

## 8.405-5 Small business.

(a) Although the preference programs of part 19 are not mandatory in this subpart, in accordance with section 1331 of Public Law 111-240 (15 U.S.C. 644(r))-

(1) *Ordering activity contracting officers may*, at their discretion-

(i) Set aside orders for any of the small business concerns identified in 19.000(a)(3); and

(ii) Set aside BPAs for any of the small business concerns identified in 19.000(a)(3).

(2) When setting aside orders and BPAs-

(i) Follow the ordering procedures for Federal Supply Schedules at 8.405-1, 8.405-2, and 8.405-3; and

(ii) The specific small business program eligibility requirements identified in part 19 apply.

(b) Orders placed under schedule contracts *may* be credited toward the *ordering activity's* small business goals. For purposes of reporting an order placed with a small business schedule contractor, an ordering agency *may* only take credit if the awardee meets a size standard that corresponds to the North American Industry Classification System code assigned to the order in accordance with 19.102(b)(3). *Ordering activities should* rely on the small business representations made by schedule contractors at the contract level (but see section 19.301-2(b)(2) concerning rerepresentation for an order).

(c) *Ordering activities may* consider socio-economic status when identifying contractor(s) for consideration or competition for award of an order or BPA. At a minimum, *ordering activities should* consider, if available, at least one small business, veteran-owned small business, service disabled veteran-owned small business, *HUBZone* small business, women-owned small business, or small disadvantaged business schedule contractor(s). GSA Advantage! and *Schedules e-Library* at <http://www.gsa.gov/fas> contain information on the small business representations of Schedule contractors.

(d) For orders exceeding the *micro-purchase threshold*, *ordering activities should* give preference to the items of small business concerns when two or more items at the same delivered price will satisfy the requirement.

**Parent topic:** 8.405 Ordering procedures for Federal Supply Schedules.