



U.S. Small Business  
Administration



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# GSA Stars III Kickoff

Kiya Perrin

Senior Business Management Specialist  
Office of Management and Technical Assistance

Igor Soares

Lead Business Opportunity Specialist  
Virginia (Richmond) District Office

# SBA Services

- The U.S. Small Business Administration (SBA) aids, counsels, and assists Americans as they start, operate, and expand their businesses
  - Provides **counseling** and training
  - Increases federal procurement/**contracting** opportunities
  - Facilitates access to **capital**

# Counseling

- Free, confidential, face-to-face business counseling and low-cost training
- Help with: business plans, financing, marketing, proposal writing, bonding, and more...
- Counseling resources
  - Small Business Development Centers (SBDCs)
  - SCORE
  - Veterans Business Outreach Centers (VBOCs)
  - Women's Business Centers (WBCs)
  - Procurement Technical Assistance Centers (PTACs) – DOD Resource

# Contracting

- U.S. Government is the world's largest buyer of goods and services
- SBA ensures small businesses receive a fair share
- Classes, workshops and counseling by SBA district offices and resource partners
- SBA contracting certifications:
  - 8(a) Business Development
  - Historically Underutilized Business Zone (HUBZone)
  - Women-owned Small Business
- Self-certifications:
  - Service Disabled Veteran-owned (SDVOSB) Small Business
  - Small Disadvantaged Business

# Capital

- SBA primarily a *guarantor* of loans made by private and other institutions (SBA Lenders)
- SBA financing programs
  - Microloans
  - Terms loans
  - Venture Capital
  - Surety Bonds



# Compliance

- Participation Agreement
- Business Plan
- Financial Statements
- Annual Update
- Program Structure
- 8(a) Review Process
- The Business Opportunity Specialist

# Know The Rules

- Federal Acquisition Regulations (FAR)
  - [www.acquisition.gov/far](http://www.acquisition.gov/far)
  - Part 19 – Small Business Programs
- Code of Federal Regulations
  - [www.ecfr.gov](http://www.ecfr.gov)
  - 13 CFR 124 - 8(a) BD Program
  - 13 CFR 125.6 - Limitation on Subcontracting
  - 13 CFR 121 - Affiliation



# Business Opportunity Specialist

- What a BOS *is*:
  - Your advocate – Your point of contact in the 8(a) program
  - Your advisor – 8(a) program process
  - Your compliance officer – Annual review, yearly requests (Mentor/Protégé, Joint Ventures, Change of Ownership, etc.)
- What a BOS is *not*:
  - Your personal marketing manager
  - Your federal contracting assistant
  - Your contracts manager
  - Your legal counsel
  - Your accountant
  - Your business development vice president

# Competitive Business Mix

## Required Non 8(a) Business Activity Target During The Transitional Stage

Transitional  
Stage Years

Non-8(a) Revenue  
% of total Revenue

5

15%

6

25%

7

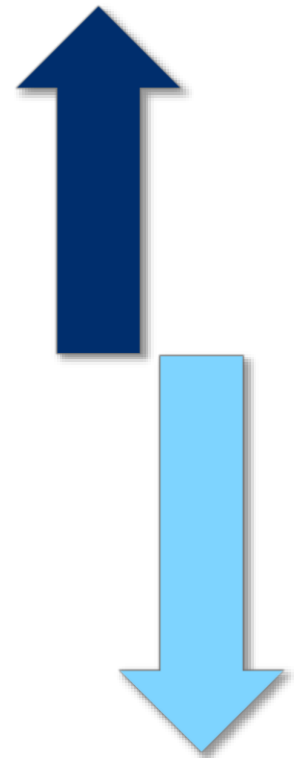
30%

8

40%

9

50%



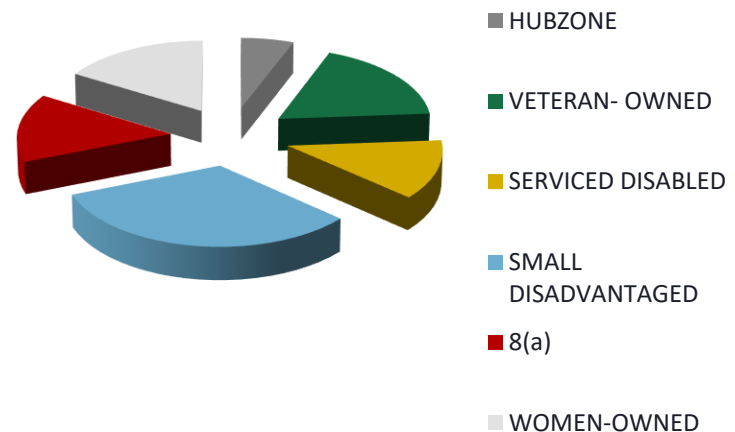
# Obtaining Government Contracts

- WMADO Contracting Statistics
- What is a Requirement?
- NAICS Codes
- Key Relationships
- Where to Start?
- Mentor Protégé
- Joint Ventures

# WMADO Contracting Statistics – FY18

WMADO Servicing Area  
Contracting Dollars (FY2018)

HUBZone:	\$1,380,170,881
Veteran-Owned:	\$6,697,325,378
Service Disabled:	\$4,983,320,814
Small Disadvantaged:	\$12,498,451,837
• 8(a):	\$4,697,726,914
Women-Owned:	\$7,004,298,251
Total Contracting :	\$98,034,694,093



**WMADO processed over 1300 actions  
totaling over \$4.5 Billion**

# 8(a) Stars III Overview

- The 8(a) STARS III GWAC ordering period is a five year base with one three year option.
- This ordering period began on July 2, 2021.
- The ceiling for 8(a) STARS III is \$50 billion.
- 8(a) STARS III allows for fixed price, time and materials, labor-hour or a hybrid blend of these task order types.

