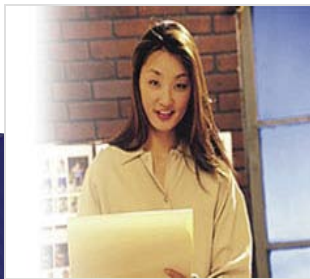




2011 NAVFAC Atlantic Industry Forum THE WOMAN OWNED SMALL BUSINESS PROGRAM



Topic for discussion:

- Overview of the WOSB program

Overview of Women-Owned Small Business program

Program overview

The Women-Owned Small Business (WOSB) program authorizes contracting officers to **set aside certain federal contracts** for eligible:

- Women-owned small businesses (WOSBs) or
- Economically disadvantaged women-owned small businesses (EDWOSBs)



Impact of this program

- **Levels the playing field for WOSBs** to compete for and win federal contracts
- Provides procuring agencies a tool to help **meet their WOSB contracting goal** (i.e., the Federal government must award 5% of its prime contracting dollars to WOSBs)
- Ultimately, the program helps **create and retain more jobs for WOSBs**

Requirements for WOSB and EDWOSB Set Asides

Contracting officers may set aside contracts for WOSBs and EDWOSBs if they meet the following requirements:

	WOSB Set Aside	EDWOSB Set Aside
Industries	<ul style="list-style-type: none"> • NAICS code assigned to solicitation, IFB or quote is in an industry in which WOSBs are substantially underrepresented (38 4-digit NAICS designated) 	<ul style="list-style-type: none"> • NAICS code assigned to solicitation, IFB or quote is in an industry in which WOSBs are underrepresented (45 4-digit NAICS designated)
Rule of two	<ul style="list-style-type: none"> • Contracting officer has reasonable expectation that 2 or more WOSBs will submit an offer * <i>Note: All EDWOSBs are WOSBs</i> 	<ul style="list-style-type: none"> • Contracting officer has reasonable expectation that 2 or more EDWOSBs will submit an offer * <i>Note: Not all WOSBs are EDWOSBs</i>
Award price	<ul style="list-style-type: none"> • Anticipated award price <u>including options</u> does not exceed the statutory thresholds of \$5M for manufacturing or \$3M for other contracts • Contract can be awarded at fair market price 	

A complete list of applicable NAICS codes can be found at www.sba.gov/wosb

Eligibility Requirements for WOSBs

- ❑ Meet **small business size standard** for primary NAICS code and contract
- ❑ At least **51% unconditionally and directly owned by women** who are **U.S. citizens***
- ❑ The woman must manage the **day-to-day operations**
- ❑ The woman must make the **long-term decisions** for the business
- ❑ A woman must **hold highest officer position**
- ❑ The woman must work at the business **full-time during normal working hours**
- ❑ **No minimum amount of time** the business has been operational

*We do not consider community property laws when looking at ownership.



Eligibility Requirements for EDWOSBs

Same requirements as WOSBs (on previous page) PLUS:

- ❑ **Personal net worth** (assets minus liabilities) is less than **\$750,000** excluding:
 - Ownership in business and primary personal residence
 - Income reinvested or used to pay taxes of business
 - Funds reinvested in IRA or other retirement account*
 - Transferred assets within two years if to or on behalf of immediate family member for select purposes**

- ❑ **Adjusted gross income average over three years** is **\$350,000** or less excluding:
 - Income reinvested or used to pay taxes of business

- ❑ **Fair market value of assets** is **\$6 million** or less excluding:
 - Funds reinvested in IRA or other official retirement account



* Must be IRA or other official retirement account that is unavailable until retirement age without significant penalty

** Select purposes are for that individual's education, medical expenses or other essential support or to family member in recognition of special event

Note: SBA will look at a spouse's finances if the spouse has a role in the WOSB/EDWOSB, has lent money to or provided financial support (including credit or guarantee of loan) to the business. SBA may also look at spouse's finances if both spouses are in same or similar line of business and businesses share names, websites, equipment and employees.

