8(a) Business Development Program

BRIAN MURDEN

Business Opportunity Specialist SBA Georgia District Office (404) 331-0100 ext. 509

brian.murden@sba.gov





SBA Legislation

To ensure that small businesses get their fair share,

SBA:

- negotiates annual procurement goals with each federal agency(www.sba.gov/goaling);
- · reviews each agency's results; and
- is responsible for ensuring that the statutory government-wide goals are met.

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)



FY 13 Small Business Contracting Goals

They are:

- 23% of prime contracts for small businesses;
- **5%** of prime and subcontracts for <u>women-owned</u> small businesses;
- 5% of prime and subcontracts for 8(a)-certified small businesses;
- 3% of prime contracts for <u>HUBZone certified</u> small businesses;
- 3% of prime and subcontracts for <u>service-disabled veteran-owned</u> small businesses.

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722) SBA

U.S. Small Business Administration

8(a) Business Development

Eligibility & Certification Requirements





What is the 8(a) Business Development Program?

☐ Offers a broad scope of assistance to firms owned and controlled by socially and economically disadvantaged individuals

☐ Essential instrument for gaining access to the economic mainstream of American society

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722) www.sba.gov



Term of Participation

Year 1 through 4

DEVELOPMENTAL STAGE

Year 5 through 9

TRANSITIONAL STAGE

<u>Program participation is divided into two stages:</u>

The <u>developmental stage</u> and the <u>transitional stage</u>.

The developmental stage is four years and the transitional stage is five years. The developmental stage is designed to help 8(a) certified firms overcome their economic disadvantage by providing business development assistance.

The transitional stage is designed to help participants overcome the remaining elements of economic disadvantage and to prepare participants for leaving the 8(a) program.

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

U.S. Small Business Administration

Benefits of the 8(a) Program

- ☐ Sole source contracts up to \$4 million for goods and services; and \$6.5 million for manufacturing
- ☐ Joint Ventures and Teaming
- ☐ Mentor-Protégé Program
- ☐ Surplus Property Program

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722) <u>www.sba.gov</u>



- ☐ Business must be owned and controlled by socially and economically individual(s)
- ☐ Certain individuals are presumed socially

disadvantaged: African-American

Hispanic Americans

Asian Pacific Americans

Native Americans

Subcontinent Asian Americans

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

☐ Individual(s) who is not a member of one of the said groups, must show socially disadvantaged status through a preponderance of the evidence

□Burden of Proof may be based on race, ethnic origin, gender, physical handicap, or long-term isolation from the mainstream of American society, or other similar causes

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

- Socially disadvantaged individual(s) must show economic disadvantaged status by submitting a narrative and personal financial documentation about income, assets, and net worth
- ☐Firm must be small according to SBA size standards
- ☐Firm must demonstrate a potential for success (2 years operation) Waiver may apply

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

8(a) Eligibility Requirements - Ownership

- ☐ Firm must be at least fifty—one percent (51%) unconditionally owned and controlled
- ☐ Disadvantaged individual(s) must be a U.S. citizen
- ☐ Disadvantaged individual(s) must be of good character

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

Net worth criterion.

After excluding the individual's equity in the firm and equity in the primary residence, net worth may not exceed

\$250,000.00 (when applying for 8(a) increases to

\$750,000 (after becoming 8(a) certified)

NET WORTH

less equity in primary residence

less equity in business

equals adjusted net worth

SBA Answer Desk

1-800-U-ASK-SBA (1-800-827-5722)





8(a) Eligibility Requirements – Size

Firms must be small based on their primary NAICS Code, including affiliates.

North American Industry Classification System Code

(www.naics.com)

Size is determined either by:

- ☐ Average 3 years revenues
- # of employees (manufacturers, dealers, wholesalers)

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

Eligibility Requirements – Potential for Success

- ☐Proof of two years operation in the firm's primary industry
- ☐Financial Capability
- ☐ Managerial and Technical Capability
- ☐ Management Capability
- ☐Qualification and ability to perform on contract(s)

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722) <u>www.sba.gov</u>



Eligibility Requirements – Good Character

☐ Adverse information regarding criminal conduct ☐ Violations of any SBA regulations ☐ Debarred or suspended individuals or firms ☐ Business Integrity ☐ Principal who is incarcerated or on parole/probation ☐ Knowingly submit false information ☐ Failure to pay Federal obligations

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

8(a) Application Procedure

- ☐ Electronic or Paper Application
- https://sba8asdb.symplicity.com/applicants/guide
- Register in System for Award Management (SAM)
 - www.sam.gov
- Register in SBA's General Log-in System (GLS)
 - www.sba.gov
- ☐ 90 Days Processing

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722) www.sba.gov





SBA – 8(a) Business Development

For more information on the 8(a) Program

Please contact: Georgia District Office

Telephone: (404) 331-0100

Free 8(a) Workshops

Every 2nd Wednesday of each month

10.00am - 12 Noon

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722) SBA

U.S. Small Business Administration

Register Your Business



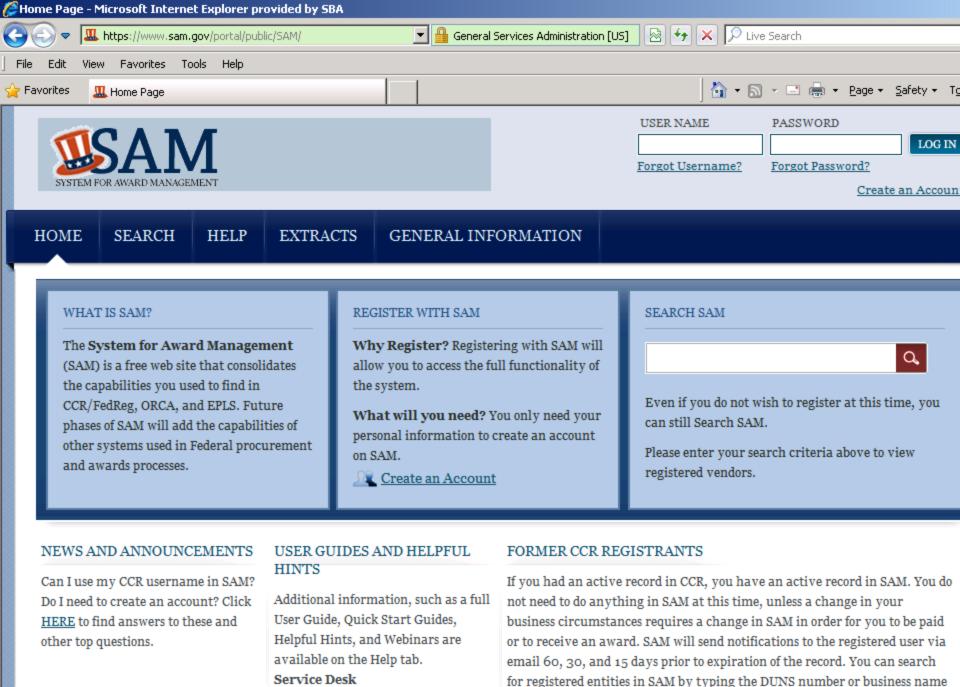
System for Award Management (SAM)

Keep Current (Update yearly at minimum)

www.sam.gov

SBA Answer Desk 1-800-U-ASK-SBA (1-800-827-5722)

U.S. Small Business Administration



into the search box.

The SAM website will go down for maintenance at 10:00 PM EST, Service

URL: http://www.FSD.gov

For more information about SBA's certification programs

