

# Women-Owned Small Business Contracting Program

# Women-Owned Small Business Federal Contract Program Frequently Asked Questions

# **Overview Questions:**

#### When Does the Women-Owned Small Business (WOSB) Federal Contract Program Start?

WOSBs may begin taking steps to participate in the WOSB Federal Contract Program on February 4, 2011. On that date, the WOSB rule becomes effective in SBA's regulations and SBA is opening the repository for WOSBs to upload required documents to prove their eligibility for the program. Small businesses interested in participating in the WOSB Program should begin educating themselves on the program, ensuring that they meet the requirements for Program participation and uploading their documents to the WOSB Program Repository.

On February 4<sup>th</sup>, SBA is also releasing the first version of the application to become an SBA-approved third party certifier for the WOSB program. We welcome comments and suggestions about the application and will refine it over time. We will open the third party certifier application process every six months.

To participate in the program, WOSBs will also need to update their status in the Central Contractor Registration (CCR) and the Online Representations and Certifications Application (ORCA). The General Services Administration is currently updating these systems for the WOSB Program and is expected to complete the updates in April 2011. The WOSB rule in the Federal Acquisition Regulation (FAR), which is the companion to the SBA rule, is going through the final review, and is also expected to be issued by April. The goal is for WOSBs and EDWOSBs to be ready to compete for contracts awarded in the fourth quarter of fiscal year 2011, which is when the largest percent of small business contracts are awarded.

More detailed information on the eligibility requirements and certification process for the Program can be found in the Compliance Guide for the WOSB Program.

#### Who Administers the WOSB Program?

The SBA is charged with implementing and administering the program. This means that SBA publishes regulations that provide the framework for the program, develops and maintains the WOSB Program Repository, conducts eligibility examinations of WOSBs and Economically Disadvantaged Women-Owned Small Businesses (EDWOSBs), reviews and makes decisions on protests, approves third party certifiers, conducts studies to determine eligible industries, and works with other Federal agencies in assisting WOSBs and EDWOSBs.

#### What is the Purpose of the WOSB Federal Contract Program?

The purpose of the WOSB Federal Contracting Program is to enable contracting officers to set aside certain contracts for competition among WOSBs or EDWOSBs for the provision of goods and services to the Federal Government. Restricting competition to qualified WOSBs and EDWOSBs increases their success to compete for and win federal contracts. The program also ensures a level playing field on which such small businesses can compete for Federal contracting opportunities.

Additionally, the Program provides procuring agencies a tool to help meet their WOSB contracting goal of 5% of prime contracting dollars being awarded to WOSBs.

#### How long can my company participate in the WOSB Program?

There is no term limit on program participation like there is in the 8(a) Program. You can receive WOSB Program contracts as long as you are eligible for the program and have met all of the requirements set forth in the regulations.

# **Eligibility Questions:**

#### Is my Firm Eligible as a WOSB or an EDWOSB?

Eligibility for WOSB: To be an eligible WOSB, a company must be: a small business that is at least 51% unconditionally and directly owned and controlled by one or more women who are U.S. citizens.

<u>Eligibility for EDWOSB:</u> To be an eligible EDWOSB, a company must be a WOSB that is at least 51% owned by one or more women who are "economically disadvantaged." However, SBA may waive this requirement of economic disadvantage for industries in which WOSBs are "substantially underrepresented."

A woman is presumed economically disadvantaged if she has a personal net worth of less than \$750,000 (with some exclusions), her adjusted gross yearly income averaged over the three years preceding the certification is less than \$350,000, and the fair market value of all her assets is less than \$6 million (with some exclusions).

<u>Control of a WOSB or EDWOSB</u>: To qualify as a WOSB or EDWOSB, the management and daily business operations of the concern must be controlled by one or more women, or economically disadvantaged women. Control by one or more women or economically disadvantaged women means that both the long-term decision making and the day-to-day management and administration of the business operations must be conducted by one or more women or economically disadvantaged women.

#### Can a Joint Venture participate in the WOSB Program?

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 (Unless exception in 13 C.F.R. §121.103(h)(3) applies),
- 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, and
- Joint venture can meet subcontracting limitations

Please note that the Joint Venture agreement does not have to be approved by SBA.

# **Certification Questions:**

#### What are the initial steps a firm should take to certify as a WOSB or an EDWOSB?

First businesses should read the WOSB Federal Contract Program <u>regulations</u> in the Federal Register and <u>Compliance Guide for the WOSB Federal Contract Program</u>. Then firms should log into <u>SBA's</u> <u>General Login System (GLS)</u> and obtain an account if they do not have one.

Firms should go to the WOSB Repository that is available starting February 4<sup>th</sup> and upload all requested documents. Firms may access the WOSB Repository through GLS. Firms also need to register in the Central Contractor Registration (CCR) and represent their status in the Online Representations and Certifications Application (ORCA). These two systems are currently being updated by the General Services Administration and are expected to be completed in April 2011.

