

MEMORANDUM FOR: Heads of Contracting Activities

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Paul Courtney COURTNEY Date: 2024.02.06 14:46:54 -05'00' FROM:

Chief Procurement Officer

SUBJECT: Federal Acquisition Regulation Class Deviation (Number 24-04) –

Certification of Service-Disabled Veteran-Owned Small Business

(SDVOSB) Concerns

Purpose: This class deviation is issued in accordance with Federal Acquisition Regulation (FAR) 1.404. The purpose of this deviation is to implement two final rules published by the Small Business Administration (SBA) on November 29, 2022 and July 3, 2023. The SBA final rules, published at 13 CFR 128, require certification of service-disabled veteran-owned small business (SDVOSB) concerns seeking award under the SDVOSB Program.

Effective Date: Immediately

Background: On December 13, 2023, the Civilian Agency Acquisition Council (CAAC) issued CAAC Letter 2024-02. The letter authorizes agencies to issue a class deviation in accordance with FAR 1.404 to implement the SBA final rules.

Beginning January 1, 2024, to be eligible for an SDVOSB set-aside or sole-source award, a concern must:

- (1) Be certified by SBA as an SDVOSB concern; or
- (2) Have both represented that it is an SDVOSB concern and have submitted a complete application for SDVOSB certification to SBA on or before December 31, 2023.

SDVOSBs that are not certified by SBA and do not have a pending application for certification with SBA on or before December 31, 2023, will not be eligible to receive set-aside or solesource awards under the SDVOSB Program.

SDVOSB concerns may continue to self-represent their status for awards outside of the SDVOSB Program (e.g., a small business set-aside or unrestricted procurement). The FAR currently requires contracting officers to use SAM.gov to determine if SDVOSB concerns are eligible for SDVOSB set-aside or sole-source awards. However, SAM.gov was not updated on January 1, 2024, to reflect the SBA certifications or pending applications.

Requirement:

<u>Effective immediately</u>, contracting officers must deviate from the FAR to verify that an offeror is eligible for consideration for a set-aside or sole-source award under the SDVOSB Program by confirming that the concern either:

- (1) Is designated as certified by SBA in SBA's Veteran Small Business Certification (VetCert) system at https://veterans.certify.sba.gov/ or in SBA's Dynamic Small Business System (DSBS) at https://dsbs.sba.gov/search/dsp dsbs.cfm; or
- (2) Has both represented its status as an SDVOSB concern in SAM.gov and submitted a complete application for certification on or before December 31, 2023, to SBA.

SBA will maintain a list of SDVOSB concerns that have submitted a complete application for certification to SBA on or before December 31, 2023, on the VetCert website. To find the list, contracting officers should:

- (1) Go to https://veterans.certify.sba.gov/.
- (2) Select "Support" from the menu bar on the homepage of the website.
- (3) Select the "FAQ" link for online support.
- (4) View the list of FAQ articles or search for "What veteran-owned or service-disabled veteran-owned small businesses have applications pending with VetCert?"

Once an application is reviewed and approved or denied for certification, the concern will no longer be included on the list and, if approved, the concern's SDVOSB certification status will be reflected in DSBS and VetCert.

Applicability: This class deviation applies to acquisitions contemplating a SDVOSB set-aside or sole-source award under the SDVOSB Program (see FAR subpart 19.14).

Expiration: This class deviation will remain in effect until superseded, incorporated into the FAR, or otherwise rescinded.

Attachment (hyperlink):

Attachment 1: <u>CAAC Letter 2024-02 - CAAC Consultation to Issue a Class Deviation From the Federal Acquisition Regulation (FAR) Regarding Certification of Service-Disabled Veteran-</u>Owned Small Business Concerns

Questions or comments about this class deviation may be directed to Candace Lightfoot at Candace.Lightfoot@hq.dhs.gov.