

UNIT 7: SOCIOECONOMIC REQUIREMENTS

September 2004

UNIT CERTIFICATION

Statement of Completion

_____ has satisfactorily completed training in the duty of this Unit under the conditions described below and in accordance with the overall standard(s) for this Unit.

Overall Duty	Determine whether to limit competition to small business concerns, eligible 8(a) concerns, or a single eligible 8(a) concern.
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Conditions	Given forecast requirements, written or unwritten acquisition plans, market research, Procurement Request, and other related documents.
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Overall Standard	Attain acquisition business objectives while fulfilling the Government's commitment to provide maximum practicable contracting and subcontracting opportunities 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.
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Part A: Set-Asides and Evaluation Factors

Sub-Duty	Determine whether to limit competition to small business concerns or provide preferences in evaluation for award.
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Sub-Duty Standard	Limit competition to small business concerns only when market research and other available information reasonably indicate that there will be eligible offers or quotes from at least two responsible small business concerns and contract award will be at a fair market price. Provide appropriate evaluation preferences and incentives.
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Part B: 8(a) Programs

Sub-Duty Determine whether to limit competition to eligible 8(a) concerns or a single eligible 8(a) concern under the Small Business Administration 8(a) Business Development Program.

Sub-Duty Standard Limit competition to eligible 8(a) concerns or a single eligible 8(a) concern cooperatively selected by the agency and the Small Business Administration.

Evaluator
Name
Title
Date

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Insert documentation to support completed training.

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Policies

<i>FAR</i>	<i>Agency Suppl.</i>	<i>Subject</i>
2.101		Provides definitions for: Revised the definition of bundling to expressly include multiple award contract vehicles and task and delivery orders under such contracts. "Service-disabled veteran-owned small business concern"
5.2		5.206 Notices of subcontracting opportunities. (a) The following entities may transmit a notice to the GPE to seek competition for subcontracts, to increase participation by qualified HUBZone small business, small, small disadvantaged, women-owned small business, veteran-owned small business and service-disabled veteran-owned small business concerns, and to meet established subcontracting plan goals.
6.2		6.206 Set-asides for service-disabled veteran-owned small business concerns. (a) To fulfill the statutory requirements relating to the Veterans Benefits Act of 2003 (15 U.S.C. 657f), contracting officers may set-aside solicitations to allow only service-disabled veteran-owned small business concerns to compete (see 19.1405). (b) No separate justification or determination and findings are required under this part to set aside a contract action for service-disabled veteran-owned small business concerns.
6.3		6.302-5, Other Than Full and Open Competition, Procurement Program for Service-Disabled Veteran-Owned Small Business Concerns This authority may be used when statutes, such as the following, expressly authorize or require that acquisition be made from a specified source or through another agency: (7) Sole source awards under the Veterans Benefits Act of 2003 (15 U.S.C.)
7.1		Acquisition Plans, Contract Bundling Many provisions in this subpart deal with contract bundling.
8.4		Federal Supply Schedules, Contract Bundling, Requires procuring activities to coordinate with small business specialist (SBS) proposed acquisition strategies or plans contemplating awards above specified dollar

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FAR	Agency Suppl.	Subject
		thresholds and require the SBS to notify the agency Office of Small and Disadvantaged Utilization (OSDBU) when those strategies include unnecessary and unjustified contract bundling.
10.001		Policy, Contract Bundling 3) Use the results of market research to- ... (vi) Determine whether bundling is necessary and justified (see 7.107) (15 U.S.C. 644(e)(2)(A)).
13.003(b) (1)		Reservation of requirements exceeding the micro-purchase threshold but not exceeding the simplified acquisition threshold exclusively for small business concerns.
13.003		Simplified Acquisition Procedures (2) The contracting officer may set aside for HUBZone small business concerns (see 19.1305) or service-disabled veteran-owned small business concerns (see 19.1405) an acquisition of supplies or services that has an anticipated dollar value exceeding the micro-purchase threshold and not exceeding the simplified acquisition threshold. The contracting officer's decision not to set aside an acquisition for HUBZone small business or service-disabled veteran-owned small business concerns participation below the simplified acquisition threshold is not subject to review under Subpart 19.4.
13.102		Source list requirement to designate business categories to provide the maximum practicable opportunities for small business concerns.
14.408		Award.
14.5		14.502 Conditions for use. (b) None of the following precludes the use of two-step sealed bidding. (6) The use of a set-aside for service-disabled veteran-owned small business concerns (see Subpart 19.14).
15.5		15.503 Notifications to unsuccessful offerors. (2) <i>Preaward notices for small business programs.</i> (i) In addition to the notice in paragraph (a)(1) of this section, the contracting officer shall notify each offeror in writing prior to award, upon completion of negotiations, determinations of responsibility, and, if necessary, the process in 19.304(d)- ... (D) When using the service-disabled veteran-owned small business procedures in 19.1405.