Requirements for Joint Ventures

A WOSB/EDWOSB may submit an offer as a joint venture with another small business if the following requirements are met:

- **Size:** Combined annual receipts or employees of joint venture must meet NAICS code assigned to contract*
- EDWOSB/WOSB must be **managing venturer**
- EDWOSB/WOSB employee must be **project manager** responsible for performance of the contract
- EDWOSB/WOSB must receive **at least 51% of net profits**
- The joint venture **agreement must be in writing**
- Joint venture must meet **subcontracting limitations**



Note: Joint venture agreement does not have to be approved by SBA

*Unless exception in 13 C.F.R. §121.103(h)(3) applies.

Examples of how the program works

Example 1

- The requirement is assigned NAICS 812990, Other Personal Services, and has an estimated value of \$12M
- The Contracting Officer cannot set aside the acquisition for WOSBs even though NAICS 8129 is an industry in which WOSBs are substantially underrepresented because the dollar value of the procurement exceeds the statutory thresholds. If the dollar value were less than \$3M, it could be set aside for WOSBs.

Example 2

- The requirement is assigned NAICS 518210, Data Processing, Hosting and Related Services, with an estimated value of \$2.8M
- The Contracting Officer can set aside the requirement for WOSBs because NAICS 5182 is an industry in which WOSBs are substantially underrepresented and the dollar value of the procurement does not exceed the statutory thresholds
- The Contracting Officer cannot set aside the requirement for EDWOSBs; however, since EDWOSBs are also WOSBs, they can submit an offer in response to this WOSB set aside

Example 3

- The requirement is assigned NAICS 561410, Document Preparation Services, and has an estimated value of \$2M
- The Contracting Officer can set aside the acquisition for EDWOSBs because NAICS 5614 is an industry in which WOSBs are underrepresented and the dollar value is less than the statutory threshold of \$3M
- The Contracting Officer cannot set aside the acquisition for WOSBs because NAICS 5614 is NOT an industry in which WOSBs are substantially underrepresented

WOSB program certification



There are two ways to certify for the WOSB program:

- **Self certification** with supporting documents, or
- **Third Party Certification** with supporting documents

Self Certification

- ▶ Free, no cost
- ▶ Register in CCR as WOSB or EDWOSB
- ▶ Compile and upload all required documents to the repository
- ▶ Represent status in ORCA

Third Party Certification

- ▶ Register in CCR as WOSB or EDWOSB
- ▶ Obtain certification from an SBA-approved Third Party Certifier
 - *Note:* At this time, SBA has not approved any Third Party Certifiers
- ▶ Compile and upload all required documents to the repository
- ▶ Represent status in ORCA

5 Steps to participate in the WOSB program

- 1 Read the WOSB Federal Contract program regulations in the Federal Register and the WOSB Compliance Guide
- 2 Register in Central Contractor Registration (CCR) as WOSB or EDWOSB
- 3 Log onto SBA's General Login System (GLS)
**Obtain an account now if you don't already have one*
- 4 Go to the WOSB program repository and upload / categorize all required documents
- 5 Represent your status in Online Representations and Certifications Application (ORCA)



Reviews and Protests

SBA is committed to ensuring only eligible WOSBs benefit from the WOSB program; therefore, we utilize the following tools to ensure compliance with WOSB program requirements:

Eligibility Examinations

- ▶ SBA may investigate the accuracy of any certification or representation made
- ▶ SBA will conduct regular reviews of firms who have self-certified and obtained third party certification
- ▶ A review will involve evaluation of documents uploaded in the repository and SBA may request additional documents and perform a site visit

Protests

- ▶ SBA may investigate the accuracy of any certification or representation made as it relates to a specific WOSB/EDWOSB set aside
- ▶ Only an interested party, SBA or a contracting officer may submit a protest
- ▶ A protest must be submitted to the contracting officer within certain timeframe
 - Can only protest the ownership, control and economic disadvantage requirements
 - Size protests are handled under 13 C.F.R. part 121
- ▶ SBA reviews each protest and makes a final decision, which may be appealed to the Office of Hearings and Appeal

Any WOSB/EDWOSB found to be non-compliant must remove their designation in CCR and ORCA and contracting officer shall not award them a contract

Other Contracting Information - Nonmanufacturers

- Resellers/nonmanufacturers can submit an offer if the NAICS codes assigned to the requirement is in a designated industry and the nonmanufacturer meets the requirements in 13 C.F.R. § 121.406(b).
- The SBA did not designate any NAICS codes in sectors 42, 44, and 45 for contracting assistance under the WOSB Program because these NAICS codes cover wholesalers and retailers.
- Contracting officers cannot assign these NAICS codes to solicitations or contracts but must assign a solicitation or contract with the applicable manufacturing NAICS code (and then the provisions of the nonmanufacturer rule would apply to any offerors that are nonmanufacturers of the items being supplied).



