



Understanding SBA Small Business Programs

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Montana APEX

Montana APEX Accelerator provides *personal, timely advice on contracting with the government.*

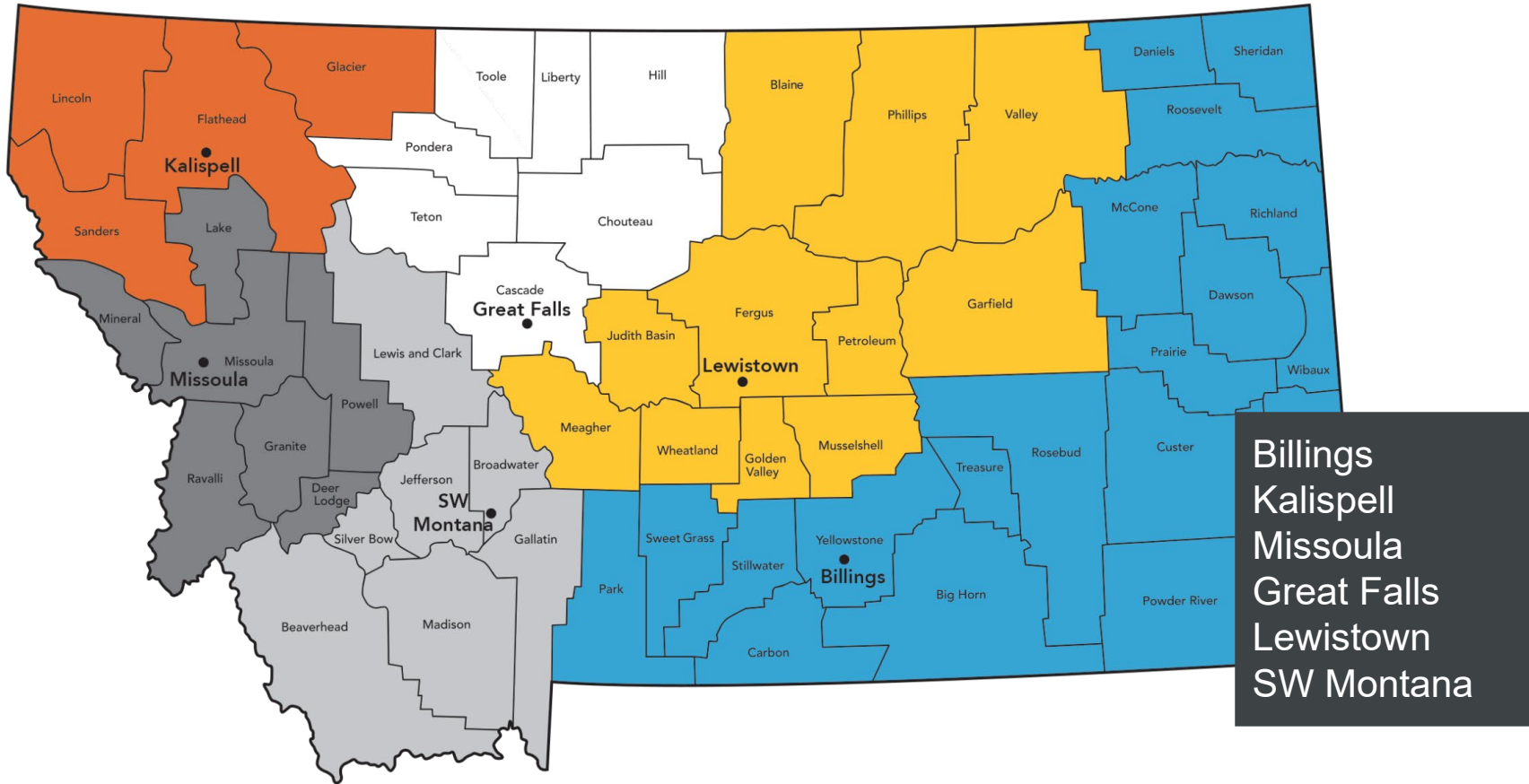
We provide no-cost advisory and technical assistance to help small businesses pursue federal, state, and local government contracts.



Missoula APEX



Montana APEX



<https://www.montanaapex.org/locations/>

Montana APEX Services

Our mission is to educate. We provide one-on-one counseling, resources and tools to help your business succeed.

