

Women-Owned Small Business Federal Contract Program

February 2011

The Women-Owned Small Business Federal Contract Program provides equal access to federal contracting opportunities for women-owned small businesses (WOSB) and economically disadvantaged women-owned small businesses (EDWOSBs). The program allows contracting officers to set aside specific federal contracts for certified WOSBs and EDWOSBs.

General Program Details:

The WOSB Program becomes effective in SBA's regulations on February 4th, 2011. On that date, small businesses may begin taking steps to participate in the Program. Over the next few months the SBA will hold a number of training and outreach events to help small businesses understand the program and its requirements, as well as provide detailed information on the SBA website. The WOSB rule in the Federal Acquisition Regulation (FAR), is now going through the final review, and is 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.

Eligibility Requirements for the Program:

To be an eligible WOSB, a company must be:

- A small business that is at least 51% percent unconditionally and directly owned and controlled by one or more women who are United States citizens.
- A woman must manage the day-to-day operations, make long-term decisions for the business, hold the highest officer position in the business and work at the business full-time during normal working hours.

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". SBA may waive the 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 less than \$350,000, and the fair market value of all her assets is less than \$6 million.

Please note that for both WOSB and EDWOSB, the 51% ownership must be unconditional and direct.

Certification:

To participate in the Program, a WOSB or EDWOSB must meet the eligibility requirements and either 1) self-certify their business **OR** (2) be certified by an SBA-approved Third-Party Certifier.

All WOSBs and EDWOSBs must register their status in the *Central Contractor Registration (CCR)* and the *Online Representations and Certifications Application (ORCA)*, as well as upload required documents to the WOSB Program Repository. CCR and ORCA are currently being updated to allow WOSBs and EDWOSBs to register and are expected to be ready in April 2011. The WOSB Program Repository will be available on February 4th.

Third-Party Certification: A third party certifier is a national certifying entity approved by the Administrator that may engage in the certification process for the WOSB Program. At this time, no third party certifiers have been approved by SBA. SBA is releasing the application to become a third party certifier on February 4th. Applications will be available at: www.sba.gov/wosb.

Contracting Details:

Eligible Industry Codes: There are <u>eighty-three 4-digit North American Industry Classification</u>
Systems (NAICS) codes that are eligible for Federal contracting under the WOSB Program.

Contracting officers may set aside a requirement for WOSBs if:

- The NAICS code is in an industry in which SBA has designated that WOSBs are substantially underrepresented.
- The contracting officer has a reasonable expectation that two or more WOSBs will submit offers.
- The anticipated award price of the contract does not exceed \$5 million in the case of manufacturing contracts and \$3 million in the case of all other contracts.
- The contracting officer believes the contract can be awarded at a fair and reasