



HUDAR PART 2419--SMALL BUSINESS PROGRAMS

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PART 2419--SMALL BUSINESS PROGRAMS

Subpart 2419.2--Policies

2419.201 General policy.

(d) The Director of HUD's Office of Small and Disadvantaged Business Utilization (OSDBU) is responsible for the administration of the HUD small business program and for performing all functions and duties prescribed in [FAR 19.201](#)(d). This includes Department-wide responsibility for developing, implementing, executing, and managing these programs; providing advice on these programs; and representing HUD before other government agencies on matters primarily affecting small, small disadvantaged, and women-owned small business; HUBZone small business; veteran-owned small

business; and service-disabled veteran-owned small business concerns.

(e) The Director of OSDDBU shall designate small business specialists who shall advise and assist HUD's contracting activity and small business concerns as described in paragraph (d) on all matters related to small business participation in HUD acquisitions. Small business specialists shall perform the following functions:

(1) Maintain a program designed to locate capable small-business sources as referenced in paragraph (d) of this section for current and future procurements;

(2) Coordinate inquiries and requests for advice from such businesses on procurement matters;

(3) Review proposed requirements for supplies and services, ensure that all such business concerns will be afforded an equitable opportunity to compete, and, as appropriate, initiate recommendation for small business or Section 8a set-asides (under the Small Business Act);

(4) Take action to ensure the availability of adequate specifications and drawings, when necessary, to obtain participation by such businesses in a procurement;

(5) Review proposed procurements for possible breakout of items suitable for procurement from such businesses;

(6) Advise such businesses with respect to the financial assistance available under existing laws and regulations and assist such businesses in applying for financial assistance;

(7) Ensure that adequate records are maintained and accurate reports are prepared concerning such businesses participation in the procurement program;

(8) Make available to SBA copies of solicitations, when requested, and

(9) Act as liaison between the Contracting Officer and the appropriate SBA office in connection with set-asides, certificates of competency, size classification, and any other matter in which the small business program may be involved.

Subpart 2419.5--Set-Asides for Small Business

2419.503 [Reserved]

Subpart 2419.7—The Small Business Subcontracting Program

2419.708 Solicitation Provisions and Contract Clauses.

(b) The contracting officer shall insert clause at [2452.219-73](#), "Incorporation of Subcontracting Plan," in solicitations and contracts when a subcontracting plan is required. The contracting officer shall insert the provision at [2452.219-74](#), "Small Business Subcontracting Goals," in solicitations for contracts that are required to include the FAR clauses at [52.219-8](#), "Utilization of Small Business Concerns," and [52.219-9](#), "Small Business Subcontracting Plan."

(d) The contracting officer shall insert the provision at [2452.219-70](#), Small Business Subcontracting Plan Compliance, in solicitations for contracts that are expected to exceed the dollar thresholds set forth at [FAR 19.702](#) and are required to include the clause at FAR [52.219-9](#), Small Business Subcontracting Plan .

Subpart 2419.8--Contracting with the Small Business Administration (The 8(a) Program)

2419.800 General.

(f) By Partnership Agreement between the SBA and HUD, the SBA delegated to HUD's Senior Procurement Executive its authority under paragraph 8(a)(1)(A) of the Small Business Act (5 U.S.C. 637(a)) to enter into 8(a) prime contracts, and its authority under 8(a)(1)(B) of the Small Business Act to award the performance of those contracts to eligible 8(a) Program participants. Under the Partnership Agreement, a contract may be awarded directly to an 8(a) firm on either a sole-source or competitive basis. The SBA reserves the right to withdraw the delegation issued as a result of the Partnership Agreement; however, any such withdrawal shall have no effect on contracts already awarded under the Partnership Agreement.

2419.803 Selecting acquisitions for the 8(a) Program.

2419.803-70 Procedures for simplified acquisitions under the partnership agreement.

(a) HUD contracting officers may use the procedures of [FAR part 13](#) and HUDAR part [2413](#) to make purchases not exceeding the simplified acquisition threshold from 8(a) Participants. The following apply to such acquisitions:

(1) Neither offering letters to, nor acceptance letters from the SBA are required.

(2) The contracting officer will use the Central Contractor Registration (CCR) database on the Internet (<http://www.ccr.gov>) to establish that the selected 8(a) firm is a current program participant.

(b) Once an 8(a) contractor has been identified, the contracting officer will establish the price with the selected 8(a) contractor.

(c) For acquisitions requiring an award document (e.g., purchase order), the contracting officer will:

(1) Prepare and issue an award document in accordance with the applicable provisions of FAR part 13 and HUDAR part [2413](#). The applicable clauses prescribed in [2419.811-3](#) shall be included in the award document. The contracting officer will issue the award document directly to the 8(a) firm; and

(2) Forward to the SBA District Office serving the 8(a) firm a copy of the award document within 5 days after the award is issued.

2419.804 Evaluation, offering, and acceptance.

2419.804-2 Agency offering.

(d) When applicable, the notification must identify that the offering is in accordance with the Partnership Agreement identified in [2419.800](#).

2419.804-3 SBA acceptance.

