DEC 27 2004

GSA Office of the Chief Acquisition Officer

Civilian Agency Acquisition Council Letter 2004-04

MEMORANDUM FOR CIVILIAN AGENCIES

FROM: LAURA AULETTA Laura Auletta
CHAIR
CIVILIAN AGENCY ACQUISITION COUNCIL (CAAC)

SUBJECT: Expired Program Authority for the Price Evaluation Adjustment for Small Disadvantaged Business Program

The purpose of this CAAC Letter is to inform you that the authority for the Price Evaluation Adjustment for Small Disadvantaged Business Concerns is no longer in effect for civilian agencies. It remains in effect for Department of Defense, National Aeronautics and Space Administration, and the Coast Guard.

Public Law 103-355, Section 7102, (15 U.S.C. §644 note) authorized the small disadvantaged business (SDB) price evaluation adjustment. Federal Acquisition Regulation Subpart 19.11 authorized civilian agencies to apply the price evaluation adjustment in competitive acquisitions in the authorized NAICS Industry Subsector to benefit certain certified SDBs at the prime contracting level. The Small Business Administration (SBA) notified civilian agencies that this program lapsed effective December 9, 2004. FAR Subpart 19.11 is no longer in effect (see attached SBA memorandum).

The SDB price evaluation adjustment for Department of Defense, National Aeronautics and Space Administration, and the Coast Guard is governed by a separate statutory authority and is not affected by the recent lapse in authority for civilian agencies.

The statutory government-wide goal for contracting with SDBs at not less than 5 percent remains in effect for both defense and civilian agencies.

Attachment

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

DATE: December 22, 2004

TO: Chief Acquisition Officers and Senior Procurement Executives

FROM: Emily Murphy

SUBJECT: Suspension of the Price Evaluation Adjustment for Small Disadvantaged Businesses at Civilian Agencies

CC: OSDBU Directors

The purpose of this memorandum is to advise you that the statutory authority for the Small Disadvantaged Business (SDB) price evaluation adjustment for civilian agencies has lapsed.

The SDB price evaluation adjustment for civilian agencies, originally authorized under the Federal Acquisition Streamlining Act of 1994 (Pub.L. 103-355, Sec. 7102), expired starting on December 9, 2004. This provision, as implemented in Federal Acquisition Regulation Subpart 19.11, authorized civilian agencies to apply the price evaluation adjustment to benefit certain certified SDBs in competitive acquisitions. Although the program was continued under the Small Business Administration's (SBA) temporary authorizations, the authority for the SDB price evaluation adjustment was omitted from the Small Business Reauthorization and Manufacturing Assistance Act of 2004 (Pub.L. 108-447, Division K). As a result, civilian agencies have no statutory authority to apply the SDB price evaluation adjustment.

Please note that the SDB price evaluation adjustment for the Department of Defense, National Aeronautics and Space Administration, and the U.S. Coast Guard is governed by a separate statutory authority and is not affected by the recent lapse in authority for the civilian agencies. The statutory, government-wide goal for contracting with SDBs at not less than 5 percent remains in effect for both defense and civilian agencies.

If you have any questions or concerns regarding these programs, please contact Denise Benjamin at the SBA at 202-619-1799.