Small Business Programs

8(a), HUBZone, Woman, Disabled-Veteran Owned Businesses

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Registering for Government Contracting

- Obtain a D-U-N-S Number
  - Dun & Bradstreet D-U-N-S number, unique nine-digit number for each physical location of business
- Register your business with the System Award Management (SAM)
  - FAR 52.212-3, Works as a marketing tool to government agencies and other contractors, allowing them to perform searches based upon populated information
- Find NAICS Codes for your company
  - North American Industry Classification System (NAICS)
  - The codes classify economic sector, industry, and country of your business
- Obtain Past Performance Evaluations

- Items Needed for Registration
  - Your NAICS codes
  - Your Data Universal Numbering System (DUNS)
  - Your Federal Tax Identification number (TIN or EIN)
  - Your Standard Industrial Classification (SIC) codes
  - Your Product Service codes (optional but useful)
  - Your Federal Supply Classification Codes (optional but useful)

Size

- **Determining Business Size**
- One of the first steps in becoming a government contractor is to accurately determine if you can qualify as a small under SBA size standards. In other words, you must be defined as a small business when submitting proposals for small business contracts.
- Since all federal agencies must use SBA size standards for contracts identified as small business, you need to select NAICS codes that best describe your business and then determine if the business meet size standards for the selected NAICS codes. SBA size standards are usually stated either in **number of employees** over the past 12 months, or **average annual receipts** over the past three years – whichever number represents the largest size of your business right now (including subsidiaries and affiliates). This number is what you will be using to remain classified as a small business for SBA and to bid on federal contracting programs. Size standards are available for every private sector industry in the U.S. economy, with the North American Industry Classification System (NAICS) used to identify the industries.
- The steps are simple to determine your size:
- **Find your NAICS code**. Go to the NAICS section of the Bureau of the Census website. Identify the NAICS code(s) that best describe(s) your business activities. Also see Identifying Industry Codes for more helpful resources.
- **Determine your Industry's size standard** using the Table of Small Business Size Standards. Match your NAICS code(s) with the appropriate size standard(s)

8(a) Program

- **What is the 8(a) Business Development Program?**
- The 8(a) Business Development Program is a business assistance program for small disadvantaged businesses. The 8(a) Program offers a broad scope of assistance to firms that are owned and controlled at least 51% by socially and economically disadvantaged individuals.
- The 8(a) Program is an essential instrument for helping socially and economically disadvantaged entrepreneurs gain access to the economic mainstream of American society. The program helps thousands of aspiring entrepreneurs to gain a foothold in government contracting.
- Participation in the program is divided into two phases over nine years: a four-year developmental stage and a five-year transition stage.
- **Benefits of the Program**
- Participants can receive sole-source contracts, up to a ceiling of $4 million for goods and services and $6.5 million for manufacturing. While we help 8(a) firms build their competitive and institutional know-how, we also encourage you to participate in competitive acquisitions.
- 8(a) firms are also able to form joint ventures and teams to bid on contracts. This enhances the ability of 8(a) firms to perform larger prime contracts and overcome the effects of contract bundling, the combining of two or more contracts together into one large contract. Also, see the Mentor-Protégé Program for more information on allowing starting 8(a) companies to learn the ropes from other experienced 8(a) businesses.
- **Requirements and Goals of the 8(a) Business Development Program**
- The overall program goal is to graduate 8(a) firms that will go on to thrive in a competitive business environment. There are some requirements in place to help achieve this goal. Program goals require 8(a) firms to:
- Maintain a balance between their commercial and government business.
- Limit on the total dollar value of sole-source contracts that an individual participant can receive while in the program: $100 million or five times the value of its primary NAICS code.