Parity and the WOSB Program



Procurements valued from \$3,000 to \$150,000

#1

Small business, which includes HUBZone or 8(a) or SDVO SBC or WOSB/EDWOSB

#2

Full and open competition (unrestricted; not set aside for one of the five major small business prime contracting programs)

Procurements valued over \$150,000

#1

Consider HUBZone or 8(a) or SDVO SBC or WOSB/EDWOSB first

#2

Small business set aside

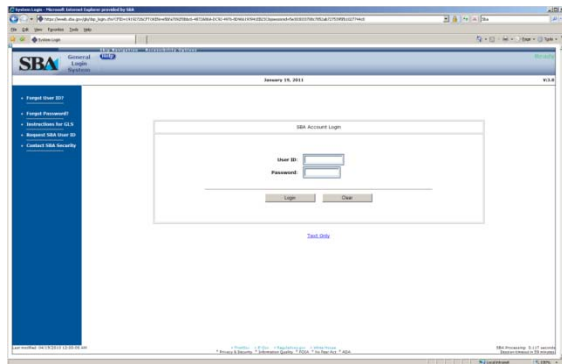
#3

Full and open competition (unrestricted; not set aside for one of the five major small business prime contracting programs)

To set-aside a contract for a WOSB/EDWOSB, contracting officers must have a GLS account and access to the WOSB program repository

SBA's General Login System (GLS)

- If you already have an account, log into your account at: <https://eweb.sba.gov/gls>
- If you do not have an account:
 - Go to the same web address above
 - Click on “Instructions for GLS” for information on how to request an account
 - Go to “Request SBA User ID” to create an account



WOSB program repository

- Once you are logged into GLS, click on the “Access” button on the top of the screen
- Under “Women Owned Small Business Program Repository”, check the “Federal Agency Contract Officer” box and press submit
- The SBA will approve your access; after you have been approved, the repository will be listed as one of your “Currently Available Applications”

To award a WOSB/EDWOSB set-aside, a contracting officer must make sure the apparent successful offeror submitted all required documents to the repository

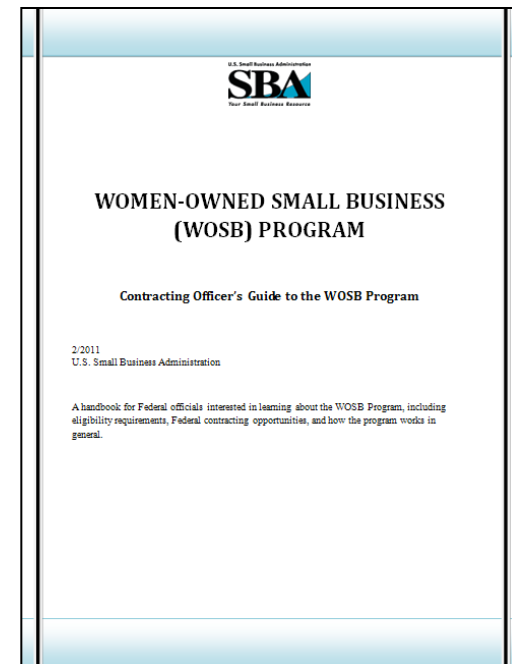
- In the WOSB program repository, contracting officers can search for a business through the “Business view” or “Solicitation View”

**Note: Contracting officers only have access to view documents of businesses that have granted them access*

- Verify the business submitted all required documents

**Note: There is a checklist of documents to look for in the Contracting Officer’s Guide*

A Contracting Officer’s Guide for the WOSB program will be available at www.sba.gov/wosb



Thank you!

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