



DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

SECNAVINST 4380.8C  
UNSECNAV  
5 March 2012

| SECNAV INSTRUCTION 4380.8C

From: Secretary of the Navy

Subj: IMPLEMENTATION OF THE DEPARTMENT OF THE NAVY SMALL  
BUSINESS PROGRAMS

Ref: (a) 15 U.S.C. §631-657f  
(b) Federal Acquisition Regulation, Parts 19 and 26  
(c) Defense Federal Acquisition Regulation  
Supplement (DFARS)  
(d) DoD Directive 4205.01 of 10 March 2009  
(e) Navy/Marine Corps Acquisition Regulation Supplement  
(NMCARS)  
(f) 10 U.S.C. §5013-5016  
(g) 10 U.S.C. §5028  
(h) 15 U.S.C. §644(k)  
(i) DoD Directive 5000.52 of 12 January 2005  
(j) DoD Instruction 5000.66 of 21 December 2005  
(k) DoD Desk Guide for AT&L Workforce Career Management,  
10 January 2006  
(l) SECNAVINST 4380.7B

Encl: (1) Definitions  
(2) Pre-Requisites for Assignment as a Small Business  
Professional and Subsequent Training

1. Purpose

a. To update policies and responsibilities in reference (a) for implementing and managing statutory and regulatory requirements within the Department of the Navy (DON) for small business, veteran-owned small business (VOSB), service-disabled VOSB, historically underutilized business zone small business, small disadvantaged business, women-owned small business, Department of Defense (DoD) Pilot Mentor-Protégé Program, and Indian Incentive Program, hereafter referred to collectively as small business programs.

b. To rename the DON Small and Disadvantaged Business Utilization Program to Office of Small Business Programs (OSBP).

2. Cancellation. SECNAVINST 4380.8B.

3. Policy. It is the DON policy to provide a fair proportion of total DON purchases, contracts, subcontracts, grants, agreements and other transactions for products, services, and solutions with small business concerns as prime contractors and subcontractors per references (b) through (e).

4. Organizational Relationships. The Secretary of the Navy (SECNAV), pursuant to references (f) and (g), is responsible for and has all legal authority necessary to conduct the affairs of the DON. The Secretariat, the Chief of Naval Operations, and Commandant of the Marine Corps perform their functions subject to the authority, direction, and control of the SECNAV.

a. References (f) through (h) require the DON to establish the OSBP. SECNAV may establish offices and officials within the Secretariat to assist SECNAV in carrying out his or her responsibilities. The director of the OSBP is the head of such an office.

b. The OSBP director has overall responsibility for establishing policy, providing direction, guidance, measuring and overseeing the execution of all small business programs for the DON. SECNAV retains ultimate responsibility for all policies related to the DON. Within its area of responsibility, the OSBP issues official guidance and procedures to ensure implementation of those policies.

c. The OSBP director reports to the SECNAV through the Under Secretary of the Navy and is chief advisor on all small business matters. The OSBP director is accountable to the SECNAV for results achieved within the policy and program domains assigned by this instruction.

d. As the DON OSBP director bears the responsibility for all small business matters affecting the Department, the OSBP director and Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) Program director will collaborate to provide singleness of purpose to the public in support of the OSBP mission.

5. Delegations of Authority. The authorities delegated to the OSBP director by this instruction may be re-delegated unless re-delegation is expressly prohibited by this instruction, law, regulation, or DoD issuance. OSBP will ultimately be responsible to the SECNAV for all matters affecting the Navy small business programs. Any re-delegation of authority made shall not be effective unless it is in writing. Any person re-delegating authority per this instruction may further restrict or condition the authority being re-delegated.

6. Definitions. See enclosure (1).

7. Responsibilities

a. The Under Secretary of the Navy shall:

(1) Ensure compliance with references (b) through (h).

(2) Ensure adequate resources are provided for the operation and maintenance of the OSBP.

b. The OSBP director shall:

(1) Serve as principal proponent within the DON for executing DoD and DON policy regarding all small business programs as mandated by Executive orders, statutes and regulations.

(2) Establish and align policies and procedures that support small business execution within the authorities of the Assistant Secretary of the Navy (Research, Development and Acquisition) and develop and publish appropriate publications for DON procurement activities. Serve as the chief advisor for small business matters to the Department senior acquisition executive on all acquisition strategies, plans, councils, committees or executive boards necessary for the proper execution of the Department's acquisitions.

(3) Develop strategic plans, goals and objectives for the proper execution and management of the OSBP.