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<i>FAR</i>	<i>Agency Suppl.</i>	<i>Subject</i>
		<p>(ii) The notice shall state- (A) The name and address of the apparently successful offeror; (B) That the Government will not consider subsequent revisions of the offeror's proposal; and (C) That no response is required unless a basis exists to challenge the small business size status, disadvantaged status, HUBZone status, or service-disabled veteran-owned status of the apparently successful offeror.</p> <p>(iii) The notice is not required when the contracting officer determines in writing that the urgency of the requirement necessitates award without delay or when the contract is entered into under the 8(a) program (see 19.805-2).</p>
16.505		<p>Indefinite Delivery Contracts, Contract Bundling, Ordering (7) Orders placed under a task-order contract or delivery-order contract awarded by another agency (<i>i.e.</i>, a Governmentwide acquisition contract, or multi-agency contract)-</p> <p>(iii) Must comply with all FAR requirements for a bundled contract when the order meets the definition of "bundled contract"</p>
19.001		Definitions (e.g., of "concern", "fair market price", "nonmanufacturer rule", etc.).
19.1		<p>Size standards.</p> <p>(3) Setting acquisitions aside for exclusive competitive participation by small business, HUBZone small business, and service-disabled veteran-owned small business concerns</p> <p>(12) Sole source awards to HUBZone small business and service-disabled veteran-owned small business concerns.</p>
19.201		<p>General policy on small and small disadvantaged business concerns.</p> <p>(10) Make recommendations in accordance with agency procedures as to whether a particular acquisition should be awarded under Subpart 19.5 as a small business set-aside, under Subpart 19.8 as a Section 8(a) award, under Subpart 19.13 as a HUBZone set-aside, or under Subpart 19.14 as a service-disabled veteran-owned small business set-aside;</p>
19.202-1		Encouraging small business participation in acquisitions. Notifying SBA when small businesses will likely to be able to compete for a new requirement for supplies or services

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<i>FAR</i>	<i>Agency Suppl.</i>	<i>Subject</i>
		<p>currently being provided by a small business. (e) (1) Provide a copy of the proposed acquisition package to the SBA procurement center representative at least 30 days prior to the issuance of the solicitation if- (iii) The proposed acquisition is for a bundled requirement. (See 10.001(c)(2)(i) for mandatory 30-day notice requirement to incumbent small business concerns.) The contracting officer shall provide all information relative to the justification of contract bundling, including the acquisition plan or strategy, and if the acquisition involves substantial bundling, the information identified in 7.107(e). When the acquisition involves substantial bundling, the contracting officer shall also provide the same information to the agency Office of Small and Disadvantaged Business Utilization.</p>
19.202-5		Data collection and reporting requirements.
19.202-6		Determination of a fair market price.
19.3		<p>Determination of business status for small business programs. 19.301 Representation by the offeror. (a) To be eligible for award as a small business, an offeror (d) If the SBA determines that the status of a concern as a small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business has been misrepresented in order to obtain a set-aside contract.</p>
19.4		Cooperation with the Small Business Administration.
19.5		<p>Set-asides for small businesses. 19.501 General. (d) The small business reservation and set-asides requirements at 19.502-2 do not preclude award of a contract to a service-disabled veteran-owned small business concern under Subpart 19.14. (e) The contracting officer shall review acquisitions to determine if they can be set aside for small business, giving consideration to the recommendations of agency personnel having cognizance of the agency's small business programs.</p>
19.8		Contracting with the Small Business Administration (The

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		<p>8(a) Program 19.804-2 Agency offering. (9) A statement that prior to the offering no solicitation for the specific acquisition has been issued as a small business, HUBZone, or service-disabled veteran-owned small business set-aside and that no other public communication (such as a notice through the Governmentwide point of entry (GPE)) has been made showing the contracting agency's clear intention to set-aside the acquisition for small business, HUBZone small business, or service-disabled veteran-owned small business concerns.</p>
19.10		<p>Small business competitiveness demonstration program. Changes were made to the North American Industry Classification System (NAICS) code. 19.1007 Procedures. (2) Acquisitions in the designated industry groups must continue to be considered for placement under the 8(a) Program (see Subpart 19.8), the HUBZone Program (see Subpart 19.13), and the Service-Disabled Veteran-Owned Small Business Procurement Program (see Subpart 19.14).</p>
19.11		<p>Price Evaluation Adjustment for Small Disadvantaged Business Concerns 19.1102 Applicability. (5) That are set-aside for service-disabled veteran-owned small business concerns; (7) Where all fair and reasonable offers are accepted (e.g., the award of multiple award schedule contracts).</p>
9.12		<p>Small Disadvantaged Business Participation Program 19.1202-2 Applicability. (b) The extent of participation of SDB concerns in performance of the contract in the authorized NAICS Industry Subsector (see paragraph (a) of this subsection) shall not be evaluated in- (1) Small business set-asides (see Subpart 19.5), HUBZone set-asides (see Subpart 19.13), and service-disabled veteran-owned small business set-asides (see Subpart 19.14);</p>
19.13		Historically Underutilized Business Zone Program.
33.1		<p>Protests (a) Contracting officers shall consider all protests and seek</p>

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<i>FAR</i>	<i>Agency Suppl.</i>	<i>Subject</i>
		legal advice, whether protests are submitted before or after award and whether filed directly with the agency or the General Accounting Office (GAO). (See 19.302 for protests of small business status, 19.305 for protests of disadvantaged business status, and 19.307 for protests of service-disabled veteran-owned small business status.)
42.15		Contractor Performance Information 42.1502 Policy. ...Agencies shall prepare an evaluation of contractor performance for each contract in excess of \$1,000,000.
52.219-3		Notice of total HUBZone set-aside.
52.219-6		Notice of total small business set-aside.
52.219-8		Utilization of small business concerns.
52.219-9		Small business subcontracting plan.
52.219-11		Special 8(a) contract conditions.
52.219-12		Special 8(a) subcontract conditions.
52.219-14		Limitations on subcontracting.
52.219-17		Section 8(a) award.
52.219-18		Notification of competition limited to eligible 8(a) concerns.

