

# CONTRACTING SUPPORT FOR SMALL BUSINESSES

**SBA PUERTO RICO & VIRGIN ISLANDS DISTRICT** 







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## U.S. Small Business Administration

Independent Federal Agency created by the U.S. Congress in 1953

### **Legislative Purpose:**

- Aid,
- Counsel,
- Assist and
- Protect the interests of small business concerns

# Why Would You Want the Federal Government as Your Customer?

The U.S. government is the world's largest buyer of goods and services.

Government purchases total over \$100 billion a year for small businesses.

Federal agencies are required to establish small business contracting goals.

# Federal Government Contracting Goals

23%	For Small Businesses in General
5%	For Small Disadvantaged Businesses (SDBs)
5%	For Women-Owned Small Businesses (WOSBs)
3%	For qualified HUBZones
3%	For Service Disabled Veteran-Owned Small Businesses

### What is a Small Business under Federal Standards?

### Service or Retail Oriented

Up to \$7.0M average sales in the past three years

### Manufacturing

• 500-1500 employees

### Wholesale

Up to 100 employees

### Construction

- Up to \$33.5M in sales
- New Alternative: Businesses with less than \$15M in net capital and \$5M average in net income

For more information: <a href="https://www.census.gov/eos/www/naics">www.census.gov/eos/www/naics</a>

## Ineligible Businesses

Brokers

 Individuals debarred or suspended from doing business with the federal government

Non-profit organizations

## Certification Options for Contractors

## 8(a) Business Development Certification Program

Provides a broad scope of training and assistance to socially and economically disadvantaged firms.

Must be in business for at least two years with a product or service that the federal government procures.

## **HUBZone Program**

Provides federal contracting opportunities for qualified small businesses located in distressed census tract areas.

# Why Certify Your Business under 8(a)?

### **BENEFITS:**

- Training Workshops (e.g. 7J)
- One-on-one Counseling
- Matchmaking Events and Opportunities
- Mentor-Protégé Agreements
- Contracting
- Sub-contracting
- Joint Ventures

# 8(a) Business Requirements



- Small Business
- Owned by an economically and socially disadvantaged individual (at least 51%)
- In business for at least two years

For more information visit: www.sba.gov/8a

## 8(a) Contracting

SBA acts as Prime Contractor and subcontracts firms certified under the 8(a) Business Development Program.

- Negotiated/Direct contracts
- Competed contracts
  - Greater than \$4M in goods and services
  - \$6.5 million for manufacturing

Term in Program: 9 years



# HUBZone

# Historically Underutilized Business (HUB) Zones

- Stimulate economic development
- Create jobs

www.sba.gov/hubzone

http://map.sba.gov/hubzone/maps/#

# HUBZone Requirements





- Small business
- Main office located in HUBZone
- •35 % employees live in HUBZone

## HUBZone Contracting Benefits

- 1. Competed contracts
- 2. Negotiated contracts
- 3. 10% preferential adjustment in open bids



Large Business # 1 \$2,000,000.00

+200,000.00 (10%)

\$2,200,000.00



# HUBZone Sub-Contracting Benefits

The program also provides evaluation credits for primary contractors that achieve HUBZone subcontracting goals.

Example:

Large Business # 1	Large Business # 2
<b>\$2,000,000.00</b>	<b>\$1,500,000.00</b>
□ 10 small firms	□ 10 small firms
□ 8 HUBZones	□ 3 HUBZones

### Women-Owned Small Business Federal Contract Program

The program allows contracting officers to set aside specific federal contracts for certified WOSBs and EDWOSBs and help federal agencies achieve statutory goal of 5%.

# **83 Business and Industrial Sectors Examples:**

- Construction of residential buildings
- Building equipment contractors
- Video and movie industries
- Repair and maintenance of automobiles
- And many more...

For more information, visit: www.sba.gov/wosb

# System for Award Management (SAM)

New electronic registry that consolidates electronic systems related to federal contracting.

- Central Contractor Registration (CCR)
- Federal Agency Registration (FedReg)
- Online Representations and Certification Application (ORCA)
- Excluded Parties List System (EPLS)

This system has been in place since July 30, 2012.

www.sam.gov

## Small Business Innovation Research Program

The Small Business Innovation Research Program (SBIR) is a highly competitive three-phase award system which provides small business concerns with opportunities to propose innovative ideas that meet the specific research and research and development needs of the Federal Government.

### For more information visit or call:

- www.sbir.gov
- PR SBTDC Innovation & Technology Center: (787)763-6922
- SBA HQ: (202) 205-6450

## **Small Business Technology Transfer Program**

The Small Business Technology Transfer program (STTR) centers around cooperative research and development performed jointly by a small business and a research institution.

For more information visit or call:

- www.sbir.gov
- PR SBTDC Innovation & Technology Center: (787)763-6922
- SBA HQ: (202) 205-6450

## Government Contracting Classroom



### Government Contracting 101

Overview of contracting basics & certification programs (Workbook 1) (Transcript



### A Guide for Contracting Officers:

How to use the WOSB Program (Transcript 12)



#### Non-Manufacturer Rule Primer:

A Guide for Contracting Officers (Workbook 원) (Transcript 원)



### Government Contracting 101

How the Government Buys (Workbook 립) (Transcript 립)



#### Government Contracting 101

How to Sell to the Government (Workbook 립) (Transcript 립)



#### Market Research:

A Guide for Contracting Officers (Workbook 립) (Transcript 립)



#### A Veterans' Guide:

How to Win Federal Contracts (Transcript)



### **HUBZone Program:**

How to qualify and apply to the HUBZone Program (Transcript 🔁)



### WOSB Advantage:

A Guide to the Women
Owned Small Business
Program
(Workbook (1)) (Transcript



### Price Evaluation Preference -HUBZone Program:

A Guide for Contracting Officers

(Workbook 2) (Transcript



### **Business Opportunities:**

A Guide to Winning Federal Contracts



http://www.sba.gov/gcclassroom

## PR&VI District Office / Resource Partners

### PR&VI Office:

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### **Resource Partners:**

- PR SBTDC: <u>www.prsbtdc.org</u>
- WBI: <u>www.mujeryempresas.org</u>
- SCORE: <u>www.score.org</u>