



U.S. Small Business
Administration

U.S. Small Business Administration

Support Small Business Revenue & Job Growth, Build Healthy Entrepreneurial Ecosystems, & Restore Small Businesses & Communities After a Disaster

- Access to Capital for Small Businesses
 - Loan Guaranty Programs
 - 504 Loan Program
 - Alternative Lending Partners
 - Export Programs
- Develop the Entrepreneurial Ecosystem
 - Small Business Development Center (SBDC)
 - SCORE
 - Women's Business Center (WBC)
 - Veteran Business Outreach Centers (VBOC)
- Government Contracting Set Asides & Innovation Support
 - Women Owned, Service-Disabled Veteran Owned, 8(a), All Small Mentor-Protégé, HUBZone
 - Surety Bond Program
 - Grant Programs – SBIR, STTR, & FAST
- Disaster & Advocacy
 - Low Interest loans to small businesses & homeowners recovering from a declared disaster
 - Office of Advocacy & National Ombudsman

Highlights

- ✓ SBA helped the federal government award the highest percentage -23 percent - of contracting dollars to small businesses in history, totaling \$91 billion dollars in the last year alone, AND we broke records for women and socially or economically disadvantaged communities.
- ✓ SBA counseling centers have served more than 1.4 million businesses in the last fiscal year, providing high-quality business advice.
- ✓ SBA had record-setting levels for small business lending with \$26.5 billion dollars through our 7(a) loan program alone.
 - ***This represents a 22 percent increase in the number of loan approvals – and a 23 percent increase in their dollar value nationally.***

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U.S. Small Business
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Small Business Opportunities Federal Contracting

Maine District Office

Why should you consider government contracting in your business mix?

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

Government purchases total over \$430 billion a year (nearly \$98 billion with small business) not including the indirect subcontracting dollars.

Federal agencies and large prime contractors are required to establish small business contracting goals.

Size Does Matter . . .

23%	Small Businesses
5%	Small Disadvantaged Businesses SDBs
5%	Women Owned Small Businesses WOSBs
3%	Historically Underutilized Business Zone Businesses HubZone
3%	Small Service-Disabled Veteran Owned Businesses SDOV Business

- **These goals are for prime contract awards but do flow down to large prime contractors.**
- **All numbers reported on the next few slides do not include subcontracting dollars.**

SBA's Role & Goal in Government Contracting

- Ensuring small businesses receive a fair share of federal contracts.
 - Prime Contracting
 - Subcontracting
 - Protests and Appeals
 - Certification Programs
- Training, events to match small business with federal buyers, and counseling by SBA district offices and resource partners

SBA Certification Programs

SBA programs that offer preferential preference for eligible firms in accessing federal contract opportunities:

- 8(a) Business Development Program
- Historically Underutilized Business Zone Program (HUBZone)
- Women-Owned Small Business Program (WOSB)

These programs all rely on the self marketing and business development efforts of the certified firms to be beneficial.

What is the SBA 8(a) program?

- Business development program designed to help small disadvantaged businesses compete in the marketplace by enabling them to get a foothold in government contracting.
- Participation is in two phases (4 years developmental and 5 years of transitional stage) over a total 9 year period.
- Primary goal is to graduate firms that will go on to thrive in a competitive business environment (can only be certified one time for individual and/or company).
- Approximately 4,600 firms nationally in the program receiving \$14 billion in direct contract awards.

What are the benefits and requirements of 8(a) certification?

- Certified firms are eligible to:
 - Receive “sole source” and 8(a) set-aside contracts (up to \$4m or \$7m for manufacturing for sole source).
 - Receive training online and in person through paid consultants funded by the SBA 7(j) program.
- During the 9 year term, firms must:
 - Complete annual review documents, and submit financial statements and tax returns to ensure continuing eligibility, and that a balance between commercial and government business is maintained.
 - Evaluate goals and the business plan each year while working with the SBA district office to further business development.

Do You Qualify?

- Considered a small business defined by industry.
- 51% owned and controlled by U.S. citizen that is also socially and economically disadvantaged.
 - Groups presumed to be socially disadvantaged are: Black American, Hispanic American, Native American, Asian Pacific Americans, Subcontinent Asian Americans.
 - Other individuals, on a case by case basis, may be determined socially disadvantaged based on personal experiences and a distinguishing feature that has resulted in a negative impact on entrance or advancement into the business world.
 - Personal assets can not exceed \$4m, average income for last 3 years can not exceed \$250k, and personal net worth must be less than \$250k (excluding business, residence & some IRAs).
- In business for a minimum of 2 years.
- Demonstrates potential for success in government contracting.