Other KSAs

1. Knowledge of information sources on small business concerns.
2. Knowledge of acquisition synopsis requirements.
3. Knowledge of market analysis results, including: industry size and capabilities; market segments and product differentiation; market prices; market channels/middlemen; and commercial markets.
4. Ability to use reasoning skills to estimate the potential impact of a set-aside on price, the solicitation process, delivery, and other acquisition business objectives.
5. Ability to work with the Small Business Administration, requiring activities, and others to achieve acquisition business objectives and socioeconomic goals.
6. Ability to plan and evaluate methods of achieving acquisition business objectives and socioeconomic goals.
7. The ability to influence users on factors affecting small business participation in an acquisition.

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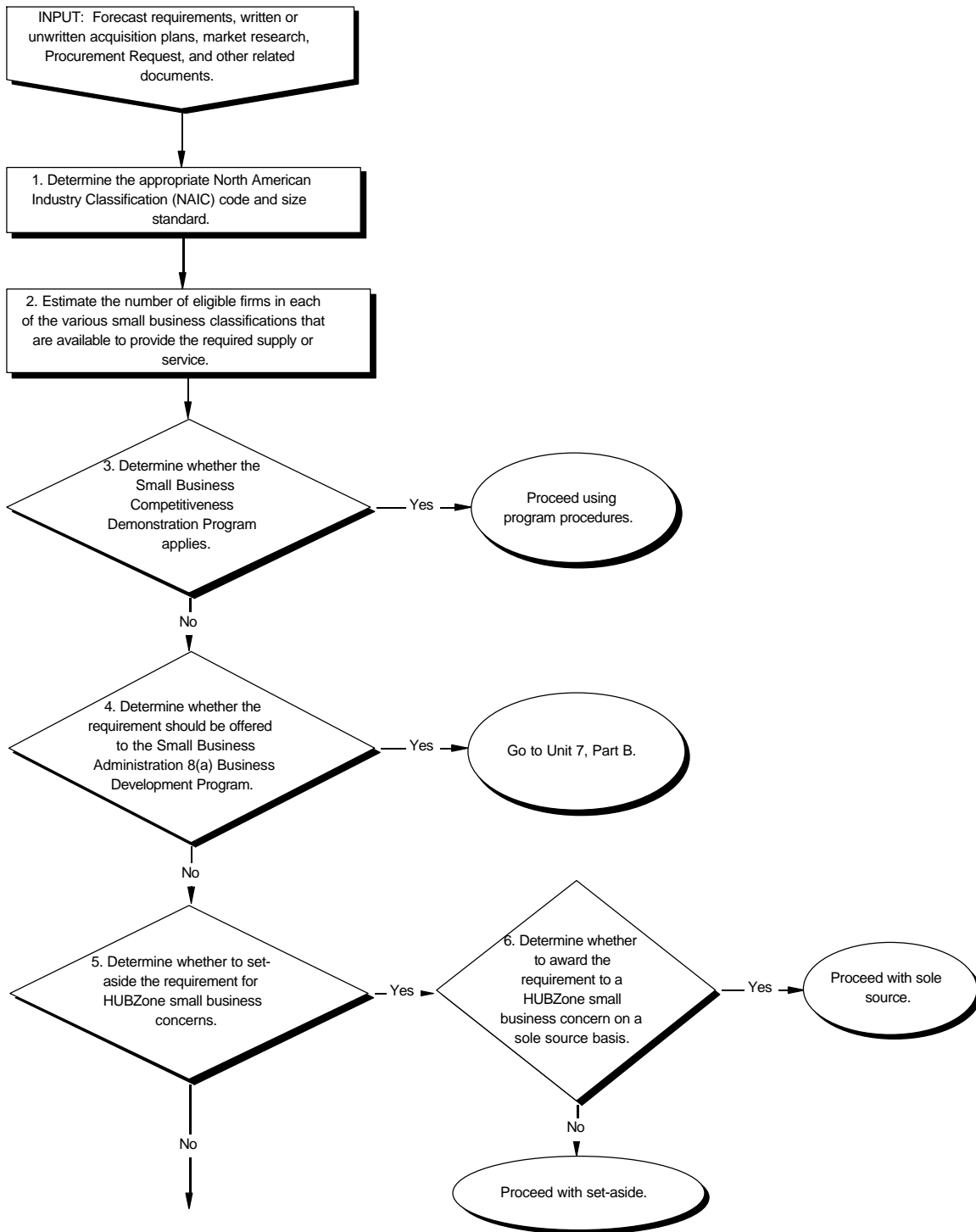
8. The ability to effectively communicate with others to eliminate requirements that needlessly limit small business participation in providing goods and services.
 9. Ability to maintain the honesty and integrity of the acquisition process.
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Other Policies and References (Annotate As Necessary):