[8\(a\) STARS III | GSA](#)

# Thresholds for Non-Entity Owned Firms

1. 8(a) Sole source requirements:
  - Services - total is under \$4.5 million
  - Manufacturing - total is under \$7 million
2. 8(a) Competitive requirements:
  - Services - total exceeds \$4.5 million
  - Manufacturing – total exceeds \$7 million

# Thresholds for Entity Owned Firms

Sole Source J&A Thresholds		
	DOD	Civilian Agencies
NHO	\$100M	N/A
ANCs	\$100M	\$25M
Tribes	\$100M	\$25M

# 8(a) BD Contracting Offer and Acceptance

- **What are Offer Letters?**

- A procuring activity indicates its intent to award a requirement under the 8(a) BD program by submitting an offering letter to SBA.
- Offer letters are **NOT** contracts, contracting opportunities.
- Offer letters are submitted by Federal agencies to SBA
  - Information that must be included in an activity's offering letter is found in 13 CFR § 124.502(c) and the Federal Acquisition Regulations (FAR) 19.804-2.
- Most Offer Letters are sent to your district office's central email inbox

- **What is an Acceptance Letter?**

- An acceptance letter is SBA's formal notification that it accepts a requirement into the 8(a) BD program for sole source or competitive award.



# 8(a) BD Contracting

## SBA Response Time

- Based on a signed Partnership Agreements with federal agencies:

### **Simplified Acquisition Purchase – SBA has 2 working days**

- Can negotiate pricing before eligibility confirmation/offer letter
- No formal offer letter required but eligibility **must** be confirmed

### **Sole Source Procurement - SBA has 5 working days**

- Threshold is \$250K-\$4.5M Services; \$7.5M for Manufacturing
- Up to \$25M for ANC's, ITOs and NHOs before a Justification & Approval (J&A) must be completed
- Offering letter is submitted to the firm's servicing SBA District Office

### **Competitive Procurement – SBA has 5 working Days**

- Can be submitted to any SBA office, unless construction procurement which is based on locality
- Section 12 should be left blank
- Details of market research can be included

# 8(a) BD Contracting

## SBA Role & Responsibility

**Evaluation of the procurement opportunity and eligibility & capacity of the 8(a) firm**

- Confirm firm current & in compliance with 8(a) program
- Confirm firm is small under the requested NAICS code
- Confirm sole source restrictions (transitional stage of the 8(a) program)
- No sole source contract awards after firm graduates

# Key Relationships

- Business Opportunity Specialist (BOS)
  - Advocate, advisor, compliance officer
- Commercial Market Representative (CMR)
  - Subcontracting
- Procurement Center Representative (PCR)
  - Small business set-asides
- Procurement Technical Assistance Center (PTAC)
  - Counseling and training services
- Office of Small and Disadvantaged Business Utilization (OSDBU)
  - Advocate within your target agency



# Where to Start?

- Identify your niche in the federal market
  - Dynamic Search Business System- [dsbs.sba.gov](https://dsbs.sba.gov)
- Identify one or two agencies that are most likely to need your product
- Market research
  - Research procurement histories by meeting with your BOS, PTAC, search at [www.fpds.gov](https://www.fpds.gov) & GSA Stars III Dashboard

# Where to Start?

- Monitor agency forecast
  - Contact OSDBU or search on the agency website for their forecast
- Network
  - PTACs sponsor regular “matchmaking” events, and they can help you connect with agency buying officers, prime contractors, and other businesses
- Identify bid opportunities
  - GSA Stars III Dashboard
- Participate in 7(j) trainings

## Eligibility Population – Who Qualifies for 7j Training?

- Not just 8(a) certified firms, other disadvantaged firms
  - Firms in low income areas
  - Firms owned by low income individuals
  - Economically disadvantaged women-owned firms
  - HUBZone firms
- The Tribal firms from “Native American, Alaska Native and Native Hawaii”
  - Office of native American affairs - tie in the tribal firms that qualify

## 7j Training Offered

- 10 vendors through the Office of Business Development and 7 vendors through the Office of Native American Affairs
- 74 course offerings, types of courses offered:
  - Market Intelligence (Bidspeed)
  - Cybersecurity Awareness
  - Pursing and Winning Federal Contracts
  - Market Research/Proposal Strategies
  - Financial Management
  - Construction Contracting
- It's **FREE**

## Success rate

- Evaluation of the 7(j) program revealed the following for firms taking the 7(j) training:
  - 12% higher probability of receiving an initial federal contract
  - Increases the likelihood of obtaining federal contracts for 8(a) businesses from 47% to 59%
  - Firms obtained their first contract 77 days faster than businesses that did not

## How Can You Help

- Counsel firms they meet with
- Encourage them to enroll in SBA's free training courses
- Collaborate with your local SBA District Office and PCR
- Firms can enroll directly with the SBA District Office or the vendor

# Keys to Marketing

- Relationships – Network - Connect
- Identify what your customer needs
  - Sell what is needed, not necessarily what you offer
- LEAD with your capabilities, end with your certifications – federal customers, large prime contracts
- Attend procurement conferences and business expos
- Attend Business Matchmaking events

# Strategic Partnerships

- Mentor/Protégé
- Joint Venture
- Teaming Arrangements (prime/sub)
- Risk and reward with creating partnerships



# Contact Information

For more information regarding the 8(a) Program, please contact your servicing district office utilizing the link below:

- [District Office Directory](#)
- For general information on other SBA resources please access:
  - <https://www.sba.gov/federal-contracting>



# Thank You