



U.S. Small Business Administration

SBA Procurement Programs Orientation Workshop

- **The statutory goals:**
 - 23% of all prime and subcontracts for small businesses (SB)
 - 5% of prime and subcontracts for small disadvantaged businesses (SDB) including 8(a)
 - 5% of prime and subcontracts for woman owned small businesses (WOB)
 - 3% of prime and subcontracts for Historically Underutilized Zone small businesses (HUBZone SB)
 - 3% of prime and subcontracts for service disabled veteran-owned small businesses (SDVOSB)

What Determines “small” ?

(First Criteria)

- Only SBA determines size.
 - A business entity organized for profit,
 - located in the United States, and which operates primarily within the United States
 - or which makes a significant contribution to the U. S. economy through the payment of taxes or use of American products, material or labor
- (13 CFR Part 121)

What Determines "small" ?

(Second Criteria)

- **North American Industry Classification System Code (NAICS Code)**
- **<http://www.sba.gov/size/>**
- **Manufacturer, Wholesaler = # Employee**
- **Services = Annual Gross Sales**

Certification

- **Federal Contracts**

- Small Business (self-certify)
- Woman-owned Small Business (self-certify)
- Veteran-Owned Small Business (self-certify)
- Service-Disabled Veteran Owned Small Bus (self-certify)
- Small Disadvantaged Business (self-certify)

- 8(a) Program (pre-certification)
- HUBZone Small Business (pre-certification)

“Get Your Foot in the Door”

System for Award Management (SAM)

<http://www.sam.gov/>

- An integrated database of businesses that want to do business with the government.
- SAM profile is an important marketing tool

Where are the Bid Advertisements?

- Federal Contract Opportunities
- Government Procurement Search Engine
 - (Vendor Notification Service)

<http://www.fbo.gov>



Set Aside Programs

- **FIVE Set Aside categories:**
 - Small Business Set Asides (SBSA)
 - SBA 8(a) Set Asides
 - SBA Hubzone Set Asides
 - SDVOSB Set Asides
 - WOSB/EDWOSB Set Asides

HUBZone Eligibility

1. **Small Business (Principal Office) Located in a HUBZone** <http://www.sba.gov/hubzone>
2. **At least 51% Owned & Controlled by U.S. Citizen/s**
3. **At least 35% employees reside in a HUBZone**
4. **Verified in www.sam.gov, Dynamic Small Business Search**

Benefits Of HUBZone Program

- **Sole Source Contracts (<\$4.0M services, <\$6.5M Mfg)**
- **Restricted Competition (Any \$ amount, 2 or more)**
- **10% price evaluation preference in F&O Competition**



Women-Owned Small Business (WOSB) Federal Contract Program



Overview of Women-Owned Small Business program



The Women-Owned Small Business (WOSB) program authorizes contracting officers to **set aside certain federal contracts** for eligible:

- Women-owned small businesses (WOSBs) or
- Economically disadvantaged women-owned small businesses (EDWOSBs)



Requirements for WOSB and EDWOSB Set Asides

Contracting officers may set aside contracts for WOSBs and EDWOSBs if they meet the following requirements:

	WOSB Set Aside	EDWOSB Set Aside
Industries	<ul style="list-style-type: none"> • NAICS code assigned to solicitation, IFB or quote is in an industry in which WOSBs are substantially underrepresented (38, 4-digit NAICS designated) 	<ul style="list-style-type: none"> • NAICS code assigned to solicitation, IFB or quote is in an industry in which WOSBs are underrepresented (45, 4-digit NAICS designated)
Rule of two	<ul style="list-style-type: none"> • Contracting officer has reasonable expectation that 2 or more WOSBs will submit an offer * <i>Note: All EDWOSBs are WOSBs</i> 	<ul style="list-style-type: none"> • Contracting officer has reasonable expectation that 2 or more EDWOSBs will submit an offer * <i>Note: Not all WOSBs are EDWOSBs</i>
Award price	<ul style="list-style-type: none"> • Contract can be awarded at fair market price 	

A complete list of applicable NAICS codes can be found at www.sba.gov/wosb

Eligibility Requirements for WOSBs

- Meet **small business size standard** for primary NAICS code and contract
- At least **51% unconditionally and directly owned by women** who are **U.S. citizens***
- The woman must manage the **day-to-day operations**
- The woman must make the **long-term decisions** for the business
- A woman must **hold highest officer position**
- The woman must work at the business **full-time during normal working hours**
- No minimum amount of time** the business has been operational

*We do not consider community property laws when looking at ownership.



Eligibility Requirements for EDWOSBs

Same requirements as WOSBs (on previous page) PLUS:

- ❑ **Personal net worth** (assets minus liabilities) is **less than \$750,000** excluding:
 - Ownership in business and primary personal residence
 - Income reinvested or used to pay taxes of business
 - Funds reinvested in IRA or other retirement account*
 - Transferred assets within two years if to or on behalf of immediate family member for select purposes**

- ❑ **Adjusted gross income average over three years is \$350,000 or less** excluding:
 - Income reinvested or used to pay taxes of business

- ❑ **Fair market value of assets is \$6 million or less** excluding:
 - Funds reinvested in IRA or other official retirement account



* Must be IRA or other official retirement account that is unavailable until retirement age without significant penalty

** Select purposes are for that individual's education, medical expenses or other essential support or to family member
In recognition of special event

WOSB program certification



There are two ways to certify for the WOSB program:

- **Self certification** with supporting documents, or
- **Third Party Certification** with supporting documents

Self Certification

- ▶ Free, no cost
- ▶ Register in SAM as WOSB or EDWOSB
- ▶ Compile and upload all required documents to the repository

Third Party Certification

- Register in SAM as WOSB or EDWOSB
- Obtain certification from an SBA-approved Third Party Certifier
 - **Note: At this time, SBA has not approved any Third Party Certifiers**
- Compile and upload all required documents to the repository
- ▶ Represent status in SAM.gov

5 Steps to participate in the WOSB program

- 1 Read the WOSB Federal Contract program regulations in the Federal Register and the WOSB Compliance Guide
- 2 Register in Central Contractor Registration (SAM) as WOSB or EDWOSB
- 3 Log onto SBA's General Login System (GLS)
**Obtain an account now if you don't already have one*
- 4 Go to the WOSB program repository and upload / categorize all required documents
- 5 Represent your status in Online Representations and Certifications Application (SAM)



8(a) Business Development Program

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- Business development program & Certification
- Only for Small Disadvantaged Businesses
- Provides access to the federal procurement market through set aside contracts, including sole source contracts
- 9 year program, divided into Developmental and Transitional Stages

8(a) Eligibility

- Must be 51% owned and controlled by a Socially and economically Disadvantaged individual:
 - **Social Disadvantage:** Includes Hispanic, Native American, Pacific Asian, African American and Sub Continent Asian. Disabled status or gender may also qualify on case by case basis
 - **Economic Disadvantage:** Personal Net Worth may not exceed \$250,000
- Must be in business for at least two years
- Should have experience selling to the US government
- Must be approved into the program by SBA

[www.sba.gov/8\(a\)bdmis](http://www.sba.gov/8(a)bdmis)