

Federal Contracting & Certifications

What certifications should I get?

What can they do for my business?

Why are they important?

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SBA Portland District Office

www.sba.gov/or



U.S. Small Business Administration

- Created in 1953 – to aid, counsel, assist and protect small business
- 28 million small businesses in the U.S. – **335,000 small businesses** here in OR.
- SBA Portland District Office covers Oregon & SW Washington. See our webpage: www.sba.gov/or.
- Helps small businesses through Counseling, Capital, Contracting, Advocacy & Disaster Assistance

Federal contracts

– a large potential source of work

FY16: \$465 billion nationwide
\$1.3 billion with Oregon firms

Top 5 Federal agencies buying from OR firms:

Department of Defense
General Services Administration
Department of the Interior
Department of Agriculture
Department of Veterans Affairs

Federal Agencies prioritize buying from Small Businesses

Mandated by Congress, regulation & agency policies

- At least 23% of contracts must go to small businesses
- Annual goals for various small businesses of certain socio-economic groups (e.g., HUBZone, 8(a), Women-Owned, Service-Disabled Veterans)
- Goals similar to those in the State & local government sectors.
- Agencies must set aside certain contracts for small businesses or HUBZone businesses (allows these firms to compete in a smaller pool)
- 8(a), HUBZone & WOSB certified firms can *potentially* be awarded contracts non-competitively

What is a “Small Business”?

- Determined by your North American Industrial Classification System (NAICS) category. (www.census.gov/eos/www/naics/)
- Service & construction industries are defined as small by *average annual receipts* for last 3 years
- Manufacturing industries are defined by *number of employees*

EXAMPLES:

NAICS 115310, Support Activities for Forestry (tree planting, thinning) = up to \$7.5 mil.

NAICS 332710, Machine Shops = up to 500 employees

SBA's Federal Contracting Certification Programs

8(a)

SDB

WOSB &

EDWOSB

VOSB & SDVOSB

HUBZone

All programs require that
the firm:

- is a small business
- is owned by a US Citizen

8(a) Program Eligibility

- 2 Years in Business
- Majority owned & controlled full-time by a Socially & Economically Disadvantaged individual
- Good Character
- Potential for success

8(a) Program Benefits

- 9 year business development training program thru SBA, its resource partners and contracted training providers
- Access to federal surplus supply items (vehicles, equipment, tools, etc.)
- Potential to form SBA-approved Joint Ventures & Mentor/Protégé agreements with larger firms who can open doors to new opportunities/skills
- Potential to receive non-competitive federal contracts or to compete only among other 8(a) firms

Who are Socially Disadvantaged?

(as defined for SBA programs)

- African Americans
- Asian Pacific Americans
- Hispanic Americans (*including individuals of Spanish & Portuguese descent*)
- Native Americans
- Subcontinent Asian Americans
- Individuals who can prove socially disadvantaged status through Preponderance of Evidence (i.e.: woman in a male-dominated industry)

Who is Economically Disadvantaged?

Individuals whose ability to compete in free enterprise has been impaired due to diminished capital & credit

and

have net worth less than \$250,000
(excluding value of primary home, business equity & retirement accounts)

Small Disadvantaged Business eligibility

- Majority owned, controlled & managed by Socially & Economically Disadvantaged individual(s)
- Owner must have Good Character

SDB Certification Benefits

- Set aside opportunities (5% of overall federal prime contract spending must go to SDBs)
- Subcontracting opportunities with large prime contractors

Woman Owned Small Business eligibility

- Small business
- Woman/women own at least 51% of firm
- Woman/women control and manage the firm on a daily basis
- Woman/women are US citizens

Economically Disadvantaged WOSB

Same eligibility requirements as WOSB plus:

WOSB owner(s) must have
adjusted personal net worth below
\$700,000

and

total assets worth less than \$6 million.

Benefits of WOSB/EDWOSB program

- 5% of all federal prime contracts must go to WOSB firms
- Set aside opportunities and potential for non-competitive contracts (if certain conditions apply)
- EDWOSBs can participate in WOSB set asides (but WOSBs cannot participate in EDWOSB set asides)

Veteran Owned Small Business Program Eligibility

- At least 51% owned & controlled by a veteran
- Veteran received general or better discharge from US military

VOSB Program Benefits

- Subcontracting opportunities for VOSB firms with large prime contractors

Service Disabled VOSB Program Eligibility

Same as VOSB program plus:

- Veteran has a documented service-connected disability
- Veteran holds the highest officer position in the firm

SDVOSB Program Benefits

- Set aside opportunities for SDVOSB firms
- May also participate in VOSB set aside opportunities
- 3% of all federal prime contracts must go to SDVOSBs.

