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MEMORANDUM FOR ALL GSA CONTRACTING ACTIVITIES

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SENIOR PROCUREMENT EXECUTIVE (MV)

SUBJECT: Small Business Set-Asides Under The Simplified Acquisition Acquisition Threshold (SAT)

As a reminder, acquisitions above the micro-purchase threshold (currently \$3,000) and under the SAT (currently \$150,000), are required to be set-aside for small business to the maximum extent practicable. If a set-aside is not used, the Contracting Officer (CO) must include in the contract file a determination there is no reasonable expectation of two or more competitive offers from responsible small businesses (FAR 19.502-2(a)). On acquisitions below the micro-purchase threshold, Contracting Officers (CO) should consider small businesses.

These requirements are in place to help maximize small business contracting opportunities in the Federal government and to assist General Services Administration (GSA) in meeting/exceeding GSA's Fiscal Year (FY) 2012 small business goals. GSA's current small business goals for FY 2012 – FY 2013, located at <http://insite.gsa.gov/smallbizgoals> are:

FY 2012- FY 2013 Small Business Goals		
	Prime Contracting	Subcontracting
Small Business	30.0%	25.0%
Small Disadvantaged Business (SDB)	5.0%	5.0%
Women-Owned Small Business (WOSB)	5.0%	5.0%
HUBZone Small Business	3.0%	3.0%
Service Disabled Veteran-Owned Small Business (SDVOSB)	3.0%	3.0%
Veteran-Owned Small Business (VOSB)	N/A	3.0%

On December 19, 2011, the Office of Management and Budget (OMB)'s Office of Federal Procurement Policy (OFPP) issued a memorandum titled "Increasing Opportunities for Small Business in Purchase Card Micro-Purchases". It is a reminder that agency purchase cardholders should consider small businesses, to the maximum extent practicable, when making micro-purchases.

Although the agency is clearly committed to awards to small business, further opportunities may exist. A detailed analysis of Federal Procurement Data System (FPDS) FY 2011 data reviewed on March 15, 2012, indicates over \$43 million in awards between \$3,000 and \$150,000 going to "other than small business". In some of these awards, market research may support an award to an "other than small business". However, GSA views this analysis as a possible opportunity for future small business award consideration in FY 2012. The line-by-line analysis of this data, available at [insite.gsa.gov/sbacquisitiontopics](http://insite.gsa.gov/sbacquisitiontopics), is a tool that contracting activities can use to further explore whether similar contracts awarded to other than small businesses in FY 2011 could go to small businesses in FY 2012. This pro-active review for FY 2012 could be a way to proceed to meet and exceed GSA's small business goals in FY 2012 and beyond.

Regional Offices of Small Business Utilization (OSBU) and the Small Business Technical Advisors (SBTA) of the National OSBU are available to assist with questions at <http://insite.gsa.gov/osbucontacts>. You may also contact Ms. Karen Poole, Senior Policy Advisor, GSA OSBU at [karen.poole@gsa.gov](mailto:karen.poole@gsa.gov).

Questions on this Alert may be directed to Ms. Kathy Rifkin, Procurement Analyst, General Services Acquisition Policy Division, at (816) 823-2170, or at [kathy.rifkin@gsa.gov](mailto:kathy.rifkin@gsa.gov).