

# Getting the Most out of your Mentor- Protégé Relationship: A Mentor's Perspective

**Shawn Ralston**

**Small Business Liaison Officer**

**AECOM's Design and Consulting Services Group**

## Topics for Discussion

- What do you want to get out of an agreement?
- Have you done your homework?
- What are Mentors looking for?
- What is the Mentor's Approach?
- Which Mentor-Protégé Program is right for you?
- SBA's Mentor-Protégé Programs
- Joint Venturing Through SBA's Mentor-Protégé Programs
- Additional Resources

## What do you want to get out of an agreement and what does success look like?

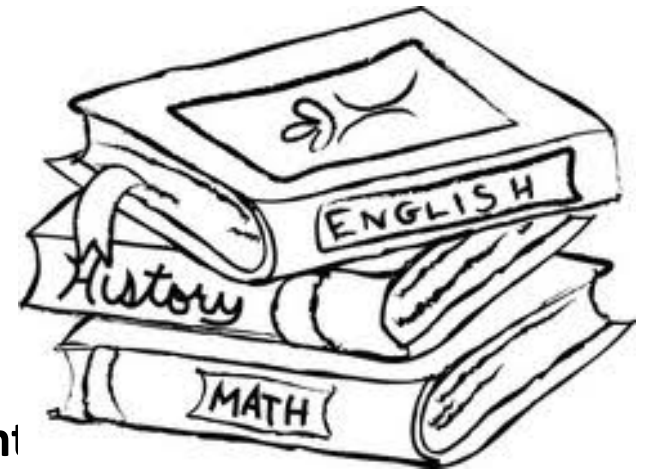


- Joint Venture?
- Financial Assistance/Equity or Loans?
- Pipeline/Growth?
- Avoid Affiliation?
- New Certifications?
- Enhanced Infrastructure?
- New Technology?      ➤ Enhanced Strategic Relationship?
- Client Recognition?      ➤ Access to New Markets?

**Be Honest with Yourself and Mentor!**

## Have you done your homework?

- **Have you worked contractually with your potential mentor?**
- How has your performance been with your potential mentor?
- Does that client have a mentor-protégé program?
- **If you have worked with the mentor, under what client?**
- Are you eligible to be a protégé under that program?
- Does the mentor participate in mentor-protégé programs and if so which ones?
- Have you reviewed the mentor's website on mentor-protégé?
- Who are your points of contact with the mentor and what are their roles?
- **Who might serve as your champion or agreement PM?**



## Additional Question to Ask Yourself

- Do you meet the mentor's requirements and have you reviewed the agency's website on mentor-protégé?
- Have you met with the agency's mentor-protégé director or others within the OSDDBU office?
- What are the incentives for participating under the given program?
  - Reimbursement?
  - Evaluation Credit?
  - Compulsory Participation for a specific procurement?
- Can you dedicate sufficient time and resources to making the program work?

### **Be Honest with Yourself!**

- Do your capabilities overlap with a current protégé of the mentor
- What benefits are there for participating with you under the given program?
- Should you hire a lawyer to help with the agreement/JV/LLC?

## What are Mentors looking for?

- Current Teammate, Subcontractor, or Small Business Prime
- Value proposition within the market (e.g. strategic relationship, complementary skill) – There is a cost to an agreement for the mentor
- Mature enough for the assistance to be beneficial (may have a minimum size measured in revenue or employees)
- Strategic long-term value as both a subcontractor and SB Prime
- No competition with current protégé capabilities and no active mentor-protégé agreement within the targeted agency or any other agency
- Active within the federal space – holding a federal contract or subcontract for a period of time
- Compatible business ethics and philosophy
- Financially stable and viable (may request information to support this)

## What is the mentor's approach?

- Discussions with current client facing points of contact
- Involvement of the Small Business Liaison Officer/BD/Operations
- Discussions with the agency SB Office or Mentor-Protégé Program Manager
- Questionnaire completion by protégé/Needs assessment (required by most mentor-protégé programs)
- Financial screening (some mentors require this)
- Draft agreement – involves a good bit of back and forth to ensure agreement is targeted and assistance is needed and wanted
- Signing of agreement and submission to agency for approval
- Kick-off meeting (Internal and/or External)
- Execute and Report as needed (Agency Reports & Program Management Review)
- Post Agreement Protégé Reporting (to help measure impact)

## Which mentor-protégé program is right for you?

- Small Business Administration: 8(a)
- Small Business Administration: All Small
- Department of Homeland Security
- National Aeronautics and Space Administration
- Department of the Treasury
- Department of Transportation
- Federal Aviation Administration
- Department of Energy
- ~~General Services Administration~~
- ~~US Agency for International Development~~
- ~~Department of State~~
- **Department of Defense**
  - Navy
  - Air Force
  - Army
  - Defense Logistics Agency
  - Missile Defense Agency
  - PEO STRI  
(Army's Program Executive Office Simulation, Training and Instrumentation)
  - CECOM/C4ISR  
(Army's Communications-Electronics Command)
  - National Security Agency
  - U.S. Special Operations Command
  - National Geospatial Intelligence Agency
  - Defense Intelligence Agency
  - **Defense Contract Management Agency**  
**(Credit)**