HUBZone Certification Program

Historically Underutilized Business Zones

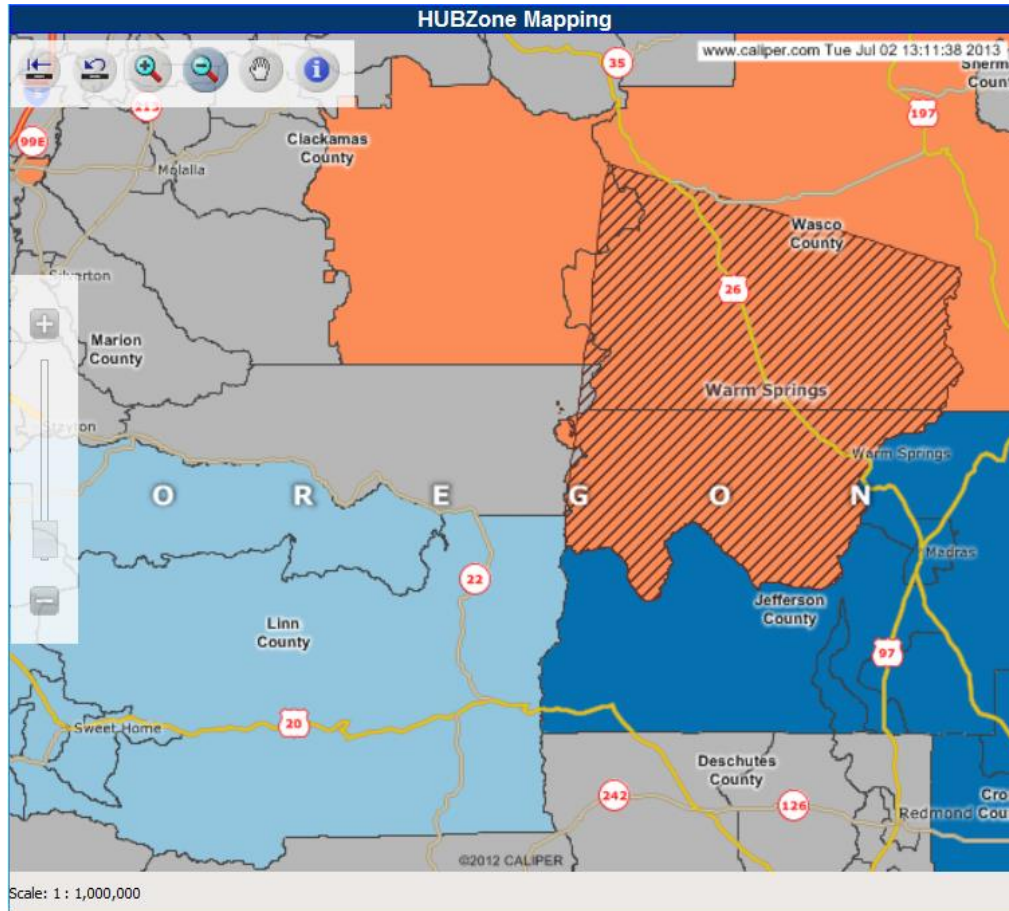
Economically depressed areas in urban or rural locations.

Program provides smaller competitive pool for firms located in HUBZones.

Eligibility:

- Firm is located in a HUBZone
- At least 35% of its employees live in HUBZones
- Firm is a small business

Are You In a HUBZone?



Legend

Counties

- Non-Qualified County
- Qualified Non-Metro County
- Redesignated County

Other Qualified Areas

- Indian Land
- Base Closure Area

Census Tracts

- Redesignated Tract Area
- Qualified Census Tract

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Miles

Check the HUBZone maps at www.sba.gov/hubzone

HUBZone Program Benefits

- Set aside opportunities for HUBZone firms
- 3% of all federal prime contract awards must go to HUBZone firms
- 10% price evaluation preference in favor of HUBZone firms can be made in Full & Open competitions (not small business set asides)
- Subcontracting opportunities with large prime contractors
- Potential for non-competitive contracts under certain conditions

How do you get certified?

Need more info?

APPLY for:

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

HUBZone:

www.sba.gov/hubzone

* = SBA approved third-party certifiers can help firms with WOSB or EDWOSB certification. See certify.sba.gov

SELF-CERTIFY for:

WOSB/EDWOSB*: certify.sba.gov

SDB: www.sba.gov/sdb

VOSB: www.sba.gov/vosb

SDVOSB: www.sba.gov/sdvosb

Need more help with certifications?

Visit our website: www.sba.gov/contracting

Visit or Contact a Local Small Business Resource:

- ▶ Procurement Technical Assistance Centers (PTACs)
 - In Oregon: www.gcap.org
 - In Washington: www.washingtonptac.org
 - Native Owned firms: www.nativeptac.org

- ▶ Women's Business Center at Mercy Corps NW:
<https://www.mercycorpsnw.org/business/womens-business-center/>

- ▶ Small Business Development Centers (SBDCs)
 - Find your local center at: <https://www.bizcenter.org/> in Oregon or
 - <http://wsbdc.org/> in Washington

We Want You To Grow and Succeed!



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