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Part A: Set-Asides and Evaluation Factors

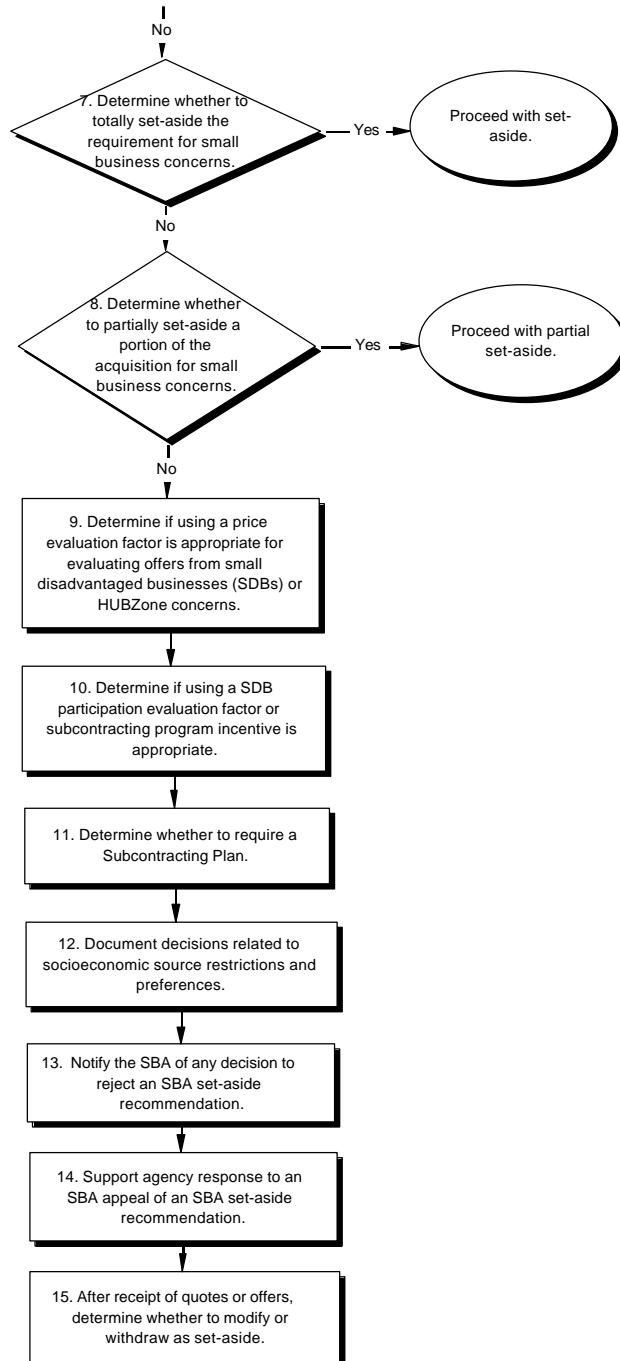
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UNIT 7: SOCIOECONOMIC REQUIREMENTS

Part A: Set-Asides and Evaluation Factors

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UNIT 7: SOCIOECONOMIC REQUIREMENTS

Part A: Set-Asides and Evaluation Factors

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Tasks	Related Standards
<p>1. Determine the appropriate North American Industry Classification (NAIC) code and size standard.</p>	<p>Correctly determine the NAIC code applicable to your procurement and related small business size standard. If different products or services are identified in the same solicitation, determine the NAIC code and size standard for each product or service, and use the predominant code.</p>
<p>2. Estimate the number of eligible firms in each of the various small business classifications that are available to provide the required supply or service.</p>	<p>Correctly determine whether small businesses in one or more of the following classifications are currently providing the required supplies or services:</p> <ul style="list-style-type: none"> • Small business without further restriction; • Small disadvantaged business; • HUB-Zone small business; • Veteran-owned small business; • Service-disabled veteran-owned small business; • Woman-owned small business; or • Very small business. <p>In making the determination, consider information collected during market research, including information from the following:</p> <ul style="list-style-type: none"> • Any sources sought synopsis; • Small Business Administration (SBA) PRO-Net database; • Agency Office of Small and Disadvantaged Business Utilization; • Agency Small Business Specialist; • SBA Procurement Center Representative; • SBA Breakout Procurement Center Representative; or • SBA Small Business Technical Advisor.
<p>3. Determine whether the Small Business Competitiveness Demonstration Program applies.</p>	<p>A participating agency Contracting Officer must set-aside requirements for emerging small business (ESB) when:</p> <ul style="list-style-type: none"> • No exclusion applies; • The requirement falls into one of the four designated industry groups; • The estimated acquisition price is equal

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Part A: Set-Asides and Evaluation Factors

