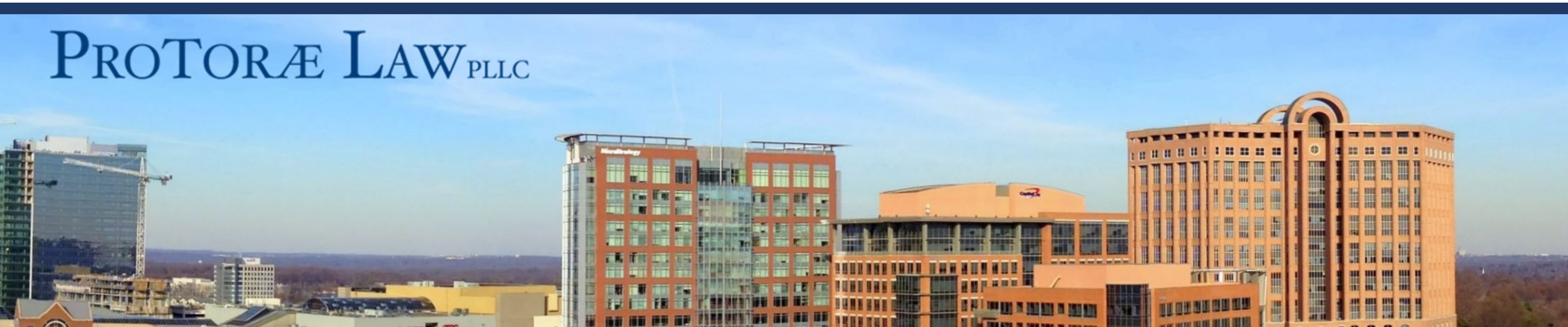

Joint Ventures and Scorecard Procurements

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What is a scorecard procurement?

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RFP requires an offeror to score itself with respect to certain characteristics/capabilities/experience desired by the agency and identified in the RFP

- Substituted for traditional technical proposal/technical approach submission

GSA has used this approach for OASIS, ASTRO, HCaTS and Alliant 2

Will be used for Polaris and CIO-SP4

Relevant Experience and Past Performance ratings have accounted for more than 70% of point scoring opportunities

What is a scorecard procurement? (*cont.*)

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Offerors typically can't use qualifications/experience of subcontractor to earn all points

But often allows for points contribution from members of "teaming arrangements" and joint ventures

- Agencies often confuse teaming terms

Must submit evidence of meaningful commitment between members to teaming arrangement/joint ventures

- Agencies often identify specific provisions that must be included in written arrangement

Agency may perform "organizational risk assessments"

What is a Joint Venture (JV)?

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Contractor Team Arrangement

- General term used in FAR 9.6
- JV is *Not* a prime/subcontract arrangement
- JV is *Not* a CTA as permitted by GSA

Joint Venture vs. Partnership

- Difference in liability exposure

Joint Ventures v. SBA Joint Ventures

- Standard JVs have flexibility in organization/structure/operations
- JVs formed for small business set-asides have strict regulatory requirements

Why the focus on JVs?

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SBA regulations provide that procuring activities must consider *work done individually by JV members* as well as any work done by JV itself (13 CFR 125.8)

“Small Business” JVs – Regulatory Requirements

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Two types

- All small businesses
- Small business(es) and large business(es)

Affiliation/Size issue

- Presumption of affiliation between JV members resulting in aggregation of the size of each member
- May or may not be an issue

Exemptions

- JV members are all small businesses each of which is small under the applicable size standard/NAICS code
- Mentor/Protégé JVs

Mentor/Protégé JVs

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JV formed between participants in SBA's Mentor-Protégé Program

- SBA used to have two MPPs, one for participants in its Section 8(a) Program and one for all other small businesses
- Recent regulation changes have combined the programs into one "All Small Mentor-Protégé Program" (ASMPP)

Typically formed between a "Mentor" and its "Protégé"

SBA must approve the participation of companies in the ASMPP

Mentor-Protégé Agreement (MPA) must be approved before JV can submit proposal in a set-aside procurement

- MPA identifies assistance Mentor will provide to Protege

JVs – Pros and Cons

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PROS	CONS
Combination of Resources	Expensive Paperwork
Combination of Past Performance	Strict Regulatory Requirements
Small Prime Past Performance Reference	Agency Discomfort
Small Prime Size Management	Sophisticated legal provisions
Other Than Small Access to Set-Asides	Complicated Logistics
Risk Allocation	Risk

SB JVs – Regulatory Requirements

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Common regulatory requirements for all "small business" JVs

- JV must be "unpopulated"
- JV must be separate legal entity
- JV must have only a two-year term
- JV must be a single purpose entity

Regulatory requirements applicable solely to Mentor/Protégé, SDVOSB, WOSB, 8(a) and HUBZone JVs

- Control
- Workshare requirements
- Joint bank account
- Reporting requirements
- Ensured performance

SB JV Issues

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Compliance with scorecard

- Security clearance requirements
- Accounting system requirements
- Certification Requirements

Operating Agreement issues

- Ensured performance
- Access to records/transparency
- Disputes
- Other ventures/conflicts of interest

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Questions?

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