



**DAU**



# SBA Update and Government Contracting

21 March 2021

# Opening



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U.S. Small Business  
Administration

# DOD & SBA: Partners in Small Business Contracting

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US Small Business Administration

April 21, 2021

# Small Business Contracting is Big Business

WORLD'S  
**LARGEST**  
BUYER



- \$500,000 billion/year
- 23% federal contract dollars are intended for small businesses

**01**

**Full and Open  
Competition**

**02**

**Small Business  
Set-Asides**

**03**

**Sole Source**

# SBA Has Four Major Contracting Programs



The SBA works with federal agencies to award at least 23% of all prime government contracting dollars each year to small businesses that are certified with the **SBA's contracting programs**. Programs include:

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8(a) Business Development Program

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Historically Underutilized Business Zones (HUBZone) Program

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Women-Owned Small Business (WOSB) Program

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Service-Disabled Veteran-Owned Program

Learn more at  
[certify.SBA.gov](https://certify.sba.gov)

# What Are the Statutory Federal Small Business Procurement Goals?

## Section 15(g), 15 U.S.C. 644(g) (1)

- Federal small business procurement goals are set by Congress, which requires that the Federal government shall direct a percentage of spending dollars to small business concerns (SBCs), and certain socioeconomic categories of small businesses.
- In 1988, Congress first enacted a procurement goal in prime contracting for small businesses.
- Since then, goals have been increased, extended to include some subcontracting, and applied to socially and economically disadvantaged small businesses (SDBs), service-disabled veteran-owned small businesses (SDVOSBs), woman-owned small businesses (WOSBs), and small businesses in the Historically Underutilized Business Zone (HUBZone) Program.

SBCs-	Not less than 23% of the total value of all prime contract awards for each fiscal year
SDBs	Not less than 5% of the total value of all prime contract and subcontract awards for each fiscal year
WOSBs	Not less than 5% of the total value of all prime contract and subcontract awards for each fiscal year
SDVOSBs	Not less than 3% of the total value of all prime contract and subcontract awards for each fiscal year
HUBZone SBCs	Not less than 3% of the total value of all prime contract and subcontract awards for each fiscal year

# SBA Procurement Center Representatives (PCRs)

PCRs service over 2,800 Buying Activities – Small But Mighty!

- The SBA *Point of Contact* to Buying Activities (FAR 19.402)
- Work closely with contracting staff at Federal buying offices to increase set-aside contract opportunities for all categories of SBs and remove impediments to participation
- Make reservation requests for 8(a) opportunities
- Train other Federal agency, Resource Partner staff, and SBs
- Review buying office SB policies & procedures.
- Serve as Resident/Liaison/On Call PCR





## Some Recent Executive Actions

1. Executive Order 13985 of January 20, 2021
  - **Advancing Racial Equity and Support for Underserved Communities Through the Federal Government**
2. Executive Order 14005 of January 25, 2021
  - **Ensuring the Future Is Made in All of America by All of America's Workers**
3. Memorandum on Tribal Consultation and Strengthening Nation-to-Nation Relationships, January 26, 2021



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# Program Updates

**SBA Office of Government Contracting & Business  
Development**



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# 8(a) Business Development Program

## 8(a) Program Flexibilities During COVID-19

### 1 Year Extension of Participation in the 8(a) Business Development Program

- Eligibility: Firms participating in the 8(a) program between March 13, 2020 and January 13, 2021 may have the option to extend program participation for a period of one year from the end of its program term.
- Firms participating in the 8(a) program on January 13, 2021 will receive an automatic one year program extension unless they decline it in writing
- Firms that were terminated, early graduated, or voluntarily withdrew from the 8(a) program during this period are not eligible for the extension.
- Firms admitted to the 8(a) program on or after September 10, 2020 are not eligible for the extension.
- Email questions to [8aQuestions@sba.gov](mailto:8aQuestions@sba.gov)
- Visit [certify.sba.gov](https://certify.sba.gov) and go to the “Certify Knowledge Base” for all tools, FAQ’s and program information for 8(a), Mentor Protégé, WOSB, and HUBZone



