

January 24, 1980

**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503**

**Office of Federal Procurement Policy January 24, 1980**

**POLICY LETTER NO. 80-1**

**TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS**

**SUBJECT:** P.L. 95-507, Section 211, Subcontracting: Agency Coordination with the Small Business Administration Resident Procurement Center Representatives

Section 211 of P.L. 95-507 amends section 8(d)(10) of the Small Business Act, 15 USC 637, to authorize the Small Business Administration (SBA) to review any solicitation for any contract over the stated thresholds. The purpose of the review is to determine whether maximum practicable opportunity has been afforded small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals to participate as subcontractors in such awards. Furthermore, SBA is responsible for evaluating compliance with agreed upon subcontracting plans.

In order to facilitate the implementation of these provisions by the Small Business Administration, departments and agencies shall observe the following policies regarding section 8(d)(10), and shall incorporate them in their procurement regulations:

1. The Small Business Administration's resident Procurement Center Representatives shall be provided an opportunity to review any solicitation that meets the threshold prior to release to the public. The Procurement Center Representative shall be provided a period reasonable under the circumstances to review the solicitation.
2. Prior to the execution of any negotiated contractual document requiring a subcontracting plan, the total procurement package including the proposed subcontracting plan shall be made available to the resident Procurement Center Representative, with a reasonable time for review. The Procurement Center Representative may submit recommendations, which shall be advisory in nature, to the contracting officer. The Procurement Center Representative shall also be provided a copy of the subcontracting plan finally negotiated by the contracting officer.

A copy of any subcontracting plan submitted pursuant to a formally advertised procurement also shall be provided the resident Procurement Center Representative upon execution of the contractual document.

3. The small and disadvantaged business specialist of the contracting activity shall notify the Small Business Administration of the award of contracts, amendments, or modifications that contain subcontracting plans. The notification shall contain the contractor's name and address, place of performance, dollar amount, performance period, description of contract item or items, and name and address of contracting officer. A copy of the award document (e.g., DD 350) is sufficient for these purposes. The notification shall be sent to the Assistant Regional Administrator for Regional

Programs in the SBA region where contract performance is to take place.

The Director of the Office of Management and Budget concurs in the issuance of this policy directive to be effective February 25, 1980.

James D. Currie  
Acting Administrator