

# DIAR PART 1419—SMALL BUSINESS PROGRAMS

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#### **Subpart 1419.2—Policies**

##### **1419.201 General policy.**

HCA's, without the power of redelegation, shall be responsible for the establishment of annual goals. The purpose of these goals is to increase participation of small business and small disadvantaged businesses in contract and subcontract opportunities. Goals for contract awards to minority business enterprises and women-owned businesses shall also be developed.

(a) All program goals must comply with the criteria established by OSDBU and shall reflect improvement in participation of small businesses and small disadvantaged businesses. The goal setting process shall be conducted as follows:

(1) Proposed goals are to be submitted by contracting activities to OSDBU by August 15th for the next fiscal year. To the greatest extent possible, the goals shall be based on advance acquisition plans (see Subpart [1407.1](#)), budget justifications, and past performance.

(2) OSDBU shall be responsible for consolidating bureau and office goals, performing trend analysis, and submitting proposed Departmental goals to SBA, and the Minority Business Development Agency (MBDA), Department of Commerce.

(3) Bureau and office goals shall be negotiated and finalized with the OSDBU based on current plans and budget projections. OSDBU shall negotiate final Departmental goals with SBA, and MBDA.

(4) Since goals are expressed as a percentage of planned acquisition dollars, final budget approvals may change specific dollar goals.

(b) HCAs may request revision of goals from OSDBU when final budget approvals result in a change of plus or minus 15% in planned acquisition dollars or in instances when a disproportionate change in the mix of products or services is required. The goal setting process with the Bureau/Offices shall be completed by December 31st of each year.

(c) In accordance with 111 DM 8, OSDBU is responsible for performing all functions and duties prescribed in FAR [19.201](#)(d) and for:

(1) Developing and maintaining policies, procedures, regulations, and guidelines for the effective administration of the Department's small business and small disadvantaged business programs; and,

(2) Providing functional direction and policy guidance to personnel in the implementation of the programs under paragraph (c)(1) of this section.

(d) HCAs without authority to redelegate shall:

(1) Appoint a full-time BUDS ( *e.g.*, procurement analyst or other non-operational contract person), for each contracting office where:

(i) Annual contract obligations regularly exceed \$20 million or represent a substantial part of the bureau's total contracting program; and,

(ii) The number, type, and size of contract transactions provide sufficient opportunities for small business and small disadvantaged business participation.

(2) Appoint a part-time BUDS ( *e.g.*, procurement analyst or other non-operational contract person), for each contracting office where the nature of the contracting program requires such action to ensure accomplishment of annual program goals;

(e) Each BUDS shall perform the duties listed at FAR [19.201](#)(d)(5)(6), and (10), 405 DM 1, and in the BUDS Standard Operating Procedures Handbook (405 DM 2).

### **1419.202 Specific policies.**

#### **1419.202-70 Acquisition screening and BUDS recommendations.**

(a) For open market acquisitions estimated to exceed the SAT, the DI Form 1886, "Acquisition Screening and Review Form," shall be completed by the CO and signed as indicated in Block 20 of the form. The completed form shall be placed in the solicitation/contract file prior to requesting quotations, publication of a FedBizOpps solicitation notice, or publication of a notice of intent to award a sole source contract.

(b) For open market acquisitions estimated to be greater than the micro-purchase threshold and

less than the SAT that are not reserved for small business or proceeding under the 8(a) program, the DI Form 1886 shall be completed as specified in paragraph (a) of this section.

(c) Open market acquisitions, including charge card transactions, estimated to be less than the micro-purchase threshold are not routinely screened, but may be upon request by the purchaser.

(d) For Federal Supply Schedule competitions estimated to exceed the SAT and for which the source list contains less than three small businesses, the DI Form 1886 shall be completed as specified in paragraph (a) of this section.

(e) Federal Supply Schedule buys below the SAT are not routinely screened, but may be upon request by the CO.

(f) If the proposed method of acquisition is non-competitive, the Justification for Other than Full and Open Competition shall be attached to the DI Form 1886.

(g) Advance acquisition plans developed pursuant to FAR Part 7 shall be attached to the DI Form 1886.

(h) The CO shall document the rationale for not accepting a SBS recommendation on DI Form 1886, under ``Notes.'' (See FAR [19.202](#).) Disagreements between the CO and the SBS concerning the decision to use a set aside or the 8(a) program shall be resolved by the BPC. The BPC shall annotate the resolution, with signature, in the ``Notes'' section of the form. The BPC may consult with the OSDBU to obtain assistance in resolving the disagreement.

### **Subpart 1419.5—Set-Asides for Small Business**

#### **1419.503 Setting aside a class of acquisitions.**

##### **1419.503-70 Class set-aside for construction acquisitions.**

(a) Acquisitions for construction (as defined in FAR [2.101](#)) estimated to cost \$2 million or less shall be set-aside on a class basis for exclusive participation by small business concerns. This class set-aside does not apply when:

(1) The acquisition is procured using simplified acquisition procedures;

(2) Use of a set-aside is precluded by the Small Business Competitiveness Demonstration Program (SBCDP) (See FAR [19.10](#));

(3) A non-competitive acquisition has been approved under the procedures of FAR [6.3](#);

(4) Work is to be performed outside the U.S.; or

(5) The BPC determines that adequate competition is not likely to be obtained if the acquisition is restricted to small business concerns, applying the requirements of FAR [19.202-2](#).

