



U.S. Small Business Administration



*Your Small Business Resource*

**Federal Contracting and SBA's 8(a) Business  
Development and HUBZone Empowerment  
Contracting Programs**

**NASA/JPL High Tech Conference**

March 6, 2012



# Today's Workshop

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- I. Federal Prime Contracting
  
- II. Federal Subcontracting
  
- II. SBA's Certification Programs
  - 8(a) Business Development Program
  - HUBZone Empowerment Contracting
  - Women-Owned Small Business Contracting Program
  - Economically Disadvantaged Women-Owned Small Business Contracting Program
  
- IV. Sources of Information for Federal Contracting



## Mission

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**To provide America's small businesses with the maximum practicable opportunity to participate in the federal procurement marketplace (\$500B market).**



# Office of Government Contracting

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## Programs

### Prime Contracting

- Procurement Center Representative (PCR)
- Certificate of Competency (COC)

### Subcontracting

- Commercial Market Representative (CMR)
- Prime Contractor Compliance Reviews
- Sub-Net
- Size Determinations



# Certificate of Competency (COC)

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*A Small Business's Second Chance at a Federal Contract -*

- Must be found **non responsible** by Contracting Officer
- Must be a small business
- Must be low bidder on the solicitation and in line for award of contract
- Referred to SBA by Contracting Officer for capacity, credit or integrity



# Certificate of Competency

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- SBA conducts its own independent analysis of the small business to determine responsibility
- If SBA finds the firm can perform responsibly on the contract - a COC is issued
- The Contracting Officer must award the contract to the Small Business issued the COC

- Coordinate with contracting activities
- Review acquisitions and Solicitations to Recommend Set-asides for Small Business
- Support Small Businesses with government contracting





# *Procurement Center Representatives*

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- PCR's work with Government Agencies to assist them in meeting their small business goals.
- PCRs are unique because they have **Special Authority - FAR, Part 19.4**

*If we err, we err on the side of small  
business*



## **Small Businesses are:**

8(a) firms

HUBZone

Small Disadvantage Businesses

Women Owned Businesses

Service Disabled Veteran Owned Businesses

Veteran Owned Business

All must meet the size standards for  
Small Business at 13 CFR Part 121.101



## *Two or More Small Businesses*

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If I find two or more **QUALIFIED** small business, I can make a recommendation for that solicitation to be set aside for small businesses.



## *Two or More Small Businesses*

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- Where do I find two or more small businesses?
  - SBA's Dynamic Small Business Search (DSBS), located at the CCR web site
  - Search by NAICS codes
  - If you are not registered on CCR or DSBS, I can't find you!



## Contact Information

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[www.sba.gov](http://www.sba.gov)

[www.ccr.gov](http://www.ccr.gov)

[www.fbo.gov](http://www.fbo.gov)



## Subcontracting Program

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- Commercial Market Representative (CMR)
- Prime Contractor Compliance Reviews
- Sub-Net
- Size Determinations



# Commercial Market Representative (CMR)

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## CMRs – the “Subcontracting Police”

- Conduct compliance reviews of Prime Contractors
- Counsel small businesses on how to obtain subcontracts



## **Subcontracting to Small Businesses is the Law**

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On federal contracts valued over \$650 K (\$1.5M for construction), large Prime Contractors are required to establish plans & goals for subcontracting to small businesses. FAR Subpart 19.7



# Finding Subcontracting Opportunities

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- Directory of Large Prime Contractors  
[www.sba.gov/gc/sbsd.html](http://www.sba.gov/gc/sbsd.html)
- SUB-Net  
<http://web.sba.gov/subnet>
- [www.fbo.gov](http://www.fbo.gov)  
(get to SUB-Net from FBO homepage)



# Prime Contractor Compliance Reviews

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- Review Prime Contractor's subcontracting performance (eSRS)
- Meeting goals set for Small Business, SDBs, HUBZone, Veteran-Owned, Women-Owned and Service Disabled Veteran-Owned small businesses.
- Offer suggestions to help meet future goals



## Size Determinations

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- SBA determines whether a business is small or “other than small” (eligibility)
  - Procurements
  - COCs
  - 8(a) and HubZone certifications
  - Loans



## Size Determination Terms

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- NAICS Codes – North American Industry Classification System
- Size Standards
- Affiliation – (Management, Ownership & Control)
- Average Annual Revenue
- Average Number of Employees



# Contact Information

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# Federal Contract Certifications

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## Self-Certification

- Small Business (SB)
- Small Disadvantaged Business (SDB)
- Women-Owned Small Business (WOSB)
- \*Women-Owned Small Business Program – Upload documentation in repository
- \*Economically Disadvantaged Women-Owned Small Business Program (EDWOSB) – Upload documentation in repository
- Veteran-Owned Small Business (VOSB)
- Service Disabled Veteran-Owned Small Business (SDVOSB) – Self Certified except for VA Contracts

## SBA's Formal Certification Programs

- 8(a) Business Development Program – 9-year program – annual reporting requirement
- HUBZone Empowerment Contracting



# Do You Qualify for SBA Certifications?

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## 8(a) and HUBZone Programs require Formal Certification by SBA

- Both programs provide for Sole Source contracts
  - Up to \$6.5 M for mfg. and up to \$4 M for non-mfg.
- 8(a) – Socially and economically disadvantaged firms eligible to receive competitive and sole source contract awards.
- HUBZone – Small businesses owned and controlled by U.S. Citizens, Community Development Corporations, and Indian Tribes, with principal office located in Historically Underutilized Business Zones, and with 35% of employees coming from HUBZones



## Eligibility for 8(a) Program

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- Must be a small business
- U.S. Citizen
- Reside in the United States
- 51% owned and controlled by socially and economically disadvantaged individuals who are of good character
- Net worth below \$250 K (excluding owner's equity in the firm and primary residence)
- In business at least 2 years to demonstrate potential for success



## HUBZone Program Requirements

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- Must be a small business by SBA size standards
- 51% owned and controlled by U.S. Citizens, Community Development Corporation or Indian Tribes
- Principal office must be located in a HUBZone (high-unemployment, low-income areas in economically distressed communities, including Indian reservations)
- At least 35% of employees must reside in a HUBZone



## HUBZone Program

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- Promote job growth, capital investment and economic development in economically distressed communities
- Applies to purchases over \$3K
- No term limits
- 10% price evaluation preference on non set-aside contracts
- Site visits are randomly conducted
- FAR 19.3



## Contracting Program Information

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8(a) Business Development Program

[www.sba.gov/babd](http://www.sba.gov/babd)

HUBZone Empowerment Contracting Program

[www.sba.gov/hubzone](http://www.sba.gov/hubzone)

WOSB and EDWOSB Contracting Programs

[www.sba.gov/wosb](http://www.sba.gov/wosb)

VA's Veteran Small Business Contracting Program and SDVOSB Program

[www.vetbiz.gov](http://www.vetbiz.gov)



## Contact Information

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# Women-Owned Small Business Contracting Program

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- Must be a small business
- Woman/Women directly own 51% or more and control and manage the daily operations
- Woman/Women must be U.S. Citizens

## Economically Disadvantaged WOSB Program

- Net worth \$750 K
- Income not exceeding \$350 K
- Assets not exceeding \$6M



# WOSB Contracting Programs

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## WOSB Program

- Set Asides in 157 substantially underrepresented NAICS Codes

## EDWOSB Program

- Set Asides in 216 underrepresented NAICS Codes
- NAICS Codes available at: [www.sba.gov/wosb](http://www.sba.gov/wosb)



## WOSB Contracting Programs

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- No sole source contracts
- Set-asides apply to Prime Contracts, not Subcontracts
- Allows for Eligibility Exams (Program Reviews)
- Joint Ventures are permitted if certain requirements are met
- Anticipated Award Price not to exceed:
  - \$6.5 M – manufacturing
  - \$4 M – non-manufacturing



## WOSB and EDWOSB Certification?

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- SBA does not certify companies into the program
  - WOSBs and EDWOSBs must upload documentation into an online repository (WOSB Program Repository)
- Self Certification and certification through SBA approved Third-Party Certifiers



# Federal Contracting Regulations

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Federal Acquisition Regulations (FAR)

<https://www.acquisition.gov/far/>

Part 8.4 – Federal Supply Schedules

Part 13 – Simplified Acquisitions

Part 14 – Sealed Bids

Part 15 – Contracting by Negotiation

Part 19 – Small Business Programs

Part 22 – Application of Labor Laws to Government Acquisitions

FAR Clauses – 52.219 FAR

Defense Federal Acquisition Regulation Supplement (DFARS)

[www.acq.osd.mil/dpap/](http://www.acq.osd.mil/dpap/)

GSA Regulations

<https://www.acquisition.gov/gsam/gsam.html>



## Sources for Contracting Information

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[www.sba.gov](http://www.sba.gov)

- Free on-line training for: Government Contracting and starting, financing and managing a small business

[www.sba.gov/gcclassroom](http://www.sba.gov/gcclassroom)

- **The Government Contracting Classroom** - SBA's new training destination for small business contractors to learn more about how to do business with the Federal government



## Acquisition Central

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Web Site for All Things Acquisition

<https://www.acquisition.gov/>

- The web site for the Federal Acquisition community and the government's business partners
- Designed to create an easily navigable resource
- Access shared systems and tools to help conduct business efficiently
- Learn about regulations, systems, resources, opportunities and training