

# **Federal Contracting – SBA Procurement Programs**

**U.S. Small Business Administration  
Syracuse District Office**

# *Federal Government Contracting*

## *- Firm must Register*

- Central Contractor Registration Database (CCR)
  - Dynamic Small Business Search (DSBS) – SBA profile
  - Buying agencies can search the CCR for vendors
  - Update yearly at minimum  
[www.ccr.gov](http://www.ccr.gov)
- Online Representations and Certifications Application (ORCA)  
<https://orca.bpn.gov/>

# *Federal Contract Certifications*

- **Self-Certifications**

  - Small Business – NAICS Codes

  - Woman-owned Business (WOSB)

  - Veteran-owned Business

  - Service Disabled Veteran-owned Business

- **Formal Certification Programs**

  - 8(a) Business Development

  - HUBZone

# *Formal Certifications*

- **Requires SBA Approval**
  - **8(a)** - Socially and economically disadvantaged firms enrolled in a 9-year business development program.
  - **HUBZone** - Small businesses located in areas identified as historically underutilized business zones, and with 35% of its employees living in HUBZones.

# *8(a) Business Development*

- 8(a):**
- Applies to all purchases
  - Must be certified by the SBA
  - Non-competitive (sole source) and competitive program
  - 9-year term - no renewals
  - All 8(a) firms are SDBs
  - Award must be made at fair market price
  - FAR 19.8

## 8(a) *Eligibility*

- Must be a small business
- Must be 51% owned by a U.S. citizen that is socially and economically disadvantaged
- Must be in business for 2-years.
  - waiver is possible.
- Potential for success criteria
  - includes record of contract performance
- Disadvantaged owner must have highest position in firm, be highest paid individual, and provide day-to-day full time management
- Arrest record must be cleared by SBA

# 8(a) *Electronic Application Process*

- **E- Application in [www.sba.gov](http://www.sba.gov).**
  - E-application questions: email [BDMIS@sba.gov](mailto:BDMIS@sba.gov)
    - On-line help – help bubbles in E-application
  - Register in CCR and complete Small Business Supplemental Page
  - Register for account in SBA's General Log-in System (GLS)
  - Log-in to the 8(a) Business Development program electronic certification system via GLS
  - Complete and submit electronic application
    - Detailed user manual available to download
  - Mail in signed hard-copy forms and documentation outlined in Checklist.

# 8(a) Certification

- **Approved 8(a) Firms Serviced by SBA District Office**
  - 8(a) firm self markets to agencies
  - Agencies send Offering letter to district office for review for sole source or competitive award.
  - SBA issues Acceptance letters for eligible 8(a) firm or competitive requirement.
  - Agency and 8(a) firm negotiate contract.
  - Annual review of 8(a) firms for program eligibility.
  - Submission of financial statements annually.



# ***HUBZone Program***

- Applies to purchases over \$3,000
- Must be certified by SBA - no term limits
- Recertification required every 3 years
- Owned and controlled at least 51% by U.S. citizen
- Principal office must be in a HUBZone
- 35% of employees must live in a HUBZone
- 5/3/2010 – new employee definition
  - Minimum of 40 hours per month – includes owner, temp and leased employees
- FAR 19.13



# ***HUBZone Program***

## **HUBZone areas:**

- **A qualified census tract** – based on an IRS provision for low income housing in conjunction with HUD. HUD designates the qualified census tracts.
- **A qualified county** – not located in a metropolitan statistical area in which median household income is below a calculated rate derived from Bureau of Labor Statistics data.
- **A qualified Indian reservation** – Indian Country as defined by BIA.
- **A former military base closed by the Base Realignment and Closure Act (BRAC).**

# ***HUBZone Program Contracting***

- **Sole Source Awards** – only 1 HUBZone firm available, price must be fair/reasonable, price of contract is less than \$5.5 million for manufacturing or \$3.5 million for all others.
- **Set-aside Awards** – competition restricted to HUBZone firms if contracting officer has reasonable expectation that 2 or more HUBZone firms will submit offers and award at fair market price.
- **Full/Open Competition** – HUBZone firm has a 10% price preference over a large business.
- **Subcontracting Opportunities** – no statutory percentage goal, usually set at 3% annual goal. For most large contracts, a large business must create a subcontracting plan showing HUBZone firm activity.

# ***HUBZone Application Process***

- Starts in [www.sba.gov/hubzone](http://www.sba.gov/hubzone)
  - Mapping system identifies HUBZone addresses
- Must be registered in CCR
- SBA General Log-in System (GLS) must be used
- Applications are processed in Washington, D.C.
- HUBZone office will request written documentation to support electronic application
- HUBZone HELP desk:
  - 202-205-8885 or [hubzone@sba.gov](mailto:hubzone@sba.gov)

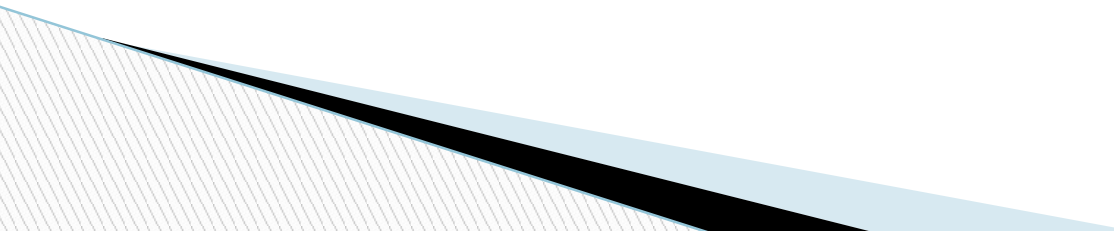
# ***Service-Disabled Veteran-Owned Small Business Procurement Program***

