



# 8(a) Business Development Program

**SAME October 14, 2020**

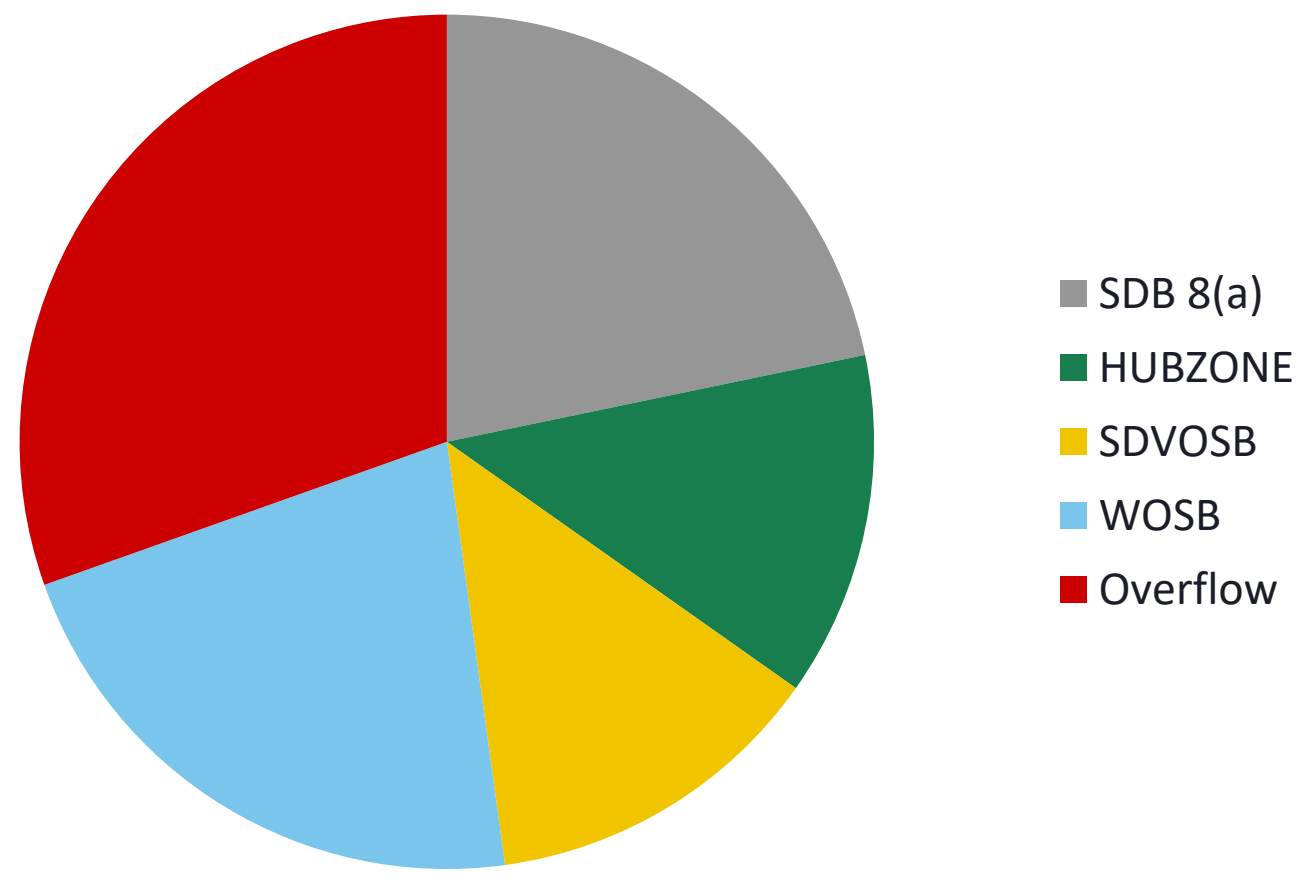
**John Engstrom**

# San Diego 8(a) Business Development Team

- Carlos Liu – Lead BOS
- Merica Le – BOS
- John Engstrom - BOS

# Federal Mandate 23% to Small Businesses

Sales



# Small Business Goals

Category	Goal	2015		2016		2017		2018		2019 <sup>(1)</sup>	
		\$(B)	%SB	\$(B)	%SB	\$(B)	%SB	\$(B)	%SB	\$(B)	%SB
Small Business	23%	\$90.70	25.70%	\$99.70	24.40%	\$105.70	23.80%	\$120.80	25.05%	\$132.90	26.50%
Small Disadvantaged Business	5%	\$35.40	10.10%	\$39.10	9.40%	\$40.20	9.10%	\$46.50	9.65%	\$51.60	10.29%
Service-Disabled Veteran Owned Small Business	3%	\$13.80	3.90%	\$16.30	4.00%	\$17.90	4.10%	\$20.60	4.27%	\$22.00	4.39%
Women Owned Small Business	5%	\$17.80	5.10%	\$19.70	4.80%	\$20.80	4.70%	\$22.90	4.75%	\$26.00	5.19%
HUBZone	3%	\$6.40	1.80%	\$6.90	1.70%	\$7.30	1.70%	\$9.90	2.05%	\$11.40	2.28%

