$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.

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.