforts may fall behind schedule or you may find it necessary to add new milestones. TREASURY encourages the mentor to submit a formal request to the MP Program Manager to realign or add milestones to the plan. To do so, the mentor must include a letter signed by both entities requesting the realignment or addition of milestones with a justification explaining why it is necessary. The letter must include:

**»** Milestones accomplished;

**»** Milestones not accomplished with explanation;

**»** Any new milestones proposed; and

**»** Formal modification/addendum to the agreement signed by both parties (includes updates to developmental assistance, milestones, metrics, and cost proposal, if applicable).

**»** The mentor is responsible for submitting the request to the OSDBU/MRC Deputy Director for review and approval.

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#### REPORTING PROBLEMS

Treasury encourages protégé’s to discuss progressive issues or problems (encountered with the business arrangement/MP agreement) with the MP Program Manager as soon as possible.

#### WORKING RELATIONSHIP

Be aware that there is nothing in the regulations that prohibits the mentor and the protégé from working together on other projects or in contractor-subcontractor arrangements provided that control of the protégé firm remains with the protégé itself. You may be used to meet subcontractor requirements on which the mentor bids.

### AGREEMENT TERMINATION

If the protégé and the mentor decide to terminate the agreement prior to the scheduled completion date, a formal notification must be submitted to Treasury’s Mentor Protégé Program Manager.

#### VOLUNTARY TERMINATION

You may voluntarily withdraw from the program. To do so, you should notify the mentor firm in writing at least 30 days in advance of your firm’s intent to voluntarily withdraw its participation in the program.

### ANNUAL REPORTING AND REVIEWS

Annual performance reviews will be conducted by the MP Program Manager. These performance reviews will focus on the progress and accomplishment identified under an approved Mentor- Protégé Package. The Mentor-Protégé agreements should include a statement upon submission that both the mentor and the protégé will fully comply with all the reporting requirements of Treasury’s Mentor Protégé Program.

#### ANNUAL REPORTS

The mentor is required to report on the progress annually throughout the term of the agreement. Each report is due 30 days after the end of each twelve-month period commencing with the start of the agreement.

As the protégé, you will also be required to submit your own individually developed annual report using the same form. You must describe the progress made during the prior twelve months in employment, revenues and participation in Treasury contracts. Your report may be submitted as part of the mentor report or submitted separately, and is due at the same time as the mentor’s report.

Be aware that the MP Program Manager places extra emphasis on the required annual reports, since these reports will be used to determine if the agreement is meeting its milestones outlined in the original agreement package, and the effect of the mentoring on the protégé.

#### POST AGREEMENT REPORTS

As protégé, you are also required to submit data on employment and revenue for each of the two years following the end of your agreement. These reports are due one month after the end of the first and second year after the end of the agreement.