(b) The use of such set-asides is contingent upon current policy in effect under application of the SBCDP (See FAR [19.10](#)).

#### **1419.505 Rejecting Small Business Administration recommendations.**

(a) A written justification in support of the CO's decision to reject the set-aside recommendation shall be approved by the HCA. It shall then be forwarded for sequential review through the Director,

OSDBU and the Director, PAM, for action by the AS/PMB.

(b) As prescribed in FAR [19.505](#), the AS/PMB is authorized to reply to the Administrator of SBA on any SBA appeal of a contracting officer's set-aside recommendation.

#### **1419.506 Withdrawing or modifying small business set-asides.**

The HCA is authorized, without the power of redelegation, to resolve disagreements between the CO and the BUDS concerning withdrawals or modifications of individual or class set-asides as prescribed in FAR [19.506](#). OSDBU shall be provided timely notification of such disagreements and the recommendation of the BUDS in order to provide assistance in resolving the disagreement.

#### **Subpart 1419.6—Certificates of Competency and Determinations of Responsibility**

##### **1419.602 Procedures.**

##### **1419.602-1 Referral.**

The CO shall obtain approval from the CCO for all determinations documenting a responsive small business' lack of responsibility prior to submission to the appropriate SBA office. A copy of the determination shall be sent to OSDBU.

#### **Subpart 1419.7—The Small Business Subcontracting Program**

**1419.705 Responsibilities of the contracting officer under the subcontracting assistance program.**

##### **1419.705-2 Determining the need for a subcontracting plan.**

The CO's determination that no subcontract possibilities exist for a proposed contractual action shall be reviewed by the BUDS prior to the approval by a level above the CO, and a copy shall be forwarded to OSDBU within 5 working days of execution, but in no case later than the date of contract award. The BUDS may contact OSDBU and consider any comments or recommendations offered.

##### **1419.705-3 Preparing the solicitation.**

In solicitations containing subcontract plan requirements, COs should consider evaluating offered subcontract plans and the offerors' past subcontracting compliance and accomplishments in the evaluation and selection of proposals. This would be particularly appropriate for acquisitions known to offer significant subcontracting opportunities for small, small disadvantaged, and women-owned businesses or which include work previously performed by a small business. When used, this factor must be evaluated in such a way that the relative ranking or scoring of small business offerors is not adversely affected by the lack of a subcontract plan.

##### **1419.705-6 Postaward responsibilities of the contracting officer.**

In addition to the actions specified in FAR [19.705-6](#), the CO shall also be responsible for the following:

(a) Forwarding a copy of each approved subcontracting plan to OSDBU within 10 working days after approval of the plan.

(b) Ensuring that the contractor forwards the original copy of the Standard Form 295, Summary

Contracting Report, to the Department of the Interior, Director, OSDBU, 18th & C Streets, NW., Washington, DC 20240, Rm. 2747.

(c) Forwarding a copy of the Standard Form 294, Subcontracting Report for Individual Contracts, received from individual contractors, within 10 working days, to OSDBU.

(d) Conducting on-site business and economic development program management reviews (see 405 DM 1) of a prime contractor's small and disadvantaged business subcontracting program. Reviews shall be conducted as required based on problems perceived such as insufficient progress in meeting subcontracting goals. The result of the review shall be documented in writing using the format shown at 1453.303-70. At the discretion of the CO, the BUDS may conduct the reviews. In addition to required bureau/office internal distribution, a copy of the review report shall be submitted to OSDBU within 60 calendar days after completion of the review.

## **Subpart 1419.8—Contracting with the Small Business Administration (The 8(a) Program)**

### **1419.803 Selecting acquisitions for the 8(a) Program.**

The CO shall first screen the acquisition for suitability for award to SBA under the Section 8(a) program, before taking action under FAR [19.501](#), [19.502](#) or [1419.503-70](#). After selecting acquisitions suitable for the 8(a) program, the contracting office shall provide SBA appropriate advance acquisition planning information for all acquisitions found to be suitable for the 8(a) program ( See also [1407.1](#)).

### **1419.810 SBA appeals.**

AS/PMB, without the power of redelegation, is authorized to issue the decision on an SBA appeal of a CO's Section 8(a) decision.

## **Subpart 1419.9—Contracting Opportunities for Women-Owned Small Businesses**

### **1419.901 Policy.**

In support of the Department's policy to facilitate, preserve, and strengthen women's business enterprises:

(a) Annual goals for contract awards to women-owned businesses shall be established as prescribed in [1419.201](#)(b); and

(b) Small women-owned businesses shall be considered for subcontracting opportunities under FAR [19.702](#), and subcontract awards shall be reported as prescribed in FAR [19.704](#).

(c) OSDBU, in accordance with 111 DM 8, is assigned the responsibility for carrying out the Department's women-owned business enterprise program.

## **Subpart 1419.10—Small Business Competitiveness Demonstration Program**

### **1419.1003 Purpose.**

OSDBU is responsible for establishing the 10 targeted industry categories and monitoring DOI's participation.