



THE SECRETARY OF THE NAVY
WASHINGTON, D.C. 20350-100

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Small Business 8(a) Sole Source Award Approval Thresholds

Section 6.302-5(a)(4) of the Federal Acquisition Regulation (FAR) provides the authority to enter into sole awards under the 8(a) program. Sole source awards over \$22 million in value must be justified in accordance with FAR 6.303. Justifications must be approved in accordance with FAR 6.304 by a flag or general officer or a civilian serving in a position above GS-15 under the General Schedule. The authority to designate approval authorities for all Justification and Approvals that do not require the approval of the Navy Senior Procurement Executive is delegated to the Department of the Navy's Heads of Contracting Activity (HCA).

One of your duties as a Head of Contracting Activity is to ensure that dollar approval thresholds in the regulations do not unduly influence a contracting officer's business decisions. Thresholds are not intended as barriers to executing contracts that reflect the best business decisions for the Department of the Navy.

I ask that as HCAs, you streamline the approval process for these and other actions within your contracting activities, consistent with the exercise of sound business judgment.

A handwritten signature in blue ink, appearing to read "R. Spencer", is positioned above the printed name.

Richard V. Spencer

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