- Market Research
- Identify Opportunities
- Vendor Registrations
- Small Business Certifications
- Training and Networking Events
- Bid/Proposal Review
- Contract Management and Compliance
- Post-award Support

<https://www.montanaapex.org/>

Small Business Programs



Why Get Certified?

- Small Business Certifications are a great marketing tool
- Provide an advantage to the business when opportunities for federal contracts are set aside for the program.
- Levels the playing field
- Access to tools and resources for small businesses

Contract Terms

*Contracting officers can use **set-asides** and **sole-source** contracts to help the federal government meet its small business contracting goals.*

Contract Terms

- To help provide a level playing field for small businesses, the government limits competition for certain contracts to small businesses. Those contracts are called “**small business set-asides,**” and they help small businesses compete for and win federal contracts.
- **Sole-source contracts** are a kind of contract that can be issued without a competitive bidding process. This usually happens in situations where only a single business can fulfill the requirements of a contract.

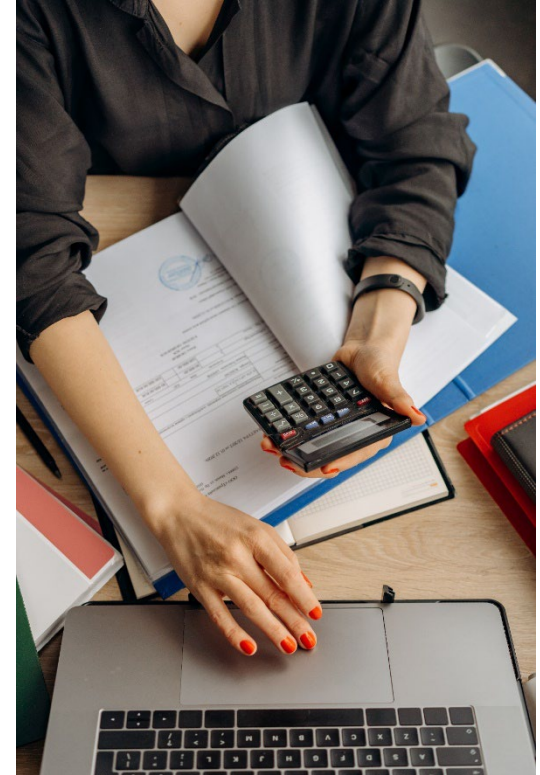
Eligibility Requirements

- To be eligible and certify for all SBA's Small business programs you must:
- Be registered in the System for Award Management (SAM)
- Be a small business based on SBA Size Standards
- Be at least 51 percent owned and controlled by the disadvantaged socio-economic group
- Be U.S. citizens
- Provide proof of ownership and control

Eligibility Requirements

Eligibility factors may also include:

- Meeting economic disadvantaged financial thresholds:
 - ✓ Net Worth
 - ✓ Assets
 - ✓ Average Gross
 - ✓ Income
- Providing documentation that supports the socio-economic disadvantage.



Eligibility Requirements

- May have to provide details of affiliated businesses, and other contributors to your business
- May have to demonstrate good character
- May have to demonstrate for the potential for success in government contracting such as having been in business for two years

SBA's Small Business Programs

8(a) Business Development

- One-time certification; 9 year program term with annual reviews www.sba.gov/8abd
- *The federal government's goal is to award at least 5% of all federal contracting dollars to small disadvantaged businesses each year.*

8(a) Business Development Program

The following individuals are presumed Socially Disadvantaged for 8(a):

- Black Americans
- Hispanic Americans
- Native Americans
- Asian Pacific Americans
- Subcontinent Asian-Americans
- Individuals who establish Social Disadvantage by a preponderance of the evidence (13 CFR 124.103)

8(a) Financial Thresholds

Meet all the requirements of the 8(a) contracting program

Be owned and controlled by one or more socio-disadvantaged individuals with a personal net worth less than \$850,000

Be owned and controlled by socio-disadvantaged individuals each with \$400,000 or less in adjusted gross income averaged over the previous three years

Be owned and controlled by socio-disadvantaged individuals, each with \$6.5 million or less in personal assets

SBA's Small Business Programs

Women-Owned Small Business (WOSB)

- To help provide a level playing field for women business owners, the government limits competition for certain contracts to businesses that participate in the Women-Owned Small Business (WOSB) Federal Contracting program.
- 5% government-wide contracting goal
- Eligible for set-aside contracts in certain under represented industries.

