

SBA Government Contracting & Certifications

North Carolina District Office
6302 Fairview Road, Suite 300
Charlotte NC 28210
704-344-6563



FEDERAL CONTRACTING OPPORTUNITIES

▪ **Formal SBA Certification Programs**

- ✓ 8(a) Business Development
- ✓ HUBZone Empowerment

▪ **Self-Certifications**

- ✓ Small business
- ✓ **Small Disadvantaged Business (SDB)**
- ✓ **Woman-owned business**
- ✓ Minority-owned business
- ✓ Veteran-owned business
- ✓ **Service-disabled owned business**



SIZE STANDARDS

www.sba.gov/size

North American Industry Classification System-NAICS Region IV Size Standard Specialist (404) 331-7587

GENERAL EXAMPLES – MUST BE LOWER THAN:

Manufacturing	500 employees*
Wholesale Trade	100 employees*
Agriculture	\$7.0 million
Retail Services	\$7.0 million**
Construction	\$33.5 million**
Specialized Construction	\$14 million**
Architects & Engineering	\$4.5 million**

* Based on average over previous 12 months

**Based on average over previous 3 fiscal year

- ✓ **Racial or ethnic prejudice**
- ✓ **Cultural bias**
- ✓ **Presumption on the following groups:**
African American, Asian Pacific American,
Hispanic American, Native American, &
Subcontinent Asian American

- ✓ **Proof of disadvantage status for non-designated groups:**
 - **Objective features** - color, ethnic origin, gender, physical handicap or geographic environment - personal experiences only in America
 - Personal Experience
 - Experiences in American Society
 - Substantial and chronic (quality and quantity)
 - Negative Impact (entry & advancement in business world)
 - SBA considers education, employment and business history, where applicable in each case



ECONOMICALLY DISADVANTAGED 13 CFR 124.104

**Personal Adjusted Net Worth may not exceed
\$250,000 for 8(a) Program and \$750,000 for SDB
Program**

NET WORTH

Less	equity in primary residence
<u>Less</u>	<u>equity in business</u>
Equals	adjusted net worth

- Individual's average two-year income
- Fair market value of all assets
- Access to credit and capital
- Financial condition of the applicant firm
- Assets transferred to immediate family for less than market value (within two years)



8(a) BUSINESS DEVELOPMENT

www.sba.gov/8abd





8(a) BUSINESS DEVELOPMENT

www.sba.gov/8abd

- ✓ Nine (9) Years
- ✓ U.S. Citizen or:
Indian Tribe, Alaskan Native Corporation or
Native Hawaiian Origin
- ✓ Good character
- ✓ Potential for Success
- ✓ Small business: www.sba.gov/size
- ✓ At least 51% owned and controlled by Socially
and Economically Disadvantaged individual(s)



TWO-YEAR WAIVER RULE FOR: 13 CFR 124.107

- ✓ Substantial demonstration of business management experience
- ✓ Demonstrated technical expertise to carry out business plan
- ✓ Adequate capital
- ✓ Record of successful performance on contracts
- ✓ Ability to obtain the personnel, facilities, equipment, and any other requirements to perform on contracts



8(a) BUSINESS DEVELOPMENT BENEFITS

- ✓ Special Government Contracting Opportunity (Sole Source)
- ✓ Business Development Specialist (BDS)
- ✓ SDB certified – DOUBLE COUNT...for now
- ✓ Two-year track record
- ✓ Joint Venture Agreements

- ✓ Bigger contracts for firm
- ✓ 8(a) Goals
- ✓ SBA's approval/determination
- ✓ Checklist

- ✓ Participation Agreement
- ✓ Competitive business mix
- ✓ Annual reviews
- ✓ Financial statements & Tax returns

8(a) SOLE SOURCE AWARD

- ✓ Identify firm or requirement
- ✓ Submit Offering Letter (handout)
- Adverse Impact study

- ✓ SBA determination
- ✓ SBA Acceptance/Denial
- ✓ Negotiations begin Award
- ✓ SBA gets a copy of Award
- ✓ GSA Federal Procurement Data Center

8(a) COMPETITIVE

- ✓ Submit Purchase Request to PCR for Review
- ✓ Submit Offering Letter
- ✓ SBA approves/declines
- ✓ Local Buy/National Buy
- ✓ Fedbizopps
- ✓ Joint Venture (?)
- ✓ Eligibility Determination
- ✓ Award
- ✓ SBA gets a copy of award
- ✓ GSA Federal Procurement Data Center

8(a) REQUIREMENTS

What happens in 8(a)...Tends to Stay in 8(a)

- ✓ Must request release
- ✓ SBA approves/declines
 - Mediate/assist
 - Find another 8(a) firm
 - Release to another District
 - Release



