

SMALL BUSINESS ADMINISTRATION

Federal Prime Contracting Small Business Goals

- ▶ **Small Business** 23%
- ▶ **Small Disadvantaged Business (8(a))** 5%
- ▶ **Woman Owned Small Business** 5%
- ▶ **HUBZone Small Business** 3%
- ▶ **Service-Disabled Veteran-Owned Small Business** 3%

Do you make your 5% WOSB goal?



Center for Industrial Research and Service (CIRAS)

Procurement

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⊖ Industry Services

⊕ Bioindustry

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⊕ Growth Strategies

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Industry Advisory Council

Contact us

515-294-3420

The Procurement Technical Assistance Program (PTAP) is a national program administered by the Defense Logistics Agency for the Department of Defense. Local centers provide assistance to business in marketing products and services to the Federal, state and local governments. The services are offered at no cost or at a nominal cost. CIRAS manages the PTAP Program in Iowa.

CIRAS procurement specialists work with Iowa businesses to understand the market potential of government procurement, reduce the barriers inherent in government contracting, and assist existing government contractors with market expansion.

CIRAS staff can provide assistance in the following areas:

- [Bid Preparation Assistance](#)
- [CCR and ORCA](#)
- [Electronic Commerce](#)
- [Market Research](#)
- [Post Award Assistance](#)
- [RFID](#)



[See in-depth information and related links.](#)



<http://www.ciras.iastate.edu/procurement>

SMALL BUSINESS ADMINISTRATION CERTIFICATION PROGRAM

8(a) Business Development Program

SMALL BUSINESS ADMINISTRATION

8(a) Business Development Program

- Dual Certification
 - 8(a) certified
 - SDB certified
- One time certification
- Small Disadvantaged Business Program
 - Self-certify

www.sba.gov/aboutsba/sbaprograms/sdb/index.html

Small Business Certification

SBA certifies only businesses admitted to:

- HUBZone program
-
- 8(a) program/Small Disadvantaged Business (SDB) program

All other small businesses must certify themselves:

- Small Business (and emerging small business)
- Woman-owned small business (WOSB) (for now)
- Veteran (and service disabled) owned small business

8(a)BD Program

- ▶ 8 (a) BD Program began as a public law and was named after Section 8(a) of the Small Business Act 1953 (Section 204 of Public Law 100-656).
- ▶ **The 8(a) BD Program is governed by 13 CFR §124.100.**
- ▶ The 8(a) BD Program was incorporated in Part 19, Small Business Programs of the **Federal Acquisition Regulations** (FAR) in 1984.
 - ▶ www.far.gov

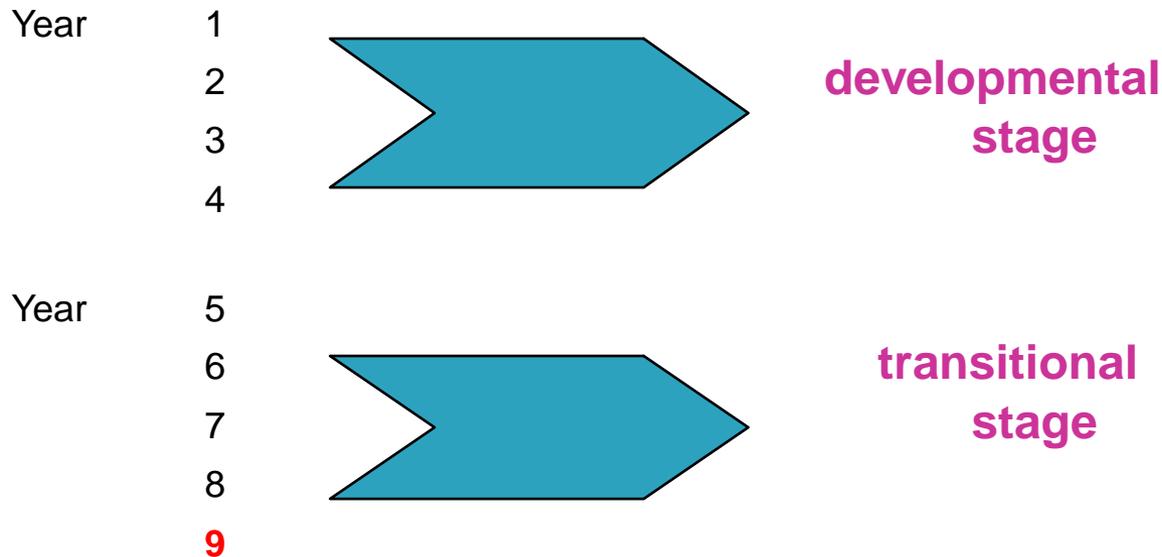
8(a) BD Program

Objectives:

- “to promote the business development of small business concerns owned and controlled by socially and economically disadvantaged individuals...”
- “to promote the competitive viability of such concerns...”
- “to clarify and expand the program for procurement by the United States...”

Term of Participation

START = date of approval



Continuation in the program is dependent on the firm's continuing eligibility as a socially and economically disadvantaged owned/operated firm and continued compliance with the 8(a)BD participation agreement.

Eligibility Criteria

- ▶ **The applicant firm**
- ▶ **small business** according to SBA Size Standards,
- ▶ must be 51% unconditionally **owned and controlled by one or more socially and economically disadvantaged individuals** who are of good character and **citizens of the United States**, and
- ▶ must demonstrate potential for success **be in business two years**

Eligibility Criteria

Socially disadvantaged

individuals are persons who have been subjected to racial or ethnic prejudice or cultural bias because of their identities as members of groups, without regard to individual qualities.



- ▶ Black Americans
- ▶ Hispanic Americans
- ▶ Native Americans (Alaska Natives, Native Hawaiians, or enrolled members of a Federally or State recognized Indian Tribe)
- ▶ Asian Pacific Americans (persons with origins from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru)
- ▶ Subcontinent Asian Americans (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal)
- ▶ and members of other groups designated from time to time by SBA according to procedures set forth at paragraph (d) of this section. Being born in a country does not, by itself, suffice to make the birth country an individual's country of origin for purposes of being included within a designated group.

Eligibility Criteria

**Persons not
members of a
designated group.
Must establish a
preponderance of
evidence**

Eligibility Criteria

What is “Preponderance?”

Generally, preponderance is evidence of a quality and quantity which leads the decision maker to objectively conclude that the existence or truth of the facts asserted is more probable than not.

Evidence/Documentation

Evidence of individual social disadvantage must include the following elements:

- ▶ **At least one objective distinguishing feature that has contributed to social disadvantage, such as:**
 - Race
 - ethnic origin
 - Gender
 - physical handicap
 - long-term residence in an environment isolated from the mainstream of American society
 - or other similar causes not common to individuals who are not socially disadvantaged;
- ▶ (Personal experiences of substantial and chronic social disadvantage in American society, not in other countries; and
- ▶ Negative impact on entry into or advancement in the business world because of the disadvantage. SBA will consider any relevant evidence in assessing this element. In every case, however, **SBA will consider education, employment and business history, where applicable**, to see if the totality of circumstances shows disadvantage in entering into or advancing in the business world.

Evidence of individual social disadvantage must include the following elements:

- ▶ (A) **Education.** SBA considers such factors as **denial of equal access** to institutions of higher education, exclusion from social and professional association with students or teachers, denial of educational honors rightfully earned, and social patterns or pressures which discouraged the individual from pursuing a professional or business education.
- ▶ (B) **Employment.** SBA considers **such factors** as unequal treatment in hiring, promotions and other aspects of professional advancement, pay and fringe benefits, and other terms and conditions of employment; retaliatory or discriminatory behavior by an employer; and social patterns or pressures which have channeled the individual into nonprofessional or non-business fields.
- ▶ (C) **Business history.** SBA considers **such factors** as unequal access to credit or capital, acquisition of credit or capital under commercially unfavorable circumstances, unequal treatment in opportunities for government contracts or other work, unequal treatment by potential customers and business associates, and exclusion from business or professional organizations.

Eligibility Criteria

Economically Disadvantaged

Individuals that are socially disadvantaged persons whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit.

Eligibility Criteria

Net worth criterion:

After excluding the individual's equity in the firm and equity in the primary residence, net worth may not exceed **\$250,000.00**

NET WORTH

Less Equity in primary residence
Less Equity in business
Equals Adjusted net worth
(*which must not exceed \$250,000*)

Some of the Changes to the Rules on Economic Disadvantage?

