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ADS Chapter 321

Small Business Programs, Disadvantaged Enterprises and Minority Serving Institutions

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ADS 321 – Small Business Programs, Disadvantaged Enterprises and Minority
Serving Institutions

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ADS 321 – Small Business Programs, Disadvantaged Enterprises and Minority Serving Institutions

321.1 OVERVIEW

To explain procedures to be used to assist U.S. small businesses and disadvantaged enterprises to participate equitably in furnishing the goods and services financed with funds made available under the FAA and to provide special assistance to U.S. small businesses and disadvantaged enterprises.

To establish a program to allow limited competition for grants and cooperative agreements to Minority Serving Institutions.

321.2 PRIMARY RESPONSIBILITIES

a. The Office of Small and Disadvantaged Business Utilization/Minority Resource Center (OSDBU/MRC) has primary responsibility for enhancing the use of U.S. small and disadvantaged enterprises in USAID-financed development assistance programs and activities.

(1) The office screens requirements for commodities and services and recommends appropriate set-asides for participation by U.S. small businesses and disadvantaged enterprises. (See [AIDAR 719.271-2](#))

(2) The office advises and counsels U.S. small businesses and disadvantaged enterprises on establishing and expanding their participation in USAID-financed development assistance activities and programs; as needed, facilitates the provision of guidance in areas such as the identification and interpretation of governing laws, regulations, and procedures.

(3) The office establishes and maintains liaison with USAID Bureaus/Offices and overseas organizations in order to guide the Agency's approach to integrate U.S. small businesses and disadvantaged enterprises more effectively into the Agency's programming and procurement systems.

(4) The office administers programs of the Minority Resource Center to establish, maintain, and disseminate information to U.S. small businesses and disadvantaged enterprises regarding opportunities in USAID-financed development assistance programs.

b. The Bureau for Management, Office of Procurement (M/OP) and Contracting Officers in the Missions, in collaboration with OSDBU/MRC, encourage the participation and utilization of U.S. small businesses and disadvantaged enterprises in technical and professional services contracting, export supply activities and in other assistance activities and programs of the Agency. Full responsibilities of Contracting Officer are established in AIDAR 719.271-3. (See [AIDAR 719.271-3](#))

c. The M/OP Transportation and Commodities Division (M/OP/TC) issues Procurement Information Bulletins.

d. The Heads of the Contracting Activities shall actively support the USAID small business and disadvantaged enterprises programs. Specific responsibilities are set forth in AIDAR 719.271-4. (See [AIDAR 719.271-4](#))

e. Program/technical officers shall:

(1) Consult with OSDBU/MRC on the availability and capabilities of U.S. small businesses and disadvantaged enterprises for activities being implemented under contracts.

(2) Provide sufficient procurement lead time to allow potential U.S. small business and disadvantaged enterprise participation.

321.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

The statements contained within the .3 section of this ADS chapter are the official Agency policies and corresponding essential procedures.

321.3.1 Small Business

Section 602(a) of the FAA stipulates three ways in which the Agency shall assist small businesses. These are:

a. By making information available to suppliers in the United States, and particularly to small independent enterprises, as far in advance as possible, with respect to purchases proposed to be financed;

b. By making available to prospective purchasers in the countries and areas receiving assistance information about the goods and services produced and sold by small independent enterprises in the United States; and

c. By providing additional services to give small business better opportunities to participate in the furnishing of commodities, articles, and services financed by USAID.

321.3.1.1 Procurement Information Bulletins

The Bureau for Management, Office of Procurement, Transportation and Commodity Division (M/OP/TC) shall publish a USAID Procurement Information Bulletin to announce new commodity import agreements. The announcements include a list of authorized commodities, delivery and contract periods, and the USAID organizational unit to be contacted for additional information.

321.3.1.2 Announcements of Host Country Contract Procurements

- a.** For equipment and material contracts in excess of \$100,000, a synopsis briefly describing the nature and destination of equipment and material to be purchased shall be published in the USAID Procurement Information Bulletins, in addition to the Commerce Business Daily. Specification and other data on "small value" procurement in excess of \$25,000 are published in the USAID Procurement Information Bulletin.
- b.** For technical and professional services of \$100,000 or more that are not to be performed by a single individual, notice of availability of prequalification questionnaires or of Requests for Technical Proposals, if prequalification is not used, shall be published in the Commerce Business Daily. In addition, whenever procurement services are being contracted for and the fee for the services is expected to be in excess of \$25,000, notice of the proposed procurement is published in the USAID Procurement Information Bulletin.

321.3.2 Set-Asides and Screening Procedures

Under direct contracting procedures set forth in FAR Part 19 and AIDAR Part 719 requirements can be identified for contracting in whole or in part exclusively with small business firms and are publicized in the Commerce Business Daily as "small business set-asides." Requirements can also be identified for award to an economically or socially disadvantaged firm certified under Section 8(a) of the Small Business Act.

Procedures for screening procurements by OSD/BU/MRC for possible small business set-asides or 8(a) procurements are established in AIDAR 719.271-6. (See [AIDAR 719.271-6](#))

321.3.3 Minority Serving Institutions (MSIs)

The program entitled "Expanding the Participation of Minority Serving Institutions" provides authority to reserve grants or cooperative agreements exclusively for competition among Minority Serving Institutions (MSIs) [consisting of Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs) and Tribal Colleges and Universities (TCUs)]. When Bureaus, Missions, or other operating units identify activities for which grants or cooperative agreements to one or more MSIs would be an appropriate means of implementation, competition may be limited to MSIs without further approval. (See [303.5.5a, Requirements for Competition](#).) This program does not authorize limiting competition to any particular category of MSIs.

Information about international capabilities, interests and experience of HBCUs and HSIs is available on USAID's website at www.usaid.gov/G/HCD. Information on TCUs and other MSIs is available from the Minority On-Line Information System (MOLIS) website at www.fie.com/molis.

When a competition for assistance awards is to be limited to MSIs, the policy in 321.3.2

must be referenced in the Request for Applications or other document advertising the proposed awards. (See 321.3.2)

Competitions limited to MSIs shall be advertised on USAID's Internet and on MOLIS as well. E-mail the MSI Coordinator, in the Office of General Counsel to make arrangements to announce opportunities for grants or cooperative agreements on MOLIS.

321.4 MANDATORY REFERENCES

321.4.1 External Mandatory References

- a. [Foreign Assistance Act of 1961, as amended, \(FAA\), Section 602](#)
- b. [Federal Acquisition Regulation Part 19](#)
- c. [Executive Order 12876, Historically Black Colleges and Universities](#)
- d. [Executive Order 12900, Hispanic Serving Institutions](#)
- e. [Executive Order 13021, Tribal Colleges and Universities](#)

321.4.2 Internal Mandatory References

- a. [AIDAR 719, Small Business Programs](#)
- b. [ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations](#)

321.5 ADDITIONAL HELP

321.6 DEFINITIONS

minority-serving institutions

Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs) and Tribal Colleges and Universities (TCUs). (Chapter 321)

small business

A business, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, and qualified as a small business under FAR 19.102. (Chapter 321)

Small Disadvantaged Business

A small business concern that is at least 51 percent unconditionally owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business that has at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged

individuals (as defined in this section) and that has its management and daily business controlled by one or more such individuals. (Chapter 321)

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