*Rebuilding America's Communities:
One small business
at a time...*

- ✓ Small business www.sba.gov/size/
- ✓ *51% Owned by a U.S. Citizen, Community Development Corporation or Native American Tribe
- ✓ Principle office must be located in designated HUBZone Area
- ✓ 35% of employees (minimum) must reside in a designated HUBZone Area
- ✓ <https://eweb1sp.sba.gov/hubzone/internet/index.cfm>

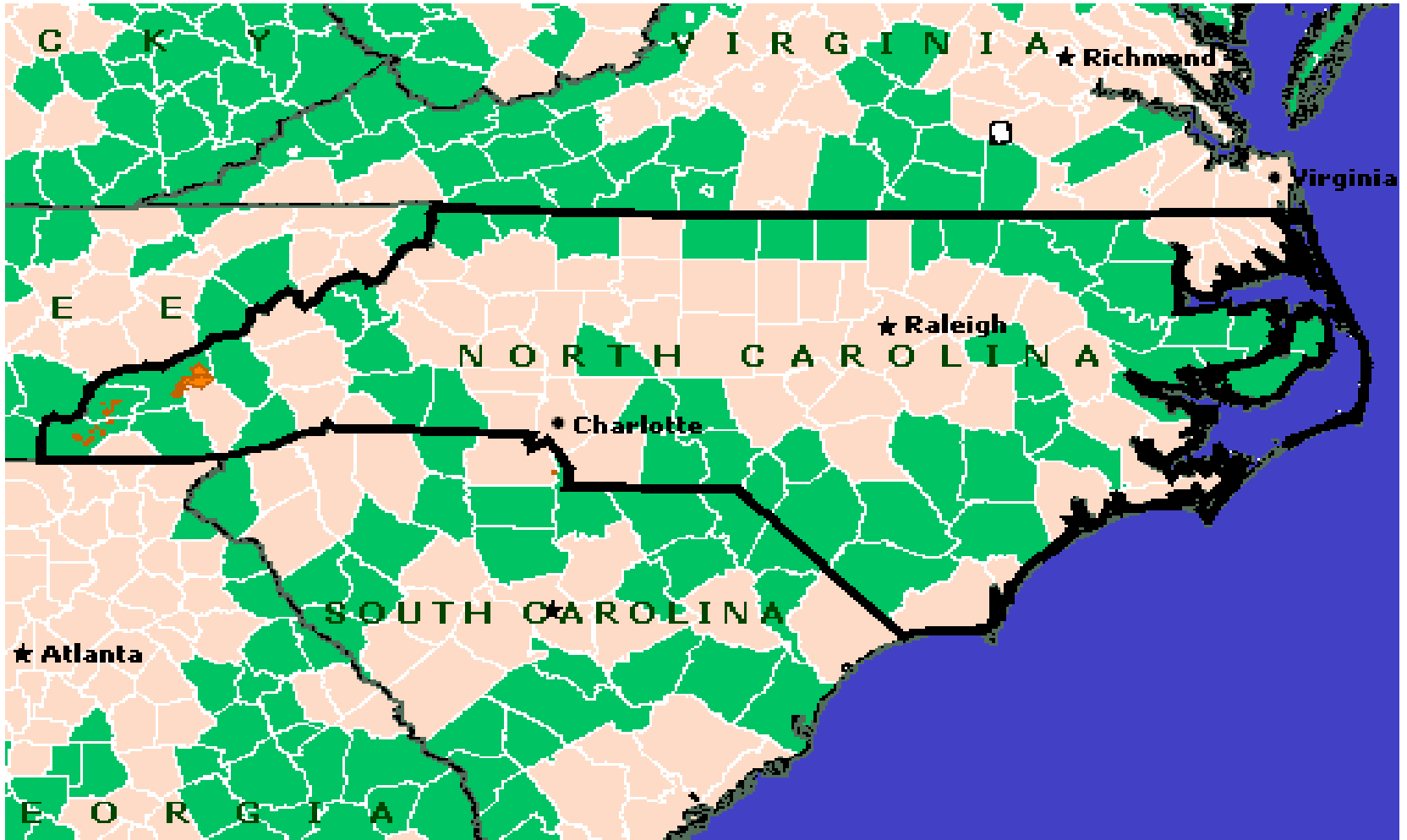
HUBZONE PROGRAM BENEFITS

- ✓ Office of Small and Disadvantaged Business Utilization (SADBU)
www.acqnet.gov/comp/procurement_forecasts/index.html
- ✓ Sole Source Award*
- ✓ Price Evaluation Adjustment (PEA)
Up to 10%
- ✓ 3% Goal (Procuring agencies & Prime contractors)



