

The Women-Owned Small Business (WOSB) Federal Contracting Program & the Impact of the National Defense Authorization Act of 2013 (NDAA)

Presented by

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Background

Program Overview

Eligibility Requirements

Certification and Repository

WOSB Federal Contracting Program Background

★ On <u>December 21, 2000</u>, Congress enacted the Small Business Reauthorization Act of 2000, Public Law 106-554. Section 811 of that Act added a <u>new section 8(m)</u>, <u>15 U.S.C.</u> <u>637(m)</u>, authorizing Federal contracting officers to <u>restrict</u> <u>competition</u> to eligible Women-Owned Small Businesses (WOSBs) or Economically Disadvantaged Women-Owned Small Business (EDWOSBs) for Federal contracts in certain industries.

Section 8(m) of the Act sets forth certain statutory requirements for this program that specify the manner in which SBA is to identify included NAICS categories. In particular, <u>section 8(m) instructs SBA to conduct a study to identify</u> <u>industries in which WOSBs are underrepresented</u> with respect to Federal procurement contracting.

WOSB Federal Contracting Program Background

April 2007 Kauffman-RAND Institute for Entrepreneurship Public Policy Study <u>"The Utilization of WOSB's in Federal</u> <u>Contracting"</u>

Study determined underrepresentation is expressed in a "<u>disparity ratio</u>."

The "Disparity Ratio" referred to the <u>utilization of WOSBs in</u> <u>Federal contracting vs. availability of such contracts in</u> <u>particular Industries.</u>

- Disparity Ratio of 1= Not Underrepresented
- \Rightarrow Disparity Ratio of ≥0.5 and ≤ 0.8= Underrepresented (EDWOSB)
- Disparity Ratio of < 0.5= Substantially Underrepresented (WOSB)</p>

WOSB Federal Contracting Program Background

- ★ This program was incorporated in the FAR April 1, 2011 FAR 19.15
- SBA designated 83 4-digit (Industries) NAICS Codes for the WOSB Program
 - **38 NAICS Codes for Substantially Underrepresented WOSBs**
 - ★ <u>45 NAICS Codes for Underrepresented EDWOSBs</u>

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

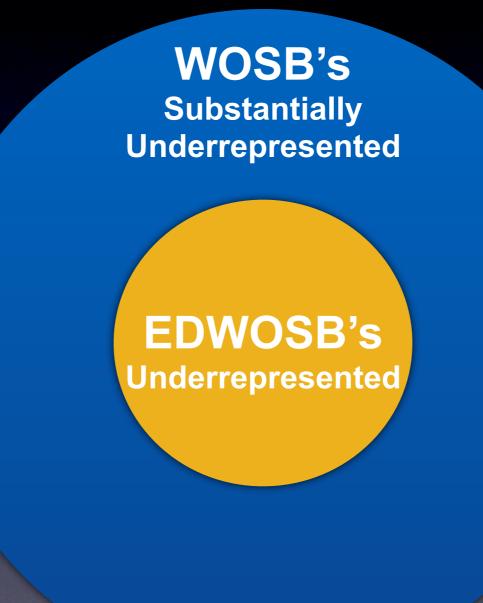
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WOSB Federal Contracting Program Program Overview



WOSB Federal Contracting Program Program Overview

Provides Agencies with a tool to meet their WOSB goal Levels the playing field for WOSBs to compete for and win federal contracts

Ultimately helps create and retain more jobs for WOSBs

Women-Owned Small Business Clarification

☆Only applies to Prime Contracts



Only set asides are allowed under this program

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Program Overview

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WOSB Federal Contracting Program Eligibility Requirements for WOSB's

Meet small business size standard for primary NAICS code and contract

At least <u>51% unconditionally and directly owned</u> by women who are U.S. citizens

A woman must hold highest officer position in the Company

The woman must manage the day-to-day operations

The woman must make the **long-term decisions** for the business

The woman must work at the business full-time during normal working hours

WOSB Federal Contracting Program Eligibility Requirements for EDWOSB's

Same requirements as **WOSBs** (on previous page) **PLUS**:

Personal net worth (assets minus liabilities) is less than <u>\$750,000</u>

Adjusted gross income average over three years is less than \$350,000

x Fair market value of assets does not exceed \$6 million

WOSB Federal Contracting Program Requirements for Set-Asides

	WOSB Set-Aside	EDWOSB Set-Aside
Industries	38 NAICS	45 NAICS
Rule of Two	Reasonable expectation that 2 or more WOSBs will submit an offer	Reasonable expectation that 2 or more EDWOSBs will submit an offer
Award Price	<u>\$6.5M for manufacturing or \$4M for other contracts</u> Fair market price	

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Program Overview

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WOSB Federal Contracting Program Certification and Repository

Self Certification

Third Party Certification



4 third Party Certifiers approved by the SBA under the WOSB Program

El Paso Hispanic Chamber of Commerce

National Women Business Owners Corporation

- **US Women's Chamber of Commerce**
- Women's Business Enterprise National Council (WBENC)

General Login System (GLS): https://eweb.sba.gov/gls

Detailed instructions of how to sign-up and use the Repository are at <u>www.sba.gov/wosb</u>

Background

Program Overview

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National Defense Authorization Act of 2013 (NDAA) Impact

★ On January 2, 2013 President Obama signed H.R. 4310, the National Defense Authorization Act (NDAA) for Fiscal Year 2013, making significant changes to contracting programs within the federal government

★NDAA Section 1697 removes the dollar limitations for eligible Women-Owned Small Businesses (WOSBs) or Economically Disadvantaged Women-Owned Small Business (EDWOSBs) under the WOSB Federal Contracting Program

Requires the SBA to conduct a study to identify and report industries which are underrepresented by WOSB's and every five years after

WOSB Federal Contracting Program Examples

ARC has a requirement with an assigned NAICS 812990, Other Personal Services, and has an estimated value of \$12M

No - Dollar value exceeds the statutory thresholds

The requirement is assigned NAICS 518210, Data Processing, Hosting and Related Services, with an estimated value of \$2.8M

Can be set aside for WOSB's not EDWOSB's; however since EDWOSB's are WOSB's they can submit a response to the requirement

SBA with the Office of Federal Procurement Policy under the President's Office of Management and Budget are working on implementation including changes to the Federal Acquisition Regulation

WOSB Federal Contracting Program Lessons Learned

Agencies were not completely familiar with the program and used the wrong NAICS codes, NASA did it right!

 \star Training the Acquisition personnel

★ SBA Training for Contracting Officers

★ NASA Course - Small Business Training for the Acquisition Professional

Know your customer - Review the Small Business Dashboard <u>http://smallbusiness.data.gov</u>

Contractors a list of the top Contractors at every Agency

A Respond to Sources Sought Notices and RFI's

If you have received a WOSB/EDWOSB set aside emphasize it!

WOSB Federal Contracting Program Contact Information

NASA Office of Small Business Programs 300 E Street, Suite 2K39 Washington, DC 20546 Tel: (202) 358-2088 Website: http://osbp.nasa.gov NASA Vendor Database: https://vendors.nvdb.nasa.gov Facebook: www.facebook.com/NASASmallBusiness Twitter: http://twitter.com/NASA_OSBP

Questions?