



Women-Owned Small Business (WOSB) Federal Contract Program

Program information for the Procurement Workforce

February 2011



Topics for discussion

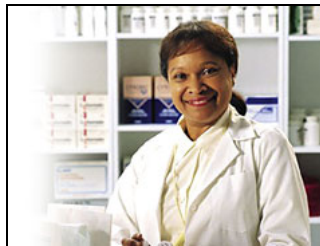
- Overview of the WOSB program
- Eligibility requirements
- Certification
- Reviews & Protests
- What you can do now
- Resources and Q&A

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 <p><i>* Note: All EDWOSBs are WOSBs</i></p>	<ul style="list-style-type: none">• Contracting officer has reasonable expectation that 2 or more EDWOSBs will submit an offer <p><i>* Note: Not all WOSBs are EDWOSBs</i></p>
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

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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

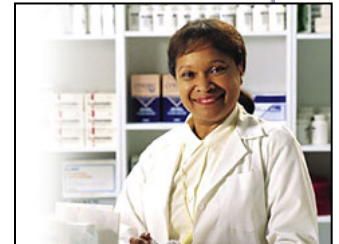
*We do not consider community property laws when looking at ownership.



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 can 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.

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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

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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 will conduct regular reviews of firms who have self-certified and/or 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

- ▶ 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.

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What you can do now to prepare for the WOSB program

1 Read the regulations for the WOSB Federal Contract program and the WOSB Compliance Guide

- The regulations and Compliance Guide are available at:
www.sba.gov/wosb
- Be sure your firm meets the requirements for the program

2 Obtain an account for SBA's General Login System (GLS)

- If you don't have an account already, you can obtain one at:
<https://eweb.sba.gov/gls>

3 Learn about federal contracting

- Visit a local SBA office, or
- Go to SBA's Federal Business Opportunities page:
<http://www.sba.gov/content/federal-business-opportunities>

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Resources and Q&A

There are a number of resources available to help answer questions about the WOSB program:

Visit our website: www.sba.gov/wosb

- ▶ You will find the latest information about the program on this site

Visit a local resource:

- ▶ Small Business District Offices
 - Find your local office at: <http://www.sba.gov/about-offices-list/2>
- ▶ Women's Business Centers
 - Find your local center at: <http://www.sba.gov/content/womens-business-centers>
- ▶ Small Business Development Centers
 - Find your local center at: <http://www.asbdc-us.org/>
- ▶ Procurement Technical Assistance Centers
 - Find your local center at: <http://www.aptac-us.org/new/>

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

Questions?