HUBZone

- **How the HUBZone Program Works**
- The SBA regulates and implements the HUBZone program. SBA does the following:
- Determines which businesses are eligible to receive HUBZone contracts
- Maintains a listing of qualified HUBZone small businesses that federal agencies can use to locate vendors
- Adjudicates protests of eligibility to receive HUBZone contracts
- Reports to the Congress on the program's impact on employment and investment in HUBZone areas.
- **Benefits of the HUBZone Program**
- The program's benefits for HUBZone-certified companies include:
- Competitive and sole source contracting
- 10% price evaluation preference in full and open contract competitions, as well as subcontracting opportunities.
- The federal government has a goal of awarding 3% of all dollars for federal prime contracts to HUBZone-certified small business concerns.
- **Eligibility for the HUBZone**
- Make sure to review the HUBZone Primer (transcript) to understand the HUBZone requirements. To qualify for the program, a business (except tribally-owned concerns) must meet the following criteria:
  - It must be a small business by SBA standards
  - It must be owned and controlled at least 51% by U.S. citizens, or a Community Development Corporation, an agricultural cooperative, or an Indian tribe
  - Its principal office must be located within a "Historically Underutilized Business Zone," which includes lands considered "Indian Country" and military facilities closed by the Base Realignment and Closure Act
  - At least 35% of its employees must reside in a HUBZone.

Women Owned Small Business

- **Eligibility Requirements**
- To be eligible, a firm must be at least 51% owned and controlled by one or more women, and primarily managed by one or more women. The women must be U.S. citizens. The firm must be "small" in its primary industry in accordance with SBA's size standards for that industry. In order for a WOSB to be deemed "economically disadvantaged," its owners must demonstrate economic disadvantage in accordance with the requirements set forth in the final rule.
- **WOSB Program Third Party Certification – *Updated***
- The SBA has approved four organizations to act as Third Party Certifiers under the WOSB Program. The four organizations and contact information are:
- El Paso Hispanic Chamber of Commerce
- National Women Business Owners Corporation
- US Women's Chamber of Commerce
- Women's Business Enterprise National Council (WBENC)
- Women Owned Small Businesses may elect to use the services of a Third Party Certifier to demonstrate eligibility for the program, or they may self-certify using the process outlined here on this website. SBA will only accept third party certification from these entities, and firms are still subject to the same eligibility requirements to participate in the program.

- *Please note, at the request of WBENC, SBA has approved WBENC only for the certification of WOSBs and not for the certification of Economically Disadvantaged WOSBs*

Service-Disabled Veteran Owned Business

- **Purpose of the SDVOSBC Program**
- The purpose of the Service-Disabled Veteran-Owned Small Business Concern Procurement Program is to provide procuring agencies with the authority to set acquisitions aside for exclusive competition among service-disabled veteran-owned small business concerns, as well as the authority to make sole source awards to service-disabled veteran-owned small business concerns if certain conditions are met. (See Code of Federal Regulations (CFR) 13 C.F.R. § 125.8-125.10).
- **Eligibility**
- In order to be eligible for the SDVOSBC, you and your business must meet the following criteria:
- The Service Disabled Veteran (SDV) must have a service-connected disability that has been determined by the Department of Veterans Affairs or Department of Defense
- The SDVOSBC must be small under the North American Industry Classification System (NAICS) code assigned to the procurement
- The SDV must unconditionally own 51% of the SDVOSBC
- The SDVO must control the management and daily operations of the SDVOSBC
- The SDV must hold the highest officer position in the SDVOSBC
- **SDVO Business Control**
- To be an eligible SDVOSBC the following must be met:
- The management and daily business operations of the concern must be controlled by one or more service-disabled veterans.
  - Control by one or more service-disabled veterans means that both the long-term decision making and the day-to-day management and administration of the business operations must be conducted by one or more service-disabled veterans
  - The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse of permanent caregiver of such veteran
- Service-disabled veteran means a veteran with a disability that is service-connected.
- Ownership must be direct. Ownership by one or more service disabled veterans must be direct ownership.
  - A concern owned principally by another business entity that is in turn owned and controlled by one or more service-disabled veterans does not meet this requirement.

Resources

- SBA.gov
- www.census.gov/eos/www/naics
  - NAICS codes
- www.dnb.com
  - DUNS numbers
- www.osha.gov/pls/imis/sicsearch.html
  - SIC Search
- www.fpds-ng.com
  - Product Service codes
- FedBizOpps.gov
  - Federal Business Opportunities