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# The 7j Program - Management & Technical Assistance

# Business Development Assistance

## The 7(j) Training Program

- Section 7(j) of the Small Business Act authorizes SBA to provide management and technical assistance to eligible firm
- 7(j) Training is free and not only for 8(a) firms.
- Enrollment facilitated by SBA's District Offices or directly with the 7(j) vendors
- Benefits of the program:
  - Firms can consult with SBA's Business Opportunity Specialist (BOS)
  - Firms learn to grow their business with confidence and business smarts
  - Firms are successful in competing for federal, state and local contracting opportunities
  - Firms learn how to stay in business to ensure long-term sustainability

**The Goal: Develop Small Disadvantaged Businesses through Technical Assistance**

### Eligibility Population – Who Qualifies for 7j Training?

- Not just 8(a) certified firms, other disadvantaged firms
  - Firms in low income areas
  - Firms owned by low income individuals
  - Economically disadvantaged women-owned firms
  - HUBZone firms
- The Tribal firms from “Native American, Alaska Native and Native Hawaii”

### 7j Training Offered

- 10 vendors through the Office of Business Development and 7 vendors through SBA’s Office of Native American Affairs
- 74 course offerings, types of courses offered:
  - Market Intelligence (Bidspeed)
  - Cybersecurity Awareness
  - Pursing and Winning Federal Contracts
  - Market Research/Proposal Strategies
  - Financial Management
  - Construction Contracting
- It’s **FREE**

### Success rate

- The 7(j) program training is value added!
  - 12% higher probability of receiving an initial federal contract
  - Increases the likelihood of obtaining federal contracts for 8(a) businesses from 47% to 59%
  - Firms obtained their first contract 77 days faster than businesses that did not utilize the 7j Training program

### How Can You Access 7j Training?

- Contact your local SBA District Office to enroll in SBA’s free training courses
- Collaborate with your local SBA District Office Business Opportunity Specialists – engage early and often
- Firms can enroll directly with the SBA District Office or the vendor





# HUBZone

# HUBZone Program Purpose

Launched in 1999, the HUBZone Program fuels the development of distressed communities by providing small businesses preferential access to federal government contracts.

- **Federal Government** has goal to award 3% of procurement to HUBZone-certified small businesses via set-aside and price preference awards
- **Small businesses** become certified by locating in and employing residents (35%) from qualified HUBZones
- **HUBZone communities** benefit from jobs and investment.



# HUBZone Snapshot



**+/- 6,000** certified HUBZone enterprises



**40%** of HUBZone firms are dual certified



**70%** of HUBZone contract awardees are in Construction or Professional and Technical Services



**179+** HUBZone Mentor Protégé Agreements via ASMPP



**Typical firm before:** \$400K AGI, 5 employees, 8 years old  
**5 years later:** \$1 million, 8 employees

# HUBZone Resources

- **Email** our Help Desk with specific questions: [hubzone@sba.gov](mailto:hubzone@sba.gov)
- **Call** our staff via our weekly conference call—every Tuesday and Thursday at 2pm ET: **#208-391-5817; Conference ID: 278 449 067**
- **Visit website** for factsheets, checklists, and details about eligibility and applying: **sba.gov/hubzone**
- **Maps:** [maps.certify.sba.gov/hubzone/maps](https://maps.certify.sba.gov/hubzone/maps)



# Veteran Owned Business

# Veteran Business Programs Are Coming to SBA from VA

## NDA 21 Sec. 862

- VA's CVE functions will be transferred to and become functions of the SBA no later than January 1, 2023.
- This transfer includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.
- The SBA-VA Team has established a Charter detailing roles, responsibilities, and scope statement, including goals, stakeholders, risks, milestones, and other defining characteristics.
- The SBA and the VA have established a working group that meets bi-weekly to work the details of the transfer of CVE functions to SBA.