# Subcontracting Can Be A Win-Win

- How many of you are from large primes?
- There's a federal mandate for large primes that a certain percentage of their team be comprised of small businesses
- If you are looking for small businesses as subcontractors, we have 89 small businesses that are 8(a) certified, 86 that are HUBZone certified and many are also SDVOSB and WOSB certified. In fact, one of my firms has 4 certifications!
- Subcontracting to a Prime Contractor is a great way for our firms "get a foot in the door" of government contracting and to build past performance!

# Small Businesses Partnering With Other Small Businesses

- How many of you are small business owners?
- How many of you are 8(a) certified?
- How many of you are HUBZone certified?
- How many of you would like access to 8(a) and HUBZone contracts?
- Send your capability statement to me at [john.engstrom@sba.gov](mailto:john.engstrom@sba.gov)
- I will blast that out to my 8(a) and HUBZone firms

# Primary NAICS Codes of Our 88 8(a) Firms

- 236220 – 15
- 541512 – 8
- 541330, 541511 – 5
- 237310, 238210, 238990, 518210, 541611, 541620, 561720 – 3
- 238220, 541519, 561210 – 2

# Only One of Our 8(a) Firms Have These Primary NAICS Codes

- 236210, 237110, 238110, 238120, 238320, 238350,  
238910, 333514, 334111, 424720, 425110, 442210,  
444130, 453210, 511210, 541211, 541613, 541618,  
541715, 541820, 561320, 562910, 611310, 712120,  
713940, 721110, 722310, 811213, 811310



# What have the 8(a) firms in San Diego Accomplished in FY 2017?

- \$919,901,962 in federal government contracts were offered to 8(a) firms within the San Diego District in FY 2017

# Four Government Contracting Programs

## [www.sba.gov](http://www.sba.gov)

- 8(a) Business Development Program
- HUBZone Program
- Service-Disabled Veteran-Owned Small Business Program (SDVOSB)
- Women-Owned Small Business Federal Contracting Program (WOSB)
- You can find this at [www.sba.gov](http://www.sba.gov) under Federal Contracting and Contracting Assistance Programs

# What is the 8(a) Program?

- 9-year program that helps socially and economically disadvantaged small businesses obtain federal government contracts
- 13 CFR § 124.103 and 13 CFR § 124.104
- 1<sup>st</sup> 4 years are developmental
- Last 5 years are transitional where additional focus is placed on non 8(a) contracts
- 15%, 25%, 35%, 45% and 55%

# How Can I Qualify for the 8(a) Program?

- Be a [small business](#)
- Be in business for at least 2 years
- Not already have participated in the 8(a) program
- Be at least 51 percent owned and controlled by U.S. citizens who are economically and socially disadvantaged
- Be owned by someone whose personal net worth is \$750,000 or less

# How Can I Qualify for the 8(a) Program?

- Be owned by someone whose average adjusted gross income for three years is \$350,000 or less
- Be owned by someone with \$6 million or less in assets
- Have the owner manage day-to-day operations and also make long-term decisions
- Have all its principals demonstrate good character
- Show potential for success and be able to perform successfully on contracts

# How to Certify for the 8(a) Program

- Before you can participate in the 8(a) business development program, you must be certified.
- To get certified as an 8(a) business, simply use the [certify.SBA.gov](https://certify.sba.gov) website. You'll need to have a profile at [SAM.gov](https://SAM.gov) before you can use the certification website. The information you'll need to provide will vary based on your business structure and whether you're already participating in other SBA programs.
- After you successfully complete your certification process through [certify.SBA.gov](https://certify.sba.gov), you should update your business profile at [SAM.gov](https://SAM.gov) to show contracting officers that your business is in the 8(a) program.

# How to Certify for the 8(a) Program

- You'll receive a letter in the mail informing you if your application was approved or not. If you're accepted into the program, your profile in the Dynamic Small Business Search will show your approval date and exit date for the program.
- Your certification will last for a maximum of nine years. You'll need to complete annual reviews to maintain your good standing in the program.

# SBA's 8(a) Business Development Program

- Questions
- [John.Engstrom@sba.gov](mailto:John.Engstrom@sba.gov)
- [www.sba.gov](http://www.sba.gov)