What is the HUBZone Program?

The Historically Underutilized Business Zones (HUBZones) program was enacted into law as part of the Small Business Reauthorization Act of 1997 to help eligible small businesses located in distressed areas gain preferential access to federal contract opportunities.

SBA's Role is to:

- Regulate and implement the program
- Determine eligibility
- Maintain a listing of qualified firms
- Handle protests in regards to HUBZone contracts
- Maintain integrity of the program by detecting fraud, waste and abuse

HUBZone Program Goals

Work with federal agencies to use the tools of the program to help designated areas by:

- Increase employment opportunities.
- Stimulate capital investment.
- Empower communities through economic leveraging and the “multiplier effect.”

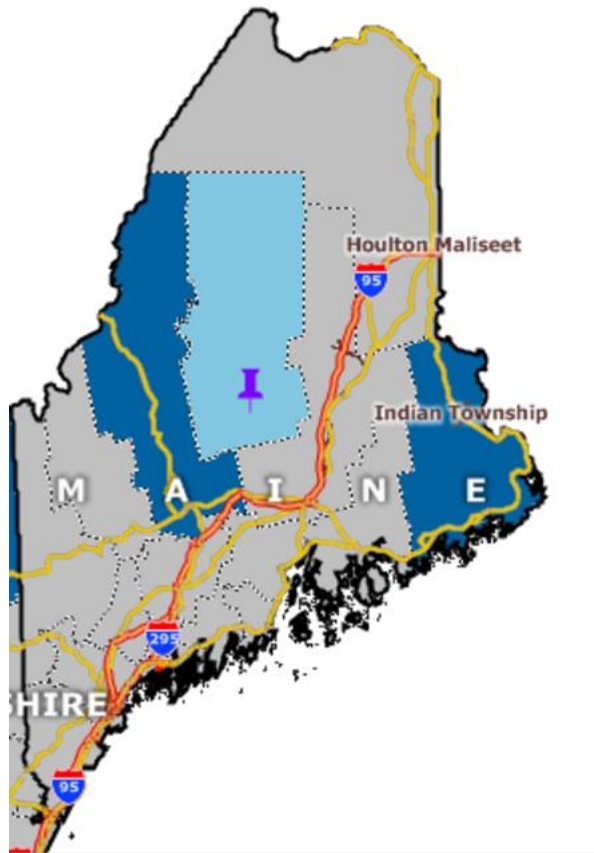
Do You Qualify?

- Must be a small business defined by industry.
- Principal business location (where the majority of the employees report to work each day) must be located in an identified census tract or county.
- 35% of employees must reside in an identified HUBZone area.
- Business must be owned at least 51% by US Citizens.

What are the benefits of being HUBZone certified?

- Eligible for HUBZone set-asides or in limited cases, sole source contracts.
- Subcontracting opportunities driven by 3% flow down goal to large primes.
- 10% price preference on full and open competition contracts applied against large businesses that are also bidding.

Where Are HUB-Zones in Maine?



All of Aroostook, Washington, Somerset and Piscataquis Counties are HubZone eligible. Additional areas include Tribal lands at Indian Township, Pleasant Point, Houlton (Maliseet) and Indian Island (Penobscot). There are also 55 census tracts located throughout the state that are HUBZone eligible.

Additional HUBZone Resources

www.sba.gov/HUBZone

SBA.GOV U.S. Small Business Administration

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Start Here: Is my location in a HUBZone?

Address City State ZIP Code Find Reset Coordinate Input

Eligibility Result

(Search County or All Counties)

State County Go Find Qualified Tracts Find Former Bases Find Indian Country

HUBZone Mapping

HUBZone Mapping
Other HUBZone Areas
State (Low)
0 200 400 600
Miles
Powered by Mapitude for the Web

Criteria for County HUBZone Designation
A Qualified Nonmetropolitan County is any county that is not located in a metropolitan area and that meets any of the following three criteria:

- the county's median household income is less than 80% of the nonmetropolitan state median household income, based on the most recent data available from the Census; or
- the county's unemployment rate is not less than 140 percent of the average unemployment rate for the United States or for the State in which such county is

- Interactive HUBZone maps.
- Short webinars on eligibility, location designations, principal office and employee requirements, contracts, joint ventures and protests, etc. at www.sba.gov/hubzone.
- Calculator to perform self-evaluation of eligibility.

What is the Women-owned Small Business Contracting Program?