September 2004

Tasks	Related Standards
	<p>to or less than the ESB reserve amount for that industry; and</p> <ul style="list-style-type: none"> • There is a reasonable expectation of obtaining offers from two or more ESBs that are competitive in terms of price, quality, and delivery.
<p>4. Determine whether the requirement should be offered to the Small Business Administration 8(a) Business Development Program.</p>	<p>In determining the extent to which a requirement should be offered in support of the 8(a) Program, the agency should evaluate:</p> <ul style="list-style-type: none"> • Current and future plans to acquire the specific items or work that 8(a) contractors are seeking to provide, identified in terms of: <ul style="list-style-type: none"> - Quantities required or the number of construction projects planned; and - Performance or delivery requirements, including required monthly production rates, when applicable; • Current and future plans to acquire items or work similar in nature and complexity to that specified in the business plan; • Problems encountered in previous acquisitions of the items or work from the 8(a) contractors and/or other contractors; • The impact of any delay in delivery; • Whether the items or work have previously been acquired using small business set-asides; and • Any other pertinent information about known 8(a) contractors, the items, or the work.
<p>5. Determine whether to set-aside the requirement for HUBZone small business concerns.</p>	<p>A Contracting Officer must set-aside an acquisition exceeding the simplified acquisition threshold for HUBZone small business concerns when the following requirements are satisfied:</p> <ul style="list-style-type: none"> • The requirement is not excluded from HUBZone set-aside consideration (FAR 19.1304); • There is a reasonable expectation that:

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Part A: Set-Asides and Evaluation Factors

September 2004

Tasks	Related Standards
	<ul style="list-style-type: none"> - Offers will be received from two or more small business concerns, and - Award will be made at a fair market price. <p>A Contracting Officer may set-aside an acquisition exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold for HUBZone small business concerns if the other requirements above are met.</p>
<p>6. Determine whether to award the requirement to a HUBZone small business concern on a sole source basis.</p>	<p>A participating agency Contracting Officer may award a contract to a HUBZone small business concern on a sole source basis without considering a small business set-aside provided:</p> <ul style="list-style-type: none"> • Only one HUBZone small business concern can satisfy the requirement; • The anticipated price of the contract, including options, will not exceed: <ul style="list-style-type: none"> - \$5,000,000 for a requirement within the North American Industry Classification System (NAICS) codes for manufacturing, or - \$3,000,000 for a requirement within any other NAICS code; • The requirement is not currently being performed by a non-HUBZone small business concern; • The acquisition is greater than the simplified acquisition threshold; • The HUBZone small business concern has been determined to be a responsible contractor with respect to performance; and • Award can be made at a fair and reasonable price.
<p>7. Determine whether to totally set-aside the requirement for small business concerns.</p>	<p>Each acquisition with an estimated price exceeding the micro-purchase threshold but not exceeding the simplified acquisition threshold must be set aside for small</p>

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Part A: Set-Asides and Evaluation Factors

September 2004

Tasks	Related Standards
	<p>business unless:</p> <ul style="list-style-type: none"> • The requirement is set-aside under a more restrictive set-aside program; or • The Contracting Officer determines that there is not a reasonable expectation of obtaining offers from two or more responsible small businesses that are competitive in terms of market prices, quality, and delivery. <p>Set aside for small business participation any acquisition with an estimated price exceeding the simplified acquisition threshold when there is a reasonable expectation that:</p> <ul style="list-style-type: none"> • Offers will be obtained from at least two responsible small business concerns offering the products of different small business concerns; • Any concern proposing to furnish a supply item that it did not manufacture will furnish the product of a small business manufacturer unless the SBA has granted either a waiver or exception to the nonmanufacturer rule; and • Award will be made at fair market prices.
<p>8. Determine whether to partially set-aside a portion of the acquisition for small business concerns.</p>	<p>Except for construction, set-aside a portion of an acquisition for small business participation when:</p> <ul style="list-style-type: none"> • A total set-aside is not appropriate; • The requirement is severable into two or more economic production runs or reasonable lots; • One or more small business concerns are expected to have the technical competence and productive capacity to satisfy the set-aside portion of the requirement at a fair market price; • The acquisition is not subject to simplified acquisition procedures; and • There is a reasonable expectation that offers will be received from more than two

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Part A: Set-Asides and Evaluation Factors

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Tasks	Related Standards
	<p>concerns (one large and one small) with the capabilities required to complete the contract or the head of a contracting activity authorizes the partial set-aside.</p> <p>Under certain specified conditions, partial set-asides may be used in conjunction with multi-year contracting procedures.</p>
<p>9. Determine if using a price evaluation factor is appropriate for evaluating offers from small disadvantaged businesses (SDBs) or HUBZone concerns.</p>	<p>Use the SDB price evaluation adjustment (PEA) for competitive acquisitions in a Department of Commerce authorized NAICS Industry Subsector unless:</p> <ul style="list-style-type: none"> • The estimated price is less than or equal to the simplified acquisition threshold; • The requirement will be awarded under the 8(a) program; • The requirement is set-aside for small business concerns; • The requirement is set-aside for HUBZone Small Business Concerns; • Price is not a factor in source selection; or • All fair and reasonable offers will be accepted. <p>Use the price evaluation preference for HUBZone small business concerns in acquisitions conducted using full and open competition unless:</p> <ul style="list-style-type: none"> • The estimated price is less than or equal to the simplified acquisition threshold; • Price is not a factor in source selection; or • All fair and reasonable offers will be accepted.
<p>10. Determine if using a SDB participation evaluation factor or subcontracting program incentive is appropriate.</p>	<p>Use the extent of participation of SDB concerns in performance of the contract in the authorized NAICS Industry Subsector as an evaluation factor or subfactor in competitive, negotiated acquisitions expected to exceed \$500,000 (\$1,000,000 for construction) unless:</p> <ul style="list-style-type: none"> • The acquisition is a small business set-