U.S. Small Business Administration

HUBZone-Designated Areas



WOMAN-OWNED BUSINESS





SMALL WOMAN-OWNED BUSINESS DEFINITION

- ✓ At least 51% owned and controlled
- ✓ Small business
www.sba.gov/size/
- ✓ Certificate (WBENC)
www.wbenc.com



WOMAN-OWNED BUSINESS BENEFITS

- ✓ Office of Small and Disadvantaged Business Utilization (SADBU)
www.acqnet.gov/comp/procurement_forecasts/index.html
- ✓ 5% Goal (procuring agencies & prime contractors)
- ✓ SBA Women Business Ownership Representative
April Gonzalez; (704) 344-6563
april.gonzalez@sba.gov
- ✓ SBA's Office of Women's Business Ownership
www.sba.gov/womeninbusiness/



WOSB PROCUREMENT PROGRAM

- ✓ FASA 1994
- ✓ No Set-Aside Program...yet
- ✓ Eligible industries



SERVICE DISABLED VETERANS

www.sba.gov/vets





SERVICE DISABLED VETERAN-OWNED SMALL BUSINESS DEFINITION

- ✓ Small business: www.sba.gov/size
- ✓ At least 51% owned and controlled
- ✓ Service-disabled veterans
- ✓ Self-certification



SERVICE DISABLED VETERAN- OWNED SMALL BUSINESS BENEFITS

- ✓ Office of Small and Disadvantaged Business Utilization (SADBU)
- ✓ 3% Goal (procuring agencies & prime contractors) service-disabled only
- ✓ Sole Source (service-disabled only)
- ✓ Veterans Benefits Act (service-disabled only)
- ✓ SBA Veterans Business Development Rep.
Glenn E. Harris, (704) 344-6563,
glenn.e.harris@sba.gov



VETERAN'S ASSISTANCE



SBA North Carolina Veterans
Resource Web Page

Visit www.sba.gov/nc and
look under RESOURCES

SBA Veterans Business
Development Officer
Glenn E. Harris 704-344-6585
glenn.e.harris@sba.gov



AGENCY & LARGE PRIME GOALS

- ✓ 23% - Small businesses (total)
- ✓ 5% - Small Disadvantaged Business
- ✓ 5% - Woman-owned
- ✓ 3% - HUBZone
- ✓ 3% - Service-Disabled Veteran owned



IMPORTANT INTERNET SITES

- ✓ **Federal Acquisition Regulations:**
www.arnet.gov/far
- ✓ **Code of Federal Regulations 13 Part 124**
www.gpoaccess.gov/cfr/retrieve.html
- ✓ **FedBizOpps:** www.fedbizopps.gov
- ✓ **SBA Homepage:** www.sba.gov
- ✓ **GSA Federal Procurement Data Center**
<https://www.fpds.gov/>
- ✓ **Agency SCORECARD:**
www.sba.gov/aboutsba/sbaprograms/goals/index.html

www.sba.gov/financialassistance/borrowers/surety/index.htm

- Prior Approval Program (Plan A):
 - SBA guarantees 90% of a surety's paid losses, expenses on bonded contracts up to \$100,000 and on bonds for HUBZone contractors and veterans & service-disabled veterans.
 - All other bonds guaranteed in Plan A receive an 80% guarantee.
- Preferred Surety Bond Program (Plan B)
 - SBA guarantees 70%, but sureties may issue, monitor and service bonds without SBA's prior approval.

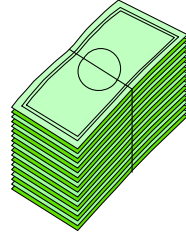
SBA Financing



No Direct Loan\$

www.grants.gov

FINANCING?



- SBA loan guaranties
- Reduce lender's risk
- Loans up to \$ 150,000 – up to 90%*
- Loans over \$ 150,000 – up to 90%*
- SBA *Express* – 50%

ARRA
Change!

HOW MUCH?



- 7(a) Loans \$5,000 to \$2,000,000
- SBA Guarantees up to \$1,500,000

WHAT'S REQUIRED?

Good character & credit



Repayment ability



Borrower investment /equity



Experience



Collateral





SBA LOAN PROGRAMS

- *SBA Express*
- CAPLines
- Microloan
- *Community Express*
- *Patriot Express*
- Export Financing
- 504 Loan



WEBSITE: www.sba.gov

- Links to starting, expanding, financing your business
- Other important web-based info and sites
- Online Library (SBA publications, forms, other
- federal forms

Link to NC Website www.sba.gov/nc

- About Us
- Counseling & training
- Calendars - small business info for NC
- NC District Office Start-up Kit
- Financing



U.S. Small Business Administration

Thank you!



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