How to Use the Resources of the Small Business Administration to Help Comply With 2 C.F.R. §200.321(b)(5)

The federal procurement rules require non-Federal entities (NFEs) to take six affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible in federally funded procurements.¹

One of these six steps requires NFEs to use the resources, as appropriate, of such organizations as the Small Business Administration (SBA) and the Minority Business Development Agency (MBDA).² NFEs should document the use of these resources by saving records of searches in their procurement files. This reference guide specifically discusses how to use resources provided by the SBA.

SBA Resources

NFEs can use the Dynamic Small Business Search tool to view databases for minority businesses, women-owned businesses and small businesses.


Step 2: Select the applicable state. NFEs can narrow the search by county, Metropolitan Statistical Area, Zip Code, or Area Code. NFEs can also search for businesses in a labor surplus area (designated and published by the Department of Labor by federal fiscal year).

Step 3: To search for minority businesses, select “Any Minority Owned” under the “Ownership and Self-Certifications” section.

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¹ 2 C.F.R. §200.321
² 2 C.F.R. §200.321(b)(5)
Step 4: To search for women’s business enterprises, select “Any Women-Owned Small Business” under the “Ownership and Self-Certifications” section.

Step 5: Enter the specific North American Industry Classification System (NAICS) code for the applicable industry in the Specific Nature of Business section. These NAICS codes may be found on [www.naics.com](http://www.naics.com), or by using the SBA list identifying small business size by NAICS code.

Step 6: Scroll down and click on “Search Using These Criteria” to run the search.

NFEs may choose to run separate searches for minority-owned businesses, women’s business enterprises and, if applicable, labor surplus areas. The search site has a “Help” tab with useful guidance on maximizing the search tool based on user’s operating system and device.

**REMEMBER!** The use of SBA resources should be documented to demonstrate compliance with the procurement requirement in 2 C.F.R. §200.321(b)(5).

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3 [www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf](http://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf)