



Women-Owned Small Business (WOSB) Federal Contract Program

April 2015



Topics for discussion

- Overview of the WOSB program
- Eligibility requirements
- Certification and Repository
- Contracting
- Reviews & Protests
- 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 or orders*** for eligible:

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

SBA is responsible for implementing and administering the program and the Federal Acquisition Regulatory Council is responsible for implementing SBA's program regulations in the FAR (part 19)

*There is new statutory authority for sole source awards, but that has not yet been implemented by SBA or the FAR.

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**



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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.

Active 8(a) firms and the WOSB program

An active 8(a) firm is eligible for the WOSB program if it also meets the following requirements:

- 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**

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WOSB program “certification”

There are two ways to represent status for the WOSB program:

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



Self Certification

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

Third Party Certification

- ▶ Register in SAM
- ▶ Obtain certification from an SBA-approved Third Party Certifier
- ▶ Compile and upload all required documents to the repository
- ▶ Represent status in SAM as WOSB or EDWOSB

SBA has approved 4 third party certifiers to date:

- El Paso Hispanic Chamber of Commerce
- National Women Business Owners Corporation
- US Women’s Chamber of Commerce
- Women’s Business Enterprise National Council (WOSB only)

WOSB Program Repository - Overview

What is the WOSB Repository?

- By statute, documents verifying a WOSB/EDWOSBs eligibility were to be submitted to the CO
- Rather than have WOSBs submit documents to the CO, the SBA created a document warehouse
- A WOSB's documents in the repository can be accessed only by the WOSB, SBA and the CO (only if the firm gives the CO permission to access the documents).

How do I get to the repository?

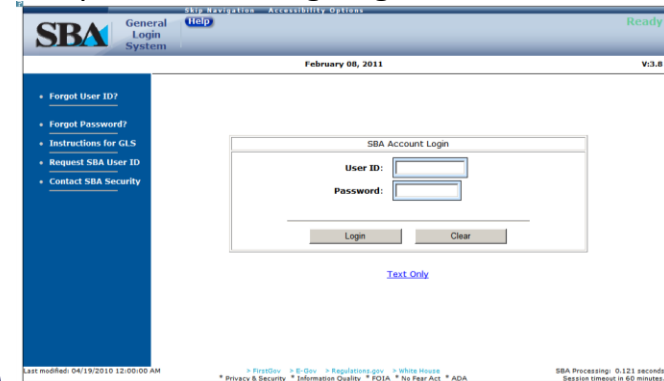
- Through the SBA's General Login System

What does a Contracting Officer need to do with the repository?

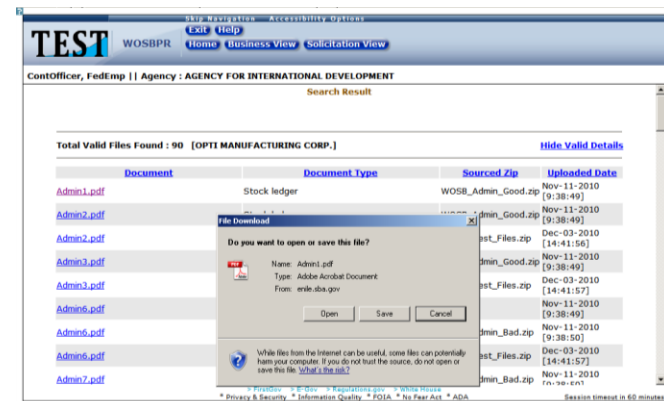
- All COs should register in the Repository so a WOSB can grant you access to their documents
- COs must verify that the apparent successful offeror submitted all required documents to the repository

General Login System (GLS):

<https://eweb.sba.gov/gls>



WOSB Program Repository



WOSB Program Repository – What to look for

What documents do I need to look for in the Repository?

Self Certification

- ▶ Birth certificates, naturalization papers, unexpired passports for owners that are women
- ▶ Copy of JV agreement (if applicable)
- ▶ Copy of WOSB/EDWOSB Certification (OMB approved form)
- ▶ DBA certificate
- ▶ Business information relating to verifying ownership by a woman or women*
- ▶ EDWOSBs: All of above and SBA Form 413, Personal Financial Statement for each woman claiming economic disadvantage.

Third Party Certification

- ▶ Copy of certification from an SBA Approved TPC
- ▶ Copy of JV agreement (if applicable)
- ▶ Copy of WOSB/EDWOSB Certification (OMB approved form)

Active 8(a) firms

- ▶ Copy of initial 8(a) Certification
- ▶ Copy of WOSB/EDWOSB Certification (OMB approved form)
- ▶ Copy of JV agreement (if applicable)

There is a Checklist in the back of the Contracting Officer's Guide that outlines the documents to look for:

WOSB Program Repository Checklist – WOSB Set-Aside

Has the Apparent Successful Offeror Provided the Following:

I. WOSBs/EDWOSBs – Third Party Certification

If the WOSB or EDWOSB has received a Third Party Certification then it must have provided the following to the WOSB Program Repository at the time of initial offer and prior to contract award.