(4) Conduct quarterly analysis and provide semi-annual assessments of the program's performance to SECNAV.

(5) Develop the SECNAV's response to small business administration (SBA) appeals to the Secretariat.

(6) Serve as the Department representative to the SBA for commissions, task forces, and other functional assignments necessary to carry out the duties and responsibilities described by this instruction.

(7) Serve as the small business professional (SBP) community manager and develop the competencies for establishing duties, training and education criteria necessary for SBPs to properly counsel their buying commands in the execution of their small business program responsibilities. Establish centralized training to ensure that the community is kept current on policy, legislative changes or Executive orders that could affect the execution of programs under their responsibility.

(8) Utilize the policies and guidance provided in references (i) through (k) to establish training, education and career development criteria necessary for SBPs.

(9) Establish the environment for the Department to meet challenging objectives and targets that support the achievement of the Department's small business program targets and represents the maximum practicable opportunity for small business concerns to participate in the Department's procurement activities.

(10) Negotiate head of contracting activity (HCA) small business targets that support and promote the Department's overall attainment of meeting DoD established requirements.

(11) Appoint all SBPs wherever these positions are determined to be required after coordination with the accountable HCA OSBP.

(12) Chair the DON Small Business Council.

(13) Represent the DON on the Federal Small Business Council.

(14) Represent OSBP on the Naval Contracting Council.

(15) Support the small business program segment of the Procurement Performance Management and Assessment Program (PPMAP), annual reviews, or audits per reference (c), part 219, and reference (e).

(16) Provide a DON representative on the Defense Acquisition Regulations Council's Small Business Committee.

(17) Initiate, review or provide comments on all proposed legislation and regulations related to small business programs.

(18) Provide input to performance appraisals for associate directors.

c. Heads of contracting activities, commanders and commanding officers of activities with warranted contracting authority shall:

(1) Be accountable and responsible for the successful execution of the small business program within their level of procurement authority.

(2) Establish an OSBP and select for appointment, with advice and concurrence of the OSBP director, fully qualified SBPs in coordination with the HCA associate director.

(3) Assign a full-time SBP at major contracting activities and or assign a full- or part-time SBP at contracting offices, as appropriate, who shall be appointed according to this instruction.

(4) Ensure that the SBP is a direct report to the head of the activity, the executive director or commanding officer of the activity and shall not be subject to the direction of contracting or technical personnel.

(5) Establish appropriate small business program performance objectives at the senior level for all acquisition personnel.

(6) Issue policy throughout the command that addresses and promotes maximum practicable opportunity for small business.

(7) Assign an alternate SBP where there is only one SBP appointed. The alternate SBP, which may be on a part-time basis, will not have the same level of responsibilities required as the primary SBP, but shall also be officially appointed with advice and concurrence of OSBP director. In lieu of assigning an alternate, the activity will prescribe in writing those practices and procedures which will accomplish the intent of paragraph 7(i), subject to HCA OSBP approval.

(8) Ensure that personnel nominated for appointment as the primary SBPs possess business acumen, knowledge of acquisition and program management policies and procedures and skill necessary to represent their activity in public settings in order to accomplish command small business program objectives.

d. SBPs shall:

(1) Be designated as associate directors at HCA, as deputy directors at echelon 3 (that are not HCAs) or assistant deputy director at echelon 4, with duties and responsibilities as further delineated in this instruction.

(2) Have the requisite training and qualification as identified in enclosure (2) prior to receiving an appointment. Enclosure (2) identifies the minimum training and qualification requirements. Since the significant part of SBP acquisition training is in the contracting (1102) series, commands are encouraged to establish activity qualifications equal to their senior 1102 personnel.

(3) Attend annual training as established by the OSBP director in order to maintain proficiency on matters affecting program execution. Alternate SBPs are not required to attend this annual training.

(4) Serve as chief advisor on small business matters to the activity head including, but not limited to, advising the leadership on improvements to access by small business; advising on acquisition strategies, or procurements that may be appealed by the SBA, to represent the command in small business outreach events and serve as the single point of contact for their activity on all small business matters.

(5) Advise and assist contracting officers, program managers, requirement developers, and all other acquisition personnel early and throughout the acquisition cycle in the development of strategies and market research to ensure maximum practicable opportunity for small businesses.

(6) Provide, at a minimum, annual training for activity contracting and technical personnel on changes or developments in policies, regulations or legislation affecting small business programs.