The WOSB and EDWOSB Implemented in 2011 with the goal of expanding the number of industries where women owned businesses could compete for government contracts.

Offers a tool for federal contracting officer's to set-aside, or sole source if justified, contract opportunities for small businesses participating in the WOSB or EDWOSB program.

Highlights include:

- 113 industry codes (NAICS) eligible for set-asides in either WOSB (92) or EDWOSB (21) due to women being underrepresented in these industries (2015 DOC study).
- Firms must certify and document that they meet the qualifications.
- Self-Certification was eliminated in the NDAA for FY 2016 but the change is not effective yet. Stay tuned! In the meantime, you can still self-certify at certify.sba.gov or use an approved 3rd party certifier.
- Women owned businesses who either don't meet the qualifications of the program or choose not to participate may still compete for other federal contracts not set-aside under this program.

Are you eligible?

- Women (U.S. Citizen) must own and control at least 51% or more of the business.
- Women must have:
 - Direct ownership (No holding company or trust).
 - Control of the strategic policy setting, day-to-day management and administration of business operations.
 - Hold the highest position in the firm.
 - Work full-time in the business.

Do you qualify as Economically Disadvantaged?

Meet all criteria for WOSB certification PLUS:

- Personal net worth may not exceed \$750,000, excluding:
 - Equity in the firm.
 - Equity in primary residence.
 - Any income that can be documented as reinvested into the firm or used to pay taxes.
 - Funds in IRA or other retirement accounts that have penalties for early withdrawals.
- Adjusted gross income averaged over the past three years must not exceed \$350,000.
- Fair market value of all assets must not exceed \$6M (only exclusion is IRA or other retirement accounts with significant penalties for early withdrawals).

How to get certified?

- Register in www.Sam.gov.
- Go to <https://certify.sba.gov> and create an account in the new system (will need DUNS, MPIN, TIN).
- Complete SBA forms directly online and upload documents (pdf format) or upload 3rd party certificate.
- Once you complete the process, you will receive confirmation and email notifications for expiration and renewal notices.

Other Government Contracting Programs

Small Business set-aside contracts

- Relies on the business' self-certification based on registration in SAM (System for Awards Management)

All Small Mentor Protégé Program – began Oct of 2016

- 500 MPAs approved – Gives participants an option to joint venture with their partner
- Apply at certify.sba.gov

Service-disabled Veteran-owned Small Business (SDVOSB) & Veteran-owned Small Business (VOSB)

- Also relies on the self-certification in www.sba.gov for all agencies except Veterans Administration (VA).
- VA Verification is required for VA (prime and subcontracting) Visit www.va.gov to start the process.

Coming Soon ...

- Certify.SBA.gov will be expanded to include, Hubzone, and Dynamic Small Business Search.
- Businesses will be able to share information and documents across certification program office.

First Steps to Success

- Learn more at the SBA Government Contracting Classroom www.sba.gov/contracting under “Resources for Small Business.”
- Become a client of a Procurement Technical Assistance Center (PTAC).
- Register in System for Awards Management (SAM) & develop a winning profile in SBA’s Dynamic Small Business Search.
 - Keep it simple but complete and accurate.
 - Check out your competitors’ profile.
- Develop a one-page Capabilities Statement –MUST!

First Steps continued ...

- Investigate SBA programs for small businesses:
 - Certification programs, counseling and training from SCORE, Small Business Development Center, Women Business Center, loan and surety bonding guarantees.
- Do market research. Find out who has the need for your product or service and educate yourself on how they buy and who the decision makers are. Use small business specialists within the buying organizations to help guide you through the process.
- Practice searching for contract opportunities and preparing bids/offers (www.fbo.gov).
- Marketing your business is the most important step in winning federal contracts. Educate the buyer on how you can help them solve their needs!

Problem + Solution = Opportunity ... Be a problem solver!

What SBA Can Do to Help?

- General outreach “selling to the government”
 - One-on-one sessions/small business visits
 - Business Roundtables
 - Workshops
 - Matchmakers/Live Chats
- Access to contacts
 - Federal agency list
 - Large prime contractors list
- Certification programs
 - Help in application process for all certification programs
 - Manage 8(a) firms’ business development
 - Market firms to federal agencies and large primes

Resources Available to Small Businesses

- SBA District Office Staff & Area GC Staff
- Procurement Technical Assistance Center – PTACs
 - Maine Procurement Technical Assistance Center (ME-PTAC)
 - <http://www.maineptac.org>
1-800-339-6389

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