## What are the MP Program's Requirements?

### ➤ Is the mentor Eligible?

- ❖ Do they already have 3 SBA Protégés Already?
- ❖ Do they have a protégé that does the same thing as you

### ➤ Are you eligibly to be a protégé

- ❖ DoD Program is open to SDB, WOSB, HUBZone, SDVOSB
- ❖ SBA program has two programs – Universal Program and 8(a) Program
- ❖ Some Program have limits to how long you can be a protégé – SBA currently --- DoD is looking at potentially adding new limitations

### ➤ When can an agreement be submitted?

- ❖ Some have submission windows and some offer rolling submission



## SBA Mentor-Protégé Programs

- SBA offers two options for Mentor-Protégé Participation: The previously established 8(a) Mentor-Protégé Program and the new Universal Mentor-Protégé Program. These Programs are separate programs
- The new Mentor-Protégé Program is modeled on the current 8(a) Mentor-Protégé Program
  - Both programs allow for Joint Ventures between mentor and protégé with the resulting joint venture qualifying based on protégé SB status (HUBZone, WOSB, etc.)
  - Exempts assistance incorporated in the approved agreement from an affiliation finding
  - Mentor can own up to 40% of the protégé
- SBA began accepting applications for the new Universal MPP beginning October 1, 2016. Agreements are done through an on-line submission
- Applicants (both mentors and protégés) are required to complete online training module and upload certificate of completion to [certify.sba.gov](http://certify.sba.gov) BEFORE completion of application process

## SBA Mentor-Protégé Programs

- For both SBA programs, a protégé must be small under its primary NAICS code OR be seeking assistance in secondary NAICS code under which it is small.
  - This is a change from fairly strict requirements that were in place for the 8(a) MPP
- Will approve a 2nd mentor only if: 2nd relationship pertains to unrelated NAICS code AND protégé seeks to acquire specific expertise first mentor does not possess.
  - It is probably not a great idea to seek a 2nd agreement as it would make it very difficult to manage
- Firms that complete their 8(a) eligibility while in the 8(a) MPP, may transfer the agreement to the Universal MPP provided they still qualify as SB for their primary NAICS code.
- Generally, a mentor will have no more than one protégé at a time, however, mentor may have up to three protégés if there is no adverse impact on any protégé.
  - This is a limit of 3 protégés across both SBA programs. The limit of three applies at the company level.
- Agreements may be up to three years and can be extended - Protégé may be in the SBA programs no more than six years

## Joint Venturing through SBA's MPPs

- Joint Venturing between LB mentor and SB protégé as a small business (exemption from affiliation) can only occur once SBA has approved the mentor-protégé agreement.
- The Joint Venture formed between a mentor and protégé will enjoy the same SB eligibility of the protégé (e.g. HUBZone protégé can joint venture with LB mentor as a HUBZone JV)
- A joint venture formed through either of the SBA Programs can bid on opportunities until the JV is awarded its third contract. This means that each JV can win more than three awards depending on the timing of the bids. However, each JV has a 2 year clock that starts after the first award.
- It is possible to form additional JVs but at some point the SBA may find affiliation based on “such a longstanding inter-relationship or contractual dependence between the same joint venture partners”

## Joint Venturing through SBA's MPPs

- The managing partner (SB) to the joint venture must perform 40% of the work performed by the joint venture. This is in addition to the joint venture meeting the applicable limitation on subcontracting requirement in each awarded SB set-aside.
- Everything is built on the mentor-protégé agreement. If the SBA finds that the terms of the agreement are not met, the agreement may be discontinued and the ability to joint venture would end. There may also be other consequences for the mentor for not providing the agreed to assistance.
- When evaluating the past performance and experience of an entity submitting an offer for an contract as a joint venture approved by SBA, a procuring activity must consider work done individually by each partner to the joint venture as well as any work done by the joint venture itself previously. This is a new addition to the Code of Federal Regulations!

# Additional Resources

- SBA Universal Mentor-Protégé Website  
<https://www.sba.gov/navigation-structure/all-small-mentor-protege-program>
- SBA 8(a) Mentor-Protégé Website  
<https://www.sba.gov/contracting/government-contracting-programs/8a-business-development-program/mentor-protege-program>
- Department of Defense Mentor-Protégé Website  
<http://business.defense.gov/Programs/Mentor-Protege-Program/>
- AECOM Mentor-Protégé Website:  
<http://www.aecom.com/content/small-businesssupplier-diversity/mentor-protege-program/>
- Federal Small Business Offices  
<http://business.defense.gov/Small-Business/Federal-Small-Business-Offices/>
- SBA Certify.Gov Website  
<https://certify.sba.gov/>

## **AECOM**

<b>Shawn P. Ralston</b>	AECOM
Small Business Liaison Officer	4800 Westfields Boulevard
National Governments	Suite 400
Design and Consulting Services Group	Chantilly, VA 20151

703 713 1500	tel	
703 559 1338	direct	
703 713 1512	fax	
shawn.ralston@aecom.com		aecom.com