(7) Participate annually in a minimum of one command sponsored or co-sponsored outreach event which includes a small business program element.

(8) Develop small business program targets within the command and negotiate these targets with higher authority.

(9) Provide periodic reports to the activity head on overall OSBP implementation and progress on meeting small business targets pursuant to reference (e).

(10) Provide an annual report for the activity head's signature which discusses efforts and results on small business program achievements. This report will be submitted to their next level of OSBP authority.

e. Associate directors of small business programs shall:

(1) Develop the plans, scope and program management necessary for the HCA to produce the desired objectives throughout the command and provide direction to field activities in support of the overall DON program.

(2) Assist and advise contracting, program and project personnel, to include program executive officers and direct reporting elements, on OSBP related regulatory, policy and directive requirements.

(3) Conduct the small business segment of the PPMAP reviews, annual reviews or audits per reference (c), part 219, and reference (e), and submit required reports to the OSBP director.

(4) Provide input to the activity commander on performance appraisals for subordinate activity SBPs.

(5) Participate in the selection of, and provide concurrence with, recommendations for appointments of SBPs at subordinate activities.

(6) Participate on the DON Small Business Council.

(7) Participate on special projects as assigned by DON OSBP.

(8) Perform any additional duties following parts 219 and 226 of reference (c).

f. Deputy directors of SBPs shall develop the plans, scope and program management necessary for the activity to produce the desired objectives throughout the command and provide direction to field activities in support of the overall HCA program. They shall:

(1) Conduct the small business segment of the PPMAP reviews, annual reviews or audits per reference (c), part 219, and reference (e), and submit required reports to the OSBP director.

(2) Provide input to the command on performance appraisals for subordinate activity SBPs.

(3) Participate in the selection of and provide concurrence with individual appointments of SBPs at subordinate activities.

(4) Perform any additional duties following parts 219 and 226 of reference (c).

g. Assistant deputy directors shall perform duties as outlined in paragraph 7e.

h. Part-time SBPs shall:

(1) Perform duties as outlined in paragraph 7e.

(2) Have as their primary responsibility, the role of SBP. The OSBP duties shall take precedence over any other assigned duties.

(3) Be a direct report to the activity head or the executive director or commanding officer of the activity and have their performance evaluated by same.

(4) It is recognized that the part-time SBP, if also assigned responsibilities from the activity contracting office, may experience conflicts of interest between the OSBP mission and the planned acquisition. Therefore, it is the responsibility of the activity head to resolve said conflicts, as the SBP is a direct report to that chain of command.

i. Alternate SBPs shall:

(1) Meet the training requirements as specified in enclosure (2) prior to appointment.

(2) Serve during the absence of the primary advisor in order to provide appropriate reviews and advisories and support procurement acquisition lead time objectives.

(3) Receive supplemental training from the primary SBPs.

(4) Serve in additional small business supporting roles as determined by the activity head.

8. Working with the SBA

a. The Small Business Act requires each agency with contracting authority to assign a small business technical advisor to each contracting activity within the agency to which the SBA has assigned a representative. A small business technical advisor:

(1) Shall be a full-time employee of the contracting activity, well qualified, technically trained, and familiar with the supplies or services contracted for by the activity.

(2) Principal duty is to assist the SBA's assigned representative in performing functions and duties relating to sections 8, 15 and 31 of the Small Business Act.

(3) Is someone other than the SBP.

b. Per reference (c), part 219.201, the responsibility for assigning a small business technical advisor as a command point of contact for support in technical matters is delegated to the head of the contracting activity.

c. The SBA counsels and assists small business concerns and assists contracting personnel to ensure that a fair proportion of contracts for supplies and services are placed with small business. Therefore, upon their request and subject to applicable acquisition and security regulations, contracting officers shall give SBA procurement center representatives access to all reasonably obtainable contract information that is directly pertinent to their official duties.

9. Secretariat Appeal Process - Resolving Differences Between an Activity and the SBA. When the SBA and a contracting activity cannot agree on a proposed acquisition strategy, the SBA may initiate an appeal of a contracting officer's decision.

a. If the contracting officer believes the DON should deny the appeal, the contracting officer shall immediately inform the DON's OSBP director and shall send the OSBP director, using the activity's chain of command, the following:

(1) A request summarizing the issues. The request must be sent to arrive within 3 working days after receipt of the SBA's verbal notice or written appeal; and

(2) An appeal file, documenting the contracting activity's position. The file must be sent to arrive within 3 working days after receipt of the SBA's written appeal.

b. The OSBP director will determine whether the DON will deny the appeal and will notify the SBA of the department's intent.

10. SBIR Program

a. The SBIR and STTR programs engage small business in the accomplishment of the DON's acquisition technology mission.

b. The nature of the SBIR and STTR program management (policy and execution) is best aligned within the auspices of the office of the Assistant Secretary of the Navy (Research, Development and Acquisition) and is delineated under the Chief of Naval Research in reference (1).

c. As the DON OSBP bears the responsibility for all small business matters affecting the department, the OSBP and SBIR programs will collaborate in order to provide a unified and singleness of purpose to the public in support of the OSBP mission.

d. This collaboration should include outreach events, Web site linkage and cross training of program personnel where both OSBP and SBIR is in residence, coordination of policy, and further actions, where appropriate, as determined by the directors of OSBP, SBIR and STTR.

e. A consolidated annual small business report to the SECNAV, submitted through OSBP, will include SBIR, STTR and OSBP efforts and achievements.

#### 11. Appointment of SBPs

a. The authority to appoint an individual as an SBP rests with the OSBP director with advice and concurrence of the applicable HCA associate director.

b. Commanders and commanding officers shall provide the OSBP director the following information concurrent with each proposed appointment:

(1) Name of proposed appointee.

(2) Series and grade level or rank.

(3) Type of appointment (full-time or part-time).

(4) Activity mailing address (including organizational code of the SBP).

(5) DoD activity address code.

(6) Activity level of procurement authority.

(7) Appointee's contact information including e-mail address.

(8) A copy of the appointee's resume including pre-requisite requirements for the position established by enclosure (2).

(9) A copy of command organizational chart showing the appropriate chain of command.

c. When approved by DON OSBP, a Certificate of Appointment shall be forwarded to the applicable HCA associate director for the purpose of obtaining the appropriate activity head signature and presentation to the newly appointed SBP.

12. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per SECNAV Manual (M-)5210.1 of November 2007.

13. Reports Control. Reporting requirements contained within this instruction are exempt from reports control per SECNAV M-5214.1 of December 2005.



RAY MABUS

Distribution:

Electronic only, via Department of the Navy Issuances Web site  
<http://doni.daps.dla.mil/>

**DEFINITIONS**

1. Competency. An observable, measurable set of skills, knowledge, abilities, behaviors and other characteristics an individual needs to perform work roles or occupational functions.
2. Contracting Activities. DON activities listed in subpart 202.101 of reference (c).
3. Contracting Offices. DON offices other than those contracting activities listed in subpart 202.101 of reference (c), with procurement authority of \$25,000 or more.
4. Direct Reporting Elements. Any DON command other than contracting activities that directly reports to the Assistant Secretary of the Navy (Research, Development and Acquisition) and utilizes the DON contracting activities to award contracts.
5. Major Contracting Offices. DON contracting offices whose total annual contract actions with U.S. business concerns exceed \$100 million in value.
6. Navy Small Business Council. The council, whose membership is comprised of the OBSP director and associate directors of small business, responsible for management and implementation of the Navy OSBP.

PRE-REQUISITES FOR ASSIGNMENT AS A SMALL BUSINESS  
PROFESSIONAL AND SUBSEQUENT TRAINING

1. The Defense Acquisition University (DAU) provides mandatory, assignment specific, and continuing education courses for members of the defense acquisition workforce. DAU's interactive catalog (<http://icatalog.dau.mil/onlinecatalog/CareerLvl.aspx>) provides information regarding:

- a. Regular (certification and assignment specific) training courses;
- b. Continuous learning courses; and
- c. The various acquisition career field certification and core plus development guides.

2. OSBP position requirements summary:

Position	Position Requirements	If Required, When is Waiver Generated?
<b>All SBP Positions</b>	<ul style="list-style-type: none"> <li>• Baccalaureate degree from an accredited educational institution</li> <li>• 24 semester credit hours in accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organizational management</li> <li>• 80 hours of continuous learning points every 2 years, with a goal to gain 40 points every year</li> </ul>	<ul style="list-style-type: none"> <li>• At time of assignment</li> <li>• At time of assignment</li> </ul>
<b>SBP</b>	<ul style="list-style-type: none"> <li>• Certification Standards required for Defense Acquisition Workforce</li> </ul>	<ul style="list-style-type: none"> <li>• Within 12 months of assignment to the position</li> </ul>

