



DEPARTMENT OF THE ARMY
OFFICE OF THE SECRETARY OF THE ARMY
OFFICE OF SMALL BUSINESS PROGRAMS
106 ARMY PENTAGON
WASHINGTON DC 20310-0106

Feb 14 2008

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Sole Source Awards to Service-Disabled Veteran-Owned Small Businesses (SDVOSBs)

1. Recently, it has been brought to our attention there may be some confusion pertaining to the guidelines for awarding sole source contracts to SDVOSBs.
2. I am requesting your personal review of your organization acquisition practices to ensure that your contracting officers are following the guidelines set forth in accordance with Federal Acquisition Regulation (FAR) 19.1406 and Section 13, Code of Federal Regulations (C.F.R.) 125.20, which reads... "a contracting officer may award contracts to a SDVOSB concern on a sole source basis provided all of the following apply:
 - a) only one SDVOSB can satisfy the requirement. (Note: This does not mean the only source, but refers to the only SDVOSB available.)
 - b) the anticipated award price of the contract (including options) will not exceed:
 - 1) \$5.5 million for a requirement within the NAICS codes for manufacturing.
 - 2) \$3 million for a requirement within any other NAICS codes.
 - c) the SDVOSB has been determined to be a responsible contractor with respect to performance.
 - d) the award can be made at a fair and reasonable price."
3. Additionally, contracting officers should also be reminded that the Small Business Administration (SBA) has the right to appeal their decision not to make a SDVOSB sole source award.
4. I ask for your continued commitment as we work together to support our Soldiers, their needs and the small business community. My Program Manager for the SDVOSB Program is Mr. James Lloyd who can be reached at (703) 697-2868 or via e-mail at james.lloyd@hqda.army.mil.

A handwritten signature in cursive script that reads "Tracey L. Pinson".

Tracey L. Pinson
Director

OSBP

SUBJECT: Sole Source Awards to Service-Disabled Veteran-Owned Small Businesses

DISTRIBUTION:

COMMANDER, U.S. ARMY MATERIEL COMMAND

COMMANDER, U.S. ARMY CORPS OF ENGINEERS

COMMANDER, U.S. ARMY INTELLIGENCE AND SECURITY COMMAND

COMMANDER, U.S. ARMY MEDICAL COMMAND

COMMANDER, U.S. ARMY MEDICAL RESEARCH AND MATERIEL
COMMAND

CHIEF, NATIONAL GUARD BUREAU

COMMANDER, U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND/U.S.
ARMY FORCES STRATEGIC COMMAND

COMMANDER, U.S. ARMY TEST AND EVALUATION COMMAND

DIRECTOR, U.S. ARMY CONTRACTING AGENCY

DIRECTOR, U.S. ARMY PROGRAM EXECUTIVE OFFICE SIMULATION,
TRAINING AND INSTRUMENTATION

CC:

ASSISTANT SECRETARY OF THE ARMY, ACQUISITION, LOGISTICS AND
TECHNOLOGY