1. Copy of the Third Party Certification showing it received the Third Party Certification prior to initial offer and that the Third Party Certifier is an approved SBA Third Party Certifier
Date initial offers due _____
Date of Third Party Certification _____
 Yes No
2. Copy of a joint venture agreement IF the offeror has submitted the offer as a joint venture
 Yes No N/A
3. Signed copy of the Women-Owned Small Business Program Certification (WOSB or EDWOSB)
 Yes No

II. WOSBs-Self Certification

If the WOSB or EDWOSB is self-certifying as a WOSB, then it must have provided the following to the WOSB Program Repository at the time of initial offer and prior to contract award. If the WOSB or EDWOSB has submitted a Third Party Certification then you do not need to complete this section – complete section I above.

1. Copies of birth certificates, Naturalization papers, or unexpired passports for owners who are women
The women owners are: _____
Documents have been provided for all of the above

WOSB Program Repository – What to look for

Business Documents

Corporations

Articles of Incorporation

By Laws

Stock Certificates

Stock Ledger

Voting Agreements

Amendments

LLC

Articles of Organization
aka
Certificate of Incorporation

Operating Agreement

Amendments

Partnership

Partnership Agreements

Amendments

Sole Proprietor
and All Others

DBA certificate

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Requirements for WOSB and EDWOSB Set Asides

Contracting officers may set aside contracts or orders or reserve awards 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 	<ul style="list-style-type: none"> • NAICS code assigned to solicitation, IFB or quote is in an industry in which WOSBs are underrepresented
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"> • Any award amount <p>NOTE: Prior to 2013, there was a statutory limit on the contract award amounts: \$6.5M for manufacturing or \$4M for other contracts</p> <ul style="list-style-type: none"> • Contract can be awarded at fair market price 	

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

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.

Other key information about the WOSB program

Does the WOSB have to perform any particular amount of work on a WOSB or EDWOSB contract or can it subcontract most of it out?

Yes, the WOSB has to perform a certain amount of the work. This is often referred to as the limitations on subcontracting because it limits how much work a small business can subcontract out. These limits for this program are:

- For **service contracts** (that are not construction), the WOSB/EDWOSB must perform at least 50% of the cost of the contract for personnel with its own employees.
- For **supply contracts** (if you are the manufacturer), the WOSB/EDWOSB must perform at least 50% of the cost of manufacturing the supplies or products (not including the cost of materials).
- For **general construction contracts**, the WOSB/EDWOSB must perform at least 15% of the cost of the contract with your own employees (not including cost of materials).
- For **specialty construction contracts**, the WOSB/EDWOSB must perform at least 25% of the cost of the contract with your own employees (not including cost of materials).

FAR Provisions on WOSB program

What FAR sections and clauses are important?

- **FAR 2.101**
“Women-owned small business concern” means --
(1) A small business concern--
(i) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
(ii) Whose management and daily business operations are controlled by one or more women; or
(2) A small business concern eligible under the Women-Owned Small Business Program in accordance with 13 CFR part 127 (see Subpart 19.15).
- **FAR 19.15**
The contracting officer shall verify that the offeror is in SAM; is self-certified as an EDWOSB or WOSB concern in SAM; has submitted documents verifying its eligibility at the time of initial offer to the WOSB Program Repository. The contract shall not be awarded until all required documents are received.
- **FAR clauses 52.219-29/52.219-30**
Notice of Set-Aside for EDWOSBs & WOSBs, respectively
The contracting officer will ensure that the apparent successful offeror has provided all required documents to the WOSB Program Repository. The contract will not be awarded until all required documents are received.

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Resources and Q&A

Visit our website: www.sba.gov/wosb

▶ You will find information about the program on this site

- **NAICS Codes**

2012 WOSB-EDWOSB NAICS Codes

2012 WOSB NAICS Codes

2012 EDWOSB NAICS Codes

- **Compliance guides**

Compliance Guide for the WOSB Program

Contracting Officer's Guide for the WOSB Program

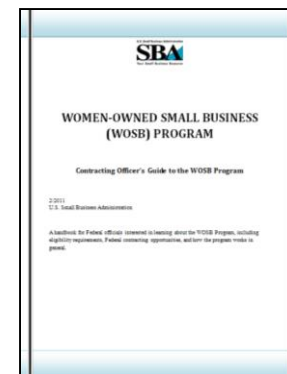
- **Third Party Certifiers**

El Paso Hispanic Chamber of Commerce(link is external)

National Women Business Owners Corporation(link is external)

US Women's Chamber of Commerce(link is external)

Women's Business Enterprise National Council (WBENC)(link is external)



Also visit <https://www.sba.gov/gcclassroom> for a mini primer on the WOSB Program

Questions?