



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

SEP 25 2015

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Using the DD Form 2579 for Small Business Acquisitions under the Simplified Acquisition Threshold

Reference: Director, Defense Procurement and Acquisition Policy and Director, Office of Small Business Programs memorandum, "Increasing Opportunities for Small Businesses through Small Business Set-asides under the Simplified Acquisition Threshold," dated July 11, 2012

The referenced 2012 policy memorandum is hereby rescinded. That memo had temporarily lowered to \$3,000 the threshold for use of the DD Form 2579, Small Business Coordination Record, for documenting the contracting officer's reason for not setting aside the procurement of goods or services below the simplified acquisition threshold (SAT) for small business and coordinating that determination with the contracting activity small business specialist. Instead contracting officers must follow the Defense Federal Acquisition Regulation Supplement (DFARS) which requires use of the DD Form 2579 for procurements of \$10,000, except those under the SAT that are totally set aside for small businesses. Instructions for completing DD Form 2579 are available at DFARS PGI 253.219-70 and the updated form is available at: <http://www.dtic.mil/whs/directives/forms/dd/ddforms2500-2999.htm>

The Federal Acquisition Regulations (FAR) 13.003(b)(1) and 19.5, requires contracting officers to set-aside contracts below the SAT for small businesses, unless the contracting officer determines there is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality and delivery ("rule of two"). In accordance with FAR 19.502-2(a), the contracting officer must document the file if a set-aside is not used in connection with the award of a contract in this dollar range.

In Fiscal Year 2014, the Department of Defense (DoD) met its overall small business prime contracting goal for the first time. The market research conducted by requiring offices, contracting officers and small business specialists played a key role in that success. For procurements under the SAT, 60.6% of the total dollars were awarded to small businesses. We encourage the entire acquisition team to maximize the procurement opportunities for small businesses.

We appreciate your commitment and efforts to ensure that DoD continues to meet or exceed its small business contracting goals. The staff points of contact are Ms. Sheila Harris, 703-614-1333 or sheila.y.harris.civ@mail.mil for procurement policy; and Ms. Wendy Despres, 571-372-6310 or wendy.e.despres@mail.mil, for small business policy.



Claire M. Grady
Director, Defense Procurement
and Acquisition Policy



Kenyata L. Wesley, Acting Director
Office of Small Business Programs

cc:
Directors, DoD Office of Small Business Programs