



SECRETARY OF THE ARMY
WASHINGTON

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Section 8(a) Small Business Act Sole-Source Award Approval Threshold

1. References:

a. Headquarters, Department of the Army General Orders Number 2017-01, Assignment of Functions and Responsibilities Within Headquarters, Department of the Army, 5 January 2017.

b. Federal Acquisition Regulation Subpart 6.303-1(b).

2. One of your duties as a Head of Contracting Activity (HCA) is to ensure that dollar approval thresholds stated in our regulations do not unduly influence contracting officers' business decisions. Reference 1b requires contracting officers to justify award of a sole-source contract under Section 8(a) of the Small Business Act when the amount of the contract exceeds \$22 million. This threshold is not intended as a barrier to executing contracts that reflect the best business decisions for the Army. It is a threshold that triggers a process to ensure that the Government obtains fair and reasonable prices for supplies and services acquired when awarding a sole-source contract using the 8(a) authority.

3. In accordance with reference 1a., the Assistant Secretary of the Army (Acquisition, Logistics and Technology) executes the authorities of the agency head for procurement matters pursuant to laws and regulations, and is designated as the Army's Senior Procurement Executive (SPE). The SPE delegates authority to HCAs to carry out the contract execution mission.

SUBJECT: Section 8(a) Small Business Act Sole Source Award Approval Threshold

4. I ask that as HCAs, you streamline the approval process for these and other actions within your contracting activities. I appreciate your dedication and continued support of the Army mission.



Mark T. Esper

DISTRIBUTION:

Head of Contracting Activity, U.S. Army Contracting Command
Head of Contracting Activity, U.S. Army Corps of Engineers
Head of Contracting Activity, U.S. Army Medical Command
Head of Contracting Activity, Army National Guard Bureau
Deputy Assistant Secretary of the Army (Procurement)

CF:

Assistant Secretary of the Army (Acquisition, Logistics and Technology)
Director, Small Business Programs
Chief, National Guard Bureau
U.S. Army Materiel Command
U.S. Army Corps of Engineers
The Surgeon General