- Created by Veterans Benefit Act of 2003
- Applies to purchases over \$3,000
- Self Certified on CCR
  - VA determines Service Disability
- No term limits
- Competitive and sole source program benefits
  - Sole source only when one SDVOSB can satisfy requirement
  - Acquisitions may be set aside for competition among SDVOSB if two or more firms can compete and award at fair market price
- Subcontracting and Prime Contracting goals
- FAR 19.14

# *Veterans Administration*

- Vetbiz.gov
  - VA website that hosts the Vendor Information Pages (VIP) database for firms eligible for VA's Veteran-owned Small Business Program
  - VA verifies ownership and control of veteran-owned small businesses, including service disabled
  - Application for VetBiz VIP verification starts in website
  - Veteran-owned small business (VOSB) must be 51% or more owned by veterans
- 12/8/09 - VA issued final rule for contracting with VOSB and SDVOSB
  - Set aside procurements and sole source benefits

# ***Women-Owned Small Business (WOSB)***

- Congress passed Public law 106-554 authorizing WOSB program in 2000.
  - Studies were performed to determine in which industries women were under representative – only 4 were originally identified.
  - Federal Register 10/1/08 amended regulations for new WOSB program - did not identify the industries in which WOSBs are underrepresented or substantially underrepresented in Federal procurement.
  - On 3/4/10, the current administration proposed a single, effective rule for firms 51% or more owned and controlled by women. It was out for public comment for 60 days – no final rule issued to date.
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# ***Women-Owned Small Business (WOSB)***

## **Proposed Rule – 3/4/2010**

- Federal Register Vol. 75, No. 42 (available online).
- Identified 83 industries that WOSBs are under represented (45) or substantially underrepresented (38)
- Contracts may be set aside for WOSBs only to compete in identified industries – where anticipated price does not exceed \$5 million for manufacturing and \$3 million for other contracts.



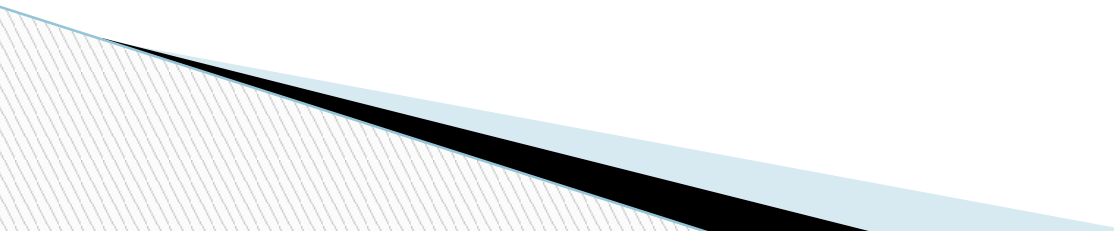
# ***WOSB Eligibility***

- Must be small and owned 51% by 1 or more women who are economically disadvantaged
  - Economically disadvantaged may be waived if industry is substantially underrepresented
    - ED = Yearly income less than \$200,000, net worth less than \$750,000 and total assets less than \$3.0 million
- Concern must be certified by a Federal agency, a State government, SBA approved entity, or certify to contracting officer and provide adequate documentation (ORCA + doc's)

# ***Know the Rules***

- Federal Acquisition Regulations (FAR)  
[www.arnet.gov/far](http://www.arnet.gov/far)
  - Subpart 8.4 – Federal Supply Schedules
  - Part 13 – Simplified Acquisitions
  - Part 14 – Sealed Bidding
  - Part 15 – Contracting by Negotiation
  - Part 19 – Small Business Programs
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# ***SBA Surety Bond Guarantee***

- ❑ SBA does not issue bonds directly to a contractor.
  - ❑ Contractor must select a participating surety company or bonding agent (who represents a surety company). List available at [www.sba.gov](http://www.sba.gov).
  - ❑ Individual contracts of \$5.0 million or less are eligible for bond Guarantee.
  - ❑ Final and bid bond applications have a processing fee of \$7.29 per thousand dollar of contract value.
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# *Helpful Web Sites*

- **SBA's Home Page:**

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

- *Business Opportunities: A Guide to Winning Federal Contracts* at [www.sba.gov/training](http://www.sba.gov/training)

- **Government Contracting:**

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

Site includes links to all major government contracting programs and a small business federal procurement training network.

# *SBA Albany Matchmaker*

- ▣ **What: 2010 Albany Matchmaker & Expo will provide purchasing representatives from federal, state and local agencies, colleges, and the nation's largest corporations with a forum to discuss potential contracting opportunities face-to-face**
- ▣ **When: Tuesday, Sept. 14, 2010 8 a.m. — 12:30 p.m.**
- ▣ **Where: The Albany Marriott, 189 Wolf Rd., Albany, N.Y.**

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