

<b>DEPARTMENTAL REGULATION</b>		<b>NUMBER:</b> 5090-4
<b>SUBJECT:</b> Rule of One Policy Under Simplified Acquisition Procedures	<b>DATE:</b> October 9, 1998	
	<b>OPI:</b> Office of Small and Disadvantaged Business Utilization	

## 1 PURPOSE

This regulation prescribes the policy, responsibilities and procedures to ensure full integration of small, small disadvantaged and women-owned small businesses concerns into the competitive mix of the Department's contracting activities when using Simplified Acquisition Procedures.

## 2 BACKGROUND

Section 4001 of the Federal Acquisition Streamlining Act (FASA) of 1994 increased the simplified acquisition threshold from \$25,000 to \$100,000. As a result, each acquisition of supplies or services that have an anticipated dollar value exceeding \$2,500, but not over \$100,000, is exclusively reserved for small business concerns whenever two or more responsible small business concerns are available to compete in terms of market price, quality and delivery. Growth in the small business community (new business start-ups) has been steady and continues with the fastest growing segment being women-owned businesses.

In the past several years, the Department has not met its goals for prime contract awards to small, small disadvantaged and women-owned small business concerns. This initiative will assist us in achieving our established goals while fostering the President's commitment toward a fair and accessible Federal procurement process. With the enactment of FASA, many contracts previously awarded under full and open competition may be awarded under simplified acquisition procedures, which opens up additional opportunities for small business participation.

## 3 POLICY

Subpart 13.106-2(a)(9)(i) of the Federal Acquisition Regulations, recommends that each contracting activity maintain source lists of qualified suppliers. The source lists should be annotated to identify the status of each prospective supplier and can be used to ensure that small disadvantaged and women-owned small business concerns are solicited. In

soliciting small business participation under simplified acquisition procedures for requirements exceeding the micro-purchase threshold, contracting officers must ensure that offers are solicited from a small business, a small disadvantaged business and a women-owned small business.

#### 4 RESPONSIBILITY

a Heads of Contracting Activities shall:

(1) Ensure that this policy is adopted by appropriate contracting personnel and that source lists are adequately annotated.

b Contracting Officers shall:

(1) Ensure that small disadvantaged and women-owned small businesses are given the maximum opportunity to participate by soliciting at least one small disadvantaged business and one women-owned small business for every acquisition that falls under the simplified acquisition threshold, but which exceeds the micropurchase threshold. Document the appropriate contract file when a small disadvantaged and/or a women-owned small business could not be solicited for participation in the acquisition process.