



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

August 23, 2012

The Honorable Richard M. Burr
United States Senator
2000 West First Street, Suite 508
Winston Salem, North Carolina 27104

Dear Senator Burr,

Thank you for your recent inquiry on behalf of Mr. Rickie Day regarding his concerns with the Security Guard Services Contract with the National Institute of Environmental Health Sciences (NIEHS), located in Research Triangle Park, North Carolina. He is concerned that his company, Martin Edwards & Associates, Inc., located in Linden, North Carolina, is not eligible to compete for this contract.

In order to respond to Mr. Day's concerns, the local Procurement Center Representative (PCR) reviewed 13 Code of Federal Regulations (CFR) § 124.504(c)(1)(i) for "What circumstances limit SBA's Ability to accept a procurement for award as an 8(a) contract". The policy states that:

"(i) In connection with a specific small business, SBA presumes adverse impact to exist where:

(A) The small business concern has performed the specific requirement for at least 24 months;

(B) The small business is performing the requirement at the time it is offered to the 8(a) BD program, or its performance of the requirement ended within 30 days of the procuring activity's offer of the requirement to the 8(a) BD program; and

(C) The dollar value of the requirement that the small business is or was performing is 25 percent or more of its most recent annual gross sales (including those of its affiliates). For a

multiyear requirement, the dollar value of the last 12 months of the requirement will be used to determine whether a small business would be adversely affected by SBA's acceptance."

Mr. Day brought this issue to the attention of the local PCR previously and the PCR advised him that NIEHS would have to offer the contract to SBA in order for action to take place. The PCR was advised by the Contracting Officer at NIEHS that the offering letter was being sent to the SBA North Carolina District Office for review on August 21, 2012. The SBA North Carolina office was made aware of the history of this acquisition and will be performing an Adverse Impact Analysis according to 13 CFR § 124.504(c) prior to acceptance of this requirement into the 8(a) Business Development Program.

We appreciate your support of the North Carolina small business community. If you and your staff have any further questions, please contact our Office of Congressional Affairs at (202) 205-7729.

Sincerely,

Kenneth Dodds, Director
Office of Government