2419.804-370 SBA acceptance under partnership agreements for acquisitions exceeding the simplified acquisition threshold.

(a) The following procedures apply to the acceptance of requirements covered by the Partnership Agreement for acquisitions that exceed the simplified acquisition threshold.

(1) The SBA's decision whether to accept the requirement will be transmitted to HUD in writing within 5 working days of receipt of the offer.

(2) The SBA may request, and HUD may grant, an extension beyond the 5-day limit.

(3) SBA's acceptance letters should be faxed or emailed to HUD.

(4) If HUD has not received an acceptance or rejection of the offering from SBA within 5 days of SBA's receipt of the offering letter, the contracting officer may assume that the requirement has been accepted and proceed with the acquisition.

(b) The contents of SBA's acceptance letter shall be limited to the eligibility of the recommended 8(a) contractor.

2419.805 Competitive 8(a).

2419.805-2 Procedures.

(b)(3) For requirements exceeding the simplified acquisition threshold that are processed under the Partnership Agreement cited in [2419.800](#), the contracting officer shall submit the name, address, and telephone number of the low bidder (sealed bid requirements) or the apparent successful offeror (negotiated acquisitions) to the SBA Business Opportunity Specialist at the field office servicing the identified 8(a) firm. The SBA will determine the eligibility of the firm(s) and advise the contracting officer within 2 working days of the receipt of the request. If the firm is determined to be ineligible, the contracting officer will submit information on the next low offeror or next apparent successful offeror (as applicable) to the cognizant SBA field office.

2419.806 Pricing the 8(a) contract.

(a) For contracts awarded under the Partnership Agreement cited in [2419.800](#), when required by [FAR subpart 15.4](#), the contracting officer shall obtain certified cost or pricing data directly from the 8(a) contractor.

2419.808 Contract negotiation.

2419.808-1 Sole source.

(a) If the acquisition is conducted under the Partnership Agreement cited in [2419.800](#), the 8(a) contractor is responsible for negotiating with HUD within the time frame established by the contracting officer. If the 8(a) contractor does not negotiate within the established time frame, and HUD cannot allow additional time, HUD, after notification and approval by SBA, may proceed with the acquisition from other sources.

(b) If the acquisition is conducted under the Partnership Agreement cited in [2419.800](#), HUD is delegated the authority to negotiate directly with the 8(a) participant; however, if requested by the 8(a) participant, the SBA may participate in negotiations.

2419.811 Preparing the contracts.

2419.811-1 Sole source.

(e) If the award is to be made under the Partnership Agreement cited in [2419.800](#), the contracting officer shall prepare the instrument to be awarded to the 8(a) firm in accordance with the normal HUD procedures for non-8(a) contracts, except for the following:

(1) The award form shall cite 41 U.S.C. 253(c)(5) and 15 U.S.C. 637(a) as the authority for use of

other than full and open competition.

(2) The contracting officer shall include appropriate contract clauses, as necessary, to reflect that the acquisition is an 8(a) contract awarded under the authority of the Partnership Agreement cited in 2419.800.

(3) The contracting officer shall include SBA's requirement number on the contract unless the acquisition does not exceed the simplified acquisition threshold.

(4) A single award document shall be used between HUD and the 8(a) contractor. As such, no signature on the part of the SBA is required; a single signature by the HUD contracting officer shall suffice. The 8(a) contractor's signature shall be placed on the award document as the prime contractor. The 8(a) contractor's name and address shall be placed in the "awarded to" or "contractor name" block on the appropriate forms.

2419.811-2 Competitive.

(a) If the award is to be made under the Partnership Agreement cited in [2419.800](#), competitive contracts for 8(a) firms shall be prepared in accordance with the same standards as 8(a) sole-source contracts as set forth in 2419.811-1.

(b) If the acquisition is conducted under the Partnership Agreement cited in [2419.800](#), the process for obtaining signatures shall be as specified in [2419.811-1](#)(e).

2419.811-3 Contract clauses.

(d)(3) The contracting officer shall use the clause at [FAR 52.219-18](#), "Notification of Competition Limited to Eligible 8(a) Concerns," with the clause at [2452.219-71](#), "Notification of Competition Limited to Eligible 8(a) Concerns—Alternate III to [FAR 52.219-18](#)," for competitive 8(a) acquisitions processed under the Partnership Agreement cited in [2419.800](#).

(f) In contracts and purchase orders awarded under the Partnership Agreement cited at [2419.800](#), the contracting officer shall substitute the clause at [2452.219-72](#), Section 8(a) Direct Award, for the clauses at [FAR 52.219-11](#), "Special 8(a) Contract Conditions;" [FAR 52.219-12](#), "Special 8(a) Subcontract Conditions;" and [FAR 52.219-17](#), "Section 8(a) Award."

2419.812 Contract administration.

(e) Awards under the Partnership Agreement cited in [2419.800](#) are subject to 15 U.S.C. 637(a)(21). These contracts contain the clause at [2452.219-71](#), Section 8(a) Direct Award (Deviation), which requires the 8(a) contractor to notify the SBA and the HUD contracting officer when ownership of the firm is being transferred.