#### How do you certify your company as a WOSB or an EDWOSB?

To become certified as a WOSB or an EDWOSB, a firm must either 1) self-certify OR 2) be certified by an SBA-approved third party certifier. There are currently no approved third party certifiers.

#### What is a Third Party Certifier?

A third party certifier is a national certifying entity approved by the Administrator that may engage in the certification process for the WOSB Program. Again, currently there are no approved third party certifiers.

#### How do you become a Third Party Certifier?

The SBA is releasing the first round of applications to become a third party certifier on February 4<sup>th</sup>. The application will be available on <a href="www.sba.gov/wosb">www.sba.gov/wosb</a>. This is the first version of the application. SBA welcomes comments and suggestions on how to improve the application and refine it over time. We plan to reopen the application process every six months.

#### Am I Required to Register as a WOSB?

All WOSBs and EDWOSBs must register their status in the *Central Contractor Registration (CCR)* and the *On-Line Representations and Certifications Application (ORCA)* as other small businesses do. WOSBs and EDWOSBs must also submit required documents to the WOSB Program Repository. The updates for the WOSB program in CCR and ORCA are expected to be available to small businesses in April 2011.

If someone falsely self certifies, misrepresents its status as a WOSB or EDWOSB or provides false information to the Government, the SBA or another Federal agency may propose to suspend and debar the firm. In addition, other penalties for criminal activities may be imposed.

# What is the WOSB Program Repository?

The WOSB Program Repository is a document repository maintained by SBA to house the documents submitted by WOSBs and EDWOSBs to verify their eligibility for the Program. The WOSB Repository is a secure, web-based environment that is accessible to only the WOSB/EDWOSB, SBA and contracting officers that the WOSB/EDWOSB has granted access.

#### How do I upload documents to the WOSB Program Repository?

You can easily upload documents to the WOSB Program Repository online through the SBA's GLS system. The Repository only accepts PDF or ZIP files. If you only have hard copies of certain documents, you must scan those documents into a PDF file and then upload it to the Repository.

#### If my firm is certified in the 8(a) Program, do I still need to certify for the WOSB Program?

If your firm is currently certified in the 8(a) Program, SBA will accept your 8(a) certification for the WOSB program. However, your firm still needs to upload the following documents to the Repository:

• 8(a) Program certification

The WOSB or EDWOSB Certification form (OMB 3245-0374)

# **Contracting Questions:**

#### Where Can I find the List of Eligible Industry Codes?

A list of the eligible industry codes is available on SBA's WOSB Federal Contracting Program web page. You may also contact the SBA's Office of Government Contracting Area Offices or the District Offices to obtain a list of eligible Industry Codes.

#### What Criteria Enables Contracting Officers to Restrict or Set-Aside Contracts for WOSBs?

In order to set-aside contracts for WOSBs or EDWOSBs, the contracting officer must:

- Ensure the NAICS Code is in an industry where SBA has determined that WOSBs or EDWOSBs are underrepresented or substantially underrepresented;
- Have a reasonable expectation that two or more WOSBs or EDWOSBs will submit offers for the contract;
- The contract award price must not exceed \$5 million in the case of manufacturing contracts and \$3 million in the case of all other contracts; and
- The contract can be awarded at a fair and reasonable price.

#### **Fraud Waste and Abuse Questions:**

#### What are Eligibility Examinations?

An eligibility examination is the formal process through which SBA verifies the accuracy of any certification made or information provided as part of the certification process or in connection with an WOSB or EDWOSB contract. An eligibility examination can be conducted at any time and is not tied to a particular solicitation or contract award. The statute also gives SBA the authority to conduct random eligibility examinations of WOSBs and EDWOSBs to minimize fraud and abuse.

#### How will I know when I am subject to an Eligibility Examination?

SBA will notify you within 5 business days before commencing an examination. However, SBA may conduct a site visit without prior notification.

#### What is a Protest?

An WOSB or EDWOSB status protest is a challenge to eligibility status of the EDWOSB or WOSB concern in connection with a specific EDWOSB or WOSB requirement or contract. An interested party, SBA or a contracting officer may file a protest.

#### Where do I File a Protest?

You can file a protest with the contracting officer in person, by facsimile, by express delivery service, email, or by U.S. mail (received by the applicable date). The contracting officer or SBA must file the protest directly with the Director, Office of Government Contracting.

#### **Resources Questions**

# Who do I contact for Assistance with the WOSB Federal Contract Program?

For more details on the WOSB Federal Contract Program, please visit our website at <a href="https://www.sba.gov/wosb">www.sba.gov/wosb</a>. On our site, you will find various documents to help you learn more about the program, including the Compliance Guide for the WOSB Federal Contract Program.

There are also a number of local resources available to help you learn more about the Program:

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

For specific questions about WOSB set aside contracts, you may contact the Federal agency contracting officer that is responsible for the contract and/or named in the contract documents. You may also visit SBA's WOSB Federal Contract Program web page for more information about the program.

For additional assistance with the WOSBFCP, you may also contact the SBA Answer Desk at: 1-800-U-ASK-SBA (1-800-827-5722) Answer Desk TTY: (704) 344-6640 [Spanish]