Woman Owned Small Business (WOSB)

There are two components to this small business program:

- Woman Owned Small Business (WOSB)
- Economically Disadvantaged Woman Owned Small Business (EDWOSB)

Woman Owned Small Business (WOSB)

The SBA has identified specific industries that are underrepresented by women. These industries, represented by NAICS codes, are applied to WOSB and EDWOSB set asides. This means that when the federal government sets aside an opportunity for WOSB or EDWOSB, they can only utilize the codes that the SBA has specifically designated.

All EDWOSBs are also WOSBs

Designated NAICS codes list can be found at

<https://www.sba.gov/document/support--qualifying-naics-women-owned-small-business-federal-contracting-program>

Woman Owned Small Business (WOSB)

For each designation, the SBA considers the unique NAICS codes that the business operates under.

For EDWOSB they also consider the personal net worth of the woman or women who have the majority ownership in the business.

EDWOSB Financial Thresholds

Meet all the requirements of the women's contracting program

Be owned and controlled by one or more women, each with a personal net worth less than \$850,000

Be owned and controlled by one or more women, each with \$400,000 or less in adjusted gross income averaged over the previous three years

Be owned and controlled by one or more women, each with \$6.5 million or less in personal assets

SBA's Small Business Programs

Service Disabled Veteran-Owned Small Business (SDVOSB) and Veteran Owned Small Business (VOSB)

- As of January 1, 2023, all functions of the Department of Veterans Affairs (VA) Center for Verification and Evaluation (CVE) were transferred to the [SBA's Veteran Small Business Certification \(VetCert\) program](#).
- Certification allows SDVOSB firms the opportunity to compete for sole-source and set-aside contracts across the federal government. Certified VOSBs may also compete for sole-source and set-aside contracts from the VA.

SDVOSB and VOSB

- The 2021 National Defense Authorization Act (NDAA) of 2021 grants a one-year grace period for self-certified SDVOSBs until January 1, 2024.
- During the grace period, self-certified businesses have one year to file an application for SDVOSB certification and may continue to rely on their self-certification to compete for non-VA SDVOSB set-aside contracts.

SDVOSB and VOSB

- The federal government aims to award at least 3% of all federal contracting dollars to **SDVOSBs** each year.
- Certification by SBA as veteran-owned (VOSB) allows you to compete for sole-source and set-aside contracts at the Department of Veterans Affairs (VA). The VA sets aside at least 7% of its contracts each year specifically for certified **VOSBs and SDVOSBs**.

SDVOSB and VOSB

Meet all the requirements of the VetCert contracting program

Be owned and directly controlled by one or more qualifying veterans

Must run the daily operations and prove full-time devotion

Hold the highest position in the company

SBA's Small Business Programs

HUBZone

- Can be certified indefinitely as long as the firm continues to meet eligibility requirements
- Must recertify annually with a program examination every five years.
- *The HUBZone program fuels small business growth in historically underutilized business zones with a goal of awarding at least 3% of federal contract dollars to HUBZone-certified companies each year.* www.sba.gov/hubzone

HUBZone

Unlike the other three major socioeconomic programs (8(a), SDVOSB & WOSB), HUBZone Program is not based on the socioeconomic status of owners

- No income or net worth requirements
- No racial, ethnic, or gender preferences

Ordinary HUBZone:

1. Small business in primary NAICS code
2. At least 51% unconditionally and directly owned and controlled by persons who are U.S. citizens
3. Principal office located in a HUBZone
4. At least 35% of employees reside in HUBZone

HUBZone

- The HUBZone map changed on July 1, 2023. Check [the new HUBZone map](#) now to determine whether your principal office and employees are located in a HUBZone.
- Your firm's eligibility to participate in the program might be impacted if your principal office is located, or your employees reside, in an area that no longer qualifies as a HUBZone.

Learn and Explore

Contact your locale APEX counselor for assistance: [APEX Advisor Locations](#)

Prepare: Carefully read program requirements, checklists, and create electronic copies of all supporting documentation.

Review: Before you begin any application process. Meet with APEX to review your documentation.

Apply: APEX provide guidance as you apply during the certification process.

Helpful Links

Information [8\(a\) Business Development Program](#)

Application site <https://certify.sba.gov/>

Information [EDWOSB or WOSB](#)

Application site: <https://wosb.certify.sba.gov/>

Information [SDVOSB and VOSB](#)

Application site: <https://veterans.certify.sba.gov/>

Information [HUBZone](#)

Application site: <https://connect.sba.gov/Home/Index>

Questions?



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