**CVE-certified firms will not lose their verification at transfer**



# Woman Owned Small Business (WOSB)

# WOSB and EDWOSB Certification



- SBA providing new, free certification process on [beta.certify.SBA.gov](https://beta.certify.SBA.gov)
- To certify:
  - be registered and active for all awards in [SAM.gov](https://SAM.gov)
  - Create an account and apply at [beta.certify.SBA.gov](https://beta.certify.SBA.gov)
- Since October 15, 2020, the WOSB Program has certified over 1,900 firms.

WOSB **READY**



## Third-Party Certification

- SBA allows continued participation from businesses that utilize approved Third-Party Certifiers (TPCs) to obtain WOSB or EDWOSB certification. There is a cost to using these services.
- Approved TPCs:
  - [El Paso Hispanic Chamber of Commerce](#)
  - [National Women Business Owners Corporation](#)
  - [U.S. Women's Chamber of Commerce](#)
  - [Women's Business Enterprise National Council](#)
- To bid on any new contracts:
  - You need to complete an application and upload your unexpired WOSB or EDWOSB TPC-certified documentation through the new, free online process at [beta.certify.sba.gov](https://beta.certify.sba.gov).

**WOSB READY**

# WOSB Website Address

[www.sba.gov/federal-contracting/contracting-assistance-programs/women-owned-small-business-federal-contracting-program](http://www.sba.gov/federal-contracting/contracting-assistance-programs/women-owned-small-business-federal-contracting-program)



## Necole Parker, Principal/CEO The ELOCEN Group, LLC Washington, D.C.

- As a woman-owned business in the construction industry, Necole Parker, CEO of The ELOCEN Group, LLC says gaining equal respect and accessing the same opportunities as her male counterparts have been the greatest challenges she has faced since starting her company. Necole formed The ELOCEN Group, a full-service program management firm that delivers innovative client solutions for new construction, renovations, and information technology integration in 2006. The company became 8(a)-certified which proved to be instrumental in its growth.
- In 2010, the National Science Foundation awarded a \$7 million federal contract to the ELOCEN Group to perform program management services, space design, information technology integration, and facility service planning. In 2013, it won its largest federal prime contract from the Food and Drug Administration for \$50 million, growing its staff from 30 to 53 employees. In January 2015, the U.S. Department of Education awarded it a sole source contract which has allowed them to employ over 60 people. Necole has also opened an office in Atlanta, Georgia to pursue commercial and government sector opportunities.



## Timothy Porter, Owner Appddiction Studio, LLC San Antonio, TX

- In 2009, Timothy Porter, an Army veteran with a passion for technology and Information Technology, taught himself to develop mobile applications and in 2011, Appddiction Studio, LLC was formed. Timothy received his initial start-up assistance and guidance from the local Procurement Technical Assistance Center and continues to receive support and assistance from the University of Texas at San Antonio Small Business Development Center.
- The San Antonio-based company is part of the SBA's 8(a) Business Development Program and a Service-Disabled Veteran-Owned Small Business with a national presence. They provide premier and innovative IT transformations by successfully implementing state of the art agile framework and methodologies delivering value. In 2016, the company received an SBA loan that was repaid in full within two years. From 2017 to 2018, the company experienced a 254% increase in revenue due to the successful procurement of contracts through the DoD for software development and project management.
- Appddiction Studio has established itself as the go-to small business for DoD to support new or existing enterprise transformations for DoD clients and was highlighted on the USA Network television channel as one of their USA Character Unite Award winners for developing an award-winning anti-bully mobile application for use in K-12 schools.



Samuel and Saul Maldonado  
Founders  
SAM Engineering & Surveying  
Lower Rio Grande Valley, TX

- When brothers Samuel and Saul Maldonado in Lower Rio Grande Valley, Texas, first founded SAM Engineering & Surveying (SAMES) Inc. in 2008, they employed three people in their community and generated \$400,000 in annual sales.
- By participating in SBA's HUBZone program, they have grown their business to 55 employees and more than \$4 million in sales.



# Q&A

Please submit your questions in the chat!



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