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Part A: Set-Asides and Evaluation Factors

September 2004

Tasks	Related Standards
	<p>aside or HUBZone set-aside;</p> <ul style="list-style-type: none"> • The acquisition is an 8(a) acquisition; • The negotiated acquisition uses the lowest price technically acceptable source selection process; or • The contract action will be performed entirely outside of any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. <p>The Contracting Officer may encourage increased subcontracting opportunities in the NAICS Industry Subsector as determined by the Department of Commerce for SDB concerns in negotiated acquisitions by providing monetary incentives. Monetary incentives must be based on actual achievement as compared to proposed monetary targets for SDB subcontracting.</p>
<p>11. Determine whether to require a Subcontracting Plan.</p>	<p>Except provided in the paragraph below require an acceptable Subcontracting Plan, in a:</p> <ul style="list-style-type: none"> • Negotiated acquisition, from the apparently successful offeror for each contract or contract modification: <ul style="list-style-type: none"> - That is individually expected to exceed \$500,000 (\$1,000,000 for construction); and - Has subcontracting possibilities. • In a sealed bidding acquisition, from each bidder selected for award of a contract or contract modification: <ul style="list-style-type: none"> - That is individually expected to exceed \$500,000 (\$1,000,000 for construction); and - Has subcontracting possibilities. <p>Never require a Subcontracting Plan:</p> <ul style="list-style-type: none"> • From a small business concern; • For a personal services contract;

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Part A: Set-Asides and Evaluation Factors

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Tasks	Related Standards
	<ul style="list-style-type: none"> • For contracts or contract modifications that will be performed entirely outside of any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; or • For modifications to contracts within the general scope of the contract that do not contain the Utilization of Small Business Concerns clause (FAR52.219-8) (or equivalent).
<p>12. Document decisions related to socioeconomic source restrictions and preferences.</p>	<p>No specific justification is required by the FAR for small business decisions. However, good business practice requires a record of the relevant information considered in decision-making in case there are questions later. In addition, each agency may establish specific documentation requirements.</p>
<p>13. Notify the SBA of any decision to reject an SBA set-aside recommendation.</p>	<p>When rejecting an SBA small business set-aside recommendation, notify the appropriate SBA Center Representative in writing within 5 working days of recommendation receipt.</p>
<p>14. Support agency response to an SBA appeal of an SBA set-aside recommendation.</p>	<p>The SBA Procurement Center Representative may appeal the Contracting Officer's rejection to the head of the contracting activity (or designee). Support head of the contracting activity (or designee) preparation of a written decision within 7 working days for response to the SBA Representative.</p> <p>If the head of the contracting activity agrees that the Contracting Officer's rejection was appropriate, the Administrator of SBA may appeal to the agency head. The head of the contracting activity (or designee) must forward justification for the decision to the agency head.</p>
<p>15. After receipt of quotes or offers, determine whether to modify or withdraw as set-aside.</p>	<p>A set-aside may be modified or withdrawn when:</p> <ul style="list-style-type: none"> • No offer is received under the set-aside;

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Part A: Set-Asides and Evaluation Factors

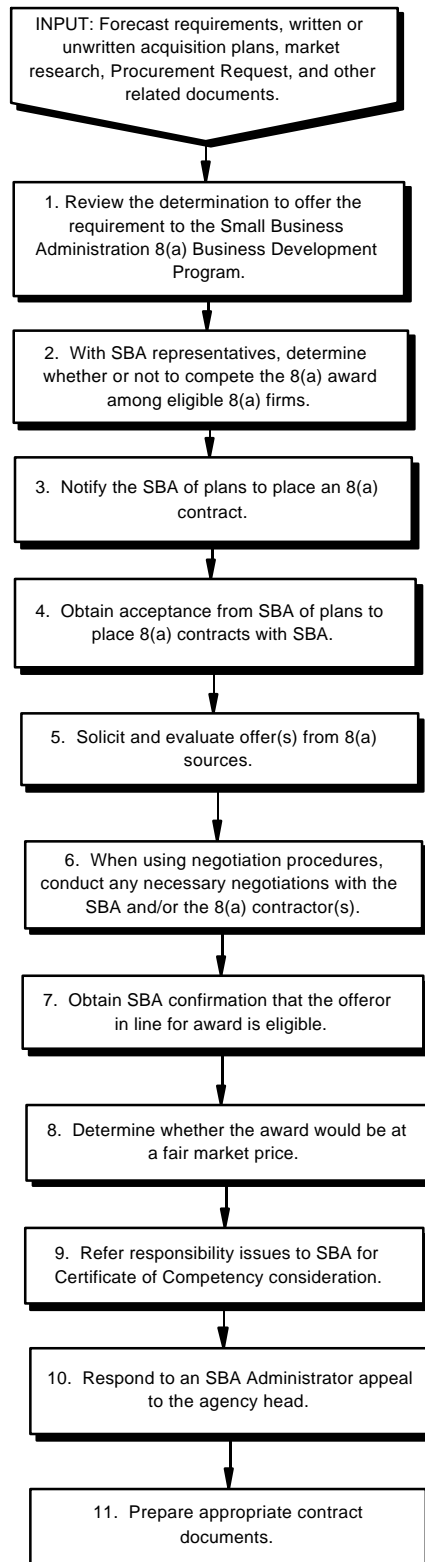
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Tasks	Related Standards
	or <ul style="list-style-type: none"><li data-bbox="776 407 1416 621">• The Contracting Officer considers that award based on the offers received would be detrimental to the public interest (e.g., the offer is not at a fair market price or competitive in terms of quality and delivery).