- ▶ **Adjusted Net Worth** must not exceed \$250,000 for initial eligibility or \$750,000 for continuing eligibility.
- ▶ **Personal Income** must not exceed \$250,000 (averaged over three years) for initial eligibility or \$350,000 for continuing eligibility.
- ▶ **Total Assets** must not exceed \$4 million for initial eligibility and \$6 million for continued eligibility (allows for growth during the 9-year term).
- ▶ **IRA Accounts** – excluded from net worth and total asset determinations

Benefits & Assistance Available to BD Participants

- ▶ Management & Technical Assistance:
 - 7(j) Program & Training – Classroom training and/or Direct Services
- ▶ Resource Partners
 - SCORE
 - SBDCs
 - Women's Business Centers
- ▶ BDS Responsibilities
- ▶ Access to 8(a) BD opportunities
- ▶ Finance programs
- ▶ Federal Surplus Property Program
 - Iowa Prison Industries–Iowa Federal Surplus Property
- ▶ Joint Venture & Mentor Protégé Program
- ▶ 8(a) STARS II – GWAC (Governmentwide Acquisition Contract)
– awarded by GSA 7/29/11 as a 8(a) SB setaside

Benefits

8(a) BD Contracting

Types of 8(a) Contract Awards

- ▶ Sole Source
- ▶ Competition
- ▶ 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.

Identifying 8(a) Opportunities

Note:

- ▶ 8(a) program works strictly with Federal Agencies.
- ▶ Potential Sole Source opportunities **ARE NOT** advertised.
- ▶ **Market Research**
 - ▶ Target Federal Agencies & research Agency websites:
http://www.sba.gov/localresources/district/ne/NE_GOVERNMENT-CONTRACTING.html
 - ▶ Agency Recurring Procurement Forecasts:
https://www.acquisition.gov/comp/procurement_forecasts/index.html
 - ▶ Sources Sought – find on www.fbo.gov

Types of 8(a) Certified Firms

Construction

Engineering

Electrical

General Contracting

Graphic Design

Health & Fitness

IT – Hardware & Software

Interactive Technology

Janitorial

Medical Transcription

Plumbing

Professional

Staffing Augmentation

Telecommunications

Transportation

Trash Removal

Applying to the 8(a) Program

- ▶ **Are you ready to apply?**
- ▶ Prior to applying for the 8(a) Program, each firm is urged to take an on-line training and self-evaluation course, which is accessible via the following link:
- ▶ **8(a) Business Development Suitability Tool** – <http://www.sba.gov/content/8a-business-development-0>
- ▶ 8(a) Application: <https://sba8a.symlicity.com/applicants/guide>
- ▶ The first section of the on-line course explains the 8(a) Program in detail. It culminates in an eligibility self-assessment test. The test consists of a series of simple yes/no questions that evaluate the degree to which your firm meets the basic qualifications for the 8(a) Program.
- ▶ If key eligibility criteria are not met, you will be directed to the SBA resource deemed most appropriate to help you at this time

SBA quick reference

D. SBA Quick Reference - SBA District Offices

1. 8(a) project offering to servicing SBA office
FAR 19.804-2
13 CFR 124.502
2. 8(a) project appeals
FAR 19.810
13 CFR 124.505

To locate SBA servicing office, check Dynamic Small Business Search at http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm and then local resources at <http://www.sba.gov/tools/local-assistance/districtoffices>

Summary of CFR regulations

| | |
|-------------------------------|--------------------|
| SBA size regulations | 13 CFR Part 121 |
| HUBZone regulations | 13 CFR 126.616 |
| SBA Certificate of Competency | 13 CFR 125.5 |
| Service-disabled veteran | 13 CFR 125.15(b) |
| 8(a) and SDB regulations | 13 CFR 124.513 |
| Small disadvantaged business | 13 CFR 124.1002(f) |
| WOSB Program | 13 CFR 127 |
| SBA Prime Contracting | 13 CFR 125.2 |
| SBA Subcontracting | 13 CFR 125.3 |

QUESTIONS!

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