<b>Position</b>	<b>Position Requirements</b>	<b>If Required, When is Waiver Generated?</b>
	Improvement Act (DAWIA) I contracting certification  <ul style="list-style-type: none"> <li>• Core plus development training</li> </ul>	<ul style="list-style-type: none"> <li>• Within 24 months of assignment to the position</li> </ul>
<b>Deputy Director</b>	<ul style="list-style-type: none"> <li>• Certification Standards required for DAWIA II contracting certification</li> <li>• Core plus development training at this and the lower level(s)</li> <li>• 2 years of acquisition or small business program experience</li> </ul>	<ul style="list-style-type: none"> <li>• Within 12 months of assignment to the position</li> <li>• Within 24 months of assignment to the position</li> <li>• At time of assignment</li> </ul>
<b>Associate Director</b>	<ul style="list-style-type: none"> <li>• Certification standards required for DAWIA II contracting certification</li> <li>• Core plus development training at this and the lower level(s)</li> <li>• 4 years of acquisition or small business program experience</li> </ul>	<ul style="list-style-type: none"> <li>• At time of assignment</li> <li>• Within 12 months of assignment to the position</li> <li>• At time of assignment</li> </ul>
<b>Director</b>	<ul style="list-style-type: none"> <li>• Certification standards required for DAWIA III contracting certification</li> </ul>	<ul style="list-style-type: none"> <li>• At time of assignment</li> </ul>
<b>Alternate</b>	<ul style="list-style-type: none"> <li>• Baccalaureate degree from an accredited educational institution</li> <li>• 24 semester credit hours in accounting, business, finance, law, contracts, purchasing, economics,</li> </ul>	<ul style="list-style-type: none"> <li>• At time of assignment</li> <li>• At time of assignment</li> </ul>

Position	Position Requirements	If Required, When is Waiver Generated?
	industrial management, marketing, quantitative methods, or organizational management.  • 2 years of acquisition or small business program experience	• At time of assignment

3. Small business program professional technical competencies, titles and descriptions:

Title	Description	Associate Director	Deputy Associate Director	Small Business Professional
Small Business Market Analysis	Investigate current market capabilities to identify potential small business product and service providers for government contracting.	X	X	X
Small Business Utilization Planning	Determine and recommend the appropriate level of small business participation during the acquisition planning process to maximize utilization opportunities for small businesses.	X	X	X
Small	Provide	X	X	X

Title	Description	Associate Director	Deputy Associate Director	Small Business Professional
Business Development	technical information and resources to small businesses that enable them to become viable sources capable of participation in government procurement programs.			
Small Business Program Training	Develop and conduct education and training programs for small business stakeholders to increase small business program awareness, responsibilities, and participation.	X	X	X
Proposal and Source Selection Small Business Analysis	Evaluate small business elements in proposals and solicitation criteria to ensure the consideration of small business participation.	X	X	X
Contractor Compliance Assessment	Assess contractor actions to determine compliance with terms and conditions of	X	X	X

Title	Description	Associate Director	Deputy Associate Director	Small Business Professional
	government contract and program performance reporting requirements.			
Contract Compliance Management	Determine and facilitate the actions required to prevent, mitigate, or resolve contractual claims, protests, or conflicts.	X	X	X
Small Business Legislative Analysis	Investigate the impact of procurement laws and regulations to manage the effects on small business utilization and ensure sound business practices.	X	X	X
Public Relations	Prepare and deliver presentations, participate in public speaking venues, meet with the media, and assist in matchmaking events that create good will for the organization.	X	X	X

Title	Description	Associate Director	Deputy Associate Director	Small Business Professional
Small Business Organizational Policy Planning and Development	Develop organizational policies, initiatives, and objectives that comply with legislative intent for providing opportunities to small business; and develop and implement command programs and processes for organizational action that achieves the mission and goals.	X	X	
Small Business Program Analysis and Strategic Development	Assess and analyze the effectiveness of established command small business program initiatives and objectives to develop a strategy for achievement of objectives and accomplishment of its mission.	X	X	
Project Planning	Define initiatives and develop plans that achieve a specific program mission,	X	X	

Title	Description	Associate Director	Deputy Associate Director	Small Business Professional
	project, or objective.			
Project Management	Manage and coordinate interdependent activities to fulfill established requirements that meet project goals and objectives.	X	X	
Financial Management	Monitor and control finances to ensure the accountability of monetary resources that support programs and policies.	X	X	
Manpower Management	Provide opportunities and coordinate resources necessary to maintain a qualified workforce and optimize personnel effectiveness within the organization.	X	X	