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Part B: 8(a) Programs

September 2004



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Part B: 8(a) Programs

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Tasks	Related Standards
1. Review the determination to offer the requirement to the Small Business Administration 8(a) Business Development Program.	<p>In reviewing the extent to which a requirement should be offered in support of the 8(a) Program, consider:</p> <ul style="list-style-type: none">• Current and future plans to acquire the specific items or work that 8(a) contractors are seeking to provide, identified in terms of:<ul style="list-style-type: none">- Quantities required or the number of construction projects planned; and- Performance or delivery requirements, including required monthly production rates, when applicable;• Current and future plans to acquire items or work similar in nature and complexity to that specified in the business plan;• Problems encountered in previous acquisitions of the items or work from the 8(a) contractors and/or other contractors;• The impact of any delay in delivery;• Whether the items or work have previously been acquired using small business set-asides;• Capability statements from known 8(a) contractors and information from any related meetings; and• Any other pertinent information about known 8(a) contractors, the items, or the work.
2. With SBA representatives, determine whether or not to compete the 8(a) award among eligible 8(a) firms.	<p>Except as provided in the next paragraph, compete an acquisition offered to the SBA under the 8(a) Program among eligible 8(a) firms if:</p> <ul style="list-style-type: none">• There is a reasonable expectation that at least two eligible and responsible 8(a) firms will submit offers and that award can be made at a fair market price; and• The anticipated total value of the contract, including options, will exceed \$5,000,000 for acquisitions assigned manufacturing North American Industry Classification

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Part B: 8(a) Programs

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Tasks	Related Standards
	<p>System (NAICS) codes and \$3,000,000 for all other acquisitions.</p> <p>When an acquisition exceeds the competitive threshold, the SBA may accept the requirement for a sole source 8(a) award if:</p> <ul style="list-style-type: none"> • There is not a reasonable expectation that at least two eligible and responsible 8(a) firms will submit offers at a fair market price; or • SBA accepts the requirement on behalf of a concern owned by an Indian tribe or an Alaska Native Corporation. <p>Never divide a proposed 8(a) requirement with an estimated value exceeding the applicable competitive threshold into several requirements of lesser amounts in order to use 8(a) sole source procedures for award to a single firm.</p> <p>The SBA Associate Administrator for 8(a) Business Development (AA/8(a)BD) may approve a request for a competitive 8(a) award below the competitive thresholds. Such requests will be approved only on a limited basis and will be primarily granted where:</p> <ul style="list-style-type: none"> • Technical competitions are appropriate; or • A large number of responsible 8(a) firms are available for competition.
<p>3. Notify the SBA of plans to place an 8(a) contract.</p>	<p>Notify the appropriate SBA District Office:</p> <ul style="list-style-type: none"> • For a construction requirement – the office for the geographical area where the work is to be performed. • For sole source requirements other than construction – the office that services the nominated firm. • For all 8(a) competition requirements other than construction – the office

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Tasks	Related Standards
	<p>servicing the geographical area in which the contracting office is located.</p> <p>In the notice, include all elements prescribed by FAR 19.804-2.</p> <p>Synopsise all competitive requirements, including construction. For construction, the synopsis must include the geographical area of the competition set forth in the SBA's acceptance letter.</p>
4. Obtain acceptance from SBA of plans to place 8(a) contracts with SBA.	<p>If SBA does not respond to an offering letter for a requirement estimated to exceed the simplified acquisition threshold within 10 days, the contracting activity may seek SBA's acceptance through the Associate Administrator (AA)/8(a)BD.</p> <p>If SBA does not respond to an offering letter on behalf of a specific 8(a) firm for a requirement estimated to not exceed the simplified acquisition threshold within 2 days, the contracting activity may assume the offer is accepted and proceed with award of an 8(a) contract.</p>
5. Solicit and evaluate offer(s) from 8(a) sources.	<p>When using 8(a) competition:</p> <ul style="list-style-type: none">• Solicit offers from the sources identified in accordance with FAR 19.804-3.• Offers may be solicited and evaluated using sealed bidding or negotiated acquisition procedures.• Competitive offer evaluation must consider the award criteria identified in the solicitation.

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<p>6. When using negotiation procedures, conduct any necessary negotiations with the SBA and/or the 8(a) contractor(s).</p>	<p>In a noncompetitive negotiation, the SBA:</p> <ul style="list-style-type: none">• Is responsible for initiating negotiations with the agency within the time established by the agency. If the SBA does not initiate negotiations within the agreed time and the agency cannot allow additional time, the agency may, after notifying the SBA, proceed with the acquisition from other sources.• The SBA should participate, whenever practicable, in negotiating the contracting terms. When mutually agreeable, the SBA may authorize the contracting activity to negotiate directly with the 8(a) contractor. Whether or not direct negotiations take place, the SBA is responsible for approving the resulting contract. <p>In a competitive negotiation under FAR 15:</p> <ul style="list-style-type: none">• Negotiate directly with the competing 8(a) firms.• Conducting competitive negotiations among 8(a) firms prior to SBA's formal acceptance of the acquisition for the 8(a) Program may be grounds for SBA's not accepting the acquisition for the program.
<p>7. Obtain SBA confirmation that the offeror in line for award is eligible.</p>	<p>The SBA will determine the eligibility of the firms for award of the contract as of the time of submission of initial offers, which include price.</p> <ul style="list-style-type: none">• In sealed bidding:<ul style="list-style-type: none">- Upon receipt of offers provide the SBA a copy of the solicitation, the estimated fair market price, and a list of offerors ranked in the order of their standing for award.- The SBA will consider the eligibility of the first low offeror. If the first low offeror is not determined to be eligible, the SBA will consider the eligibility of

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	<p>the next low offeror until an eligible offeror is identified.</p> <ul style="list-style-type: none"> - The SBA will advise the Contracting Officer of eligibility within 5 working days after its receipt of the list of bidders. - Once the SBA establishes eligibility, the successful offeror will be determined by the contracting activity following normal contracting procedures. <ul style="list-style-type: none"> • In a negotiated acquisition, the SBA will determine eligibility when the agency requests a Certificate of Competency or when the successful offeror has been established by the agency. <p>The eligibility of an 8(a) firm for a competitive 8(a) award may not be challenged or protested by another 8(a) firm or any other party as part of a solicitation or proposed contract award.</p>
<p>8. Determine whether the award would be at a fair market price.</p>	<p>Evaluate price reasonableness using the procedures for price analysis, cost analysis, and cost realism analysis in FAR 15.404. Also consider the following:</p> <ul style="list-style-type: none"> • If required, the SBA must obtain cost or pricing data from the 8(a) contractor. • If the SBA requests audit assistance to determine the reasonableness of the proposed price in a sole source acquisition, the contracting activity must furnish it to the extent it is available. • An 8(a) contract, sole source or competitive, may not be awarded if the price of the contract results in a cost to the contracting agency which exceeds a fair market price. • If requested by the SBA, the Contracting Officer shall make available the data used to estimate the fair market price within 10 working days.

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	<ul style="list-style-type: none"> The negotiated contract price and the estimated fair market price are subject to the concurrence of the SBA. In the event of a disagreement between the Contracting Officer and the SBA, the SBA Administrator may appeal to the agency head.
<p>9. Refer responsibility issues to SBA for Certificate of Competency consideration.</p>	<p>Request a preaward survey of the 8(a) contractor whenever considered useful for evaluating responsibility.</p> <p>If the results of the preaward survey or other available information raise substantial doubt as to the firm's ability to perform, refer the matter to SBA for Certificate of Competency consideration.</p>
<p>10. Respond to an SBA Administrator appeal to the agency head.</p>	<p>The SBA Administrator may appeal to the agency head concerning a Contracting Officer decision:</p> <ul style="list-style-type: none"> Not to make a particular acquisition available for award under the 8(a) Program. To reject a specific 8(a) firm for award of an 8(a) contract after SBA's acceptance of the requirement for the 8(a) Program. On the terms and conditions of a proposed 8(a) contract, including the NAICS code designation and estimate of the fair market price. <p>Pending issuance of a decision by the agency head, suspend acquisition action, unless the Contracting Officer determines, in writing, that urgent and compelling circumstances significantly affecting the interests of the United States will not permit waiting for a decision.</p> <p>Provide all information requested by the agency head related to the appeal and response preparation.</p>

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	Make the agency head's decision as part of the contract file.
11. Prepare appropriate contract documents.	<p>Generally when awarding a sole-source contract, either:</p> <ul style="list-style-type: none">• Prepare the contract:<ul style="list-style-type: none">- With the SBA following agency procedures and in the same detail as would be required in a contract with a business concern; and- That the SBA will award to the 8(a) contractor following agency procedures, as if the agency were awarding the contract directly to the 8(a) contractor, except for the changes required by FAR 19.811-1(b); or• Except in procurements where the SBA will make advance payments to its 8(a) contractor, the agency Contracting Officer may use a single tripartite contract document for both the prime contract between the agency and the SBA and its 8(a) contractor. <p>In a competitive acquisition, prepare the contract following the requirements of FAR 14.408-1(d), except for the changes required by FAR 19.811-2(a) to implement a tripartite agreement.</p> <p>If an agency has a memorandum of understanding (MOU) with the SBA that establishes a different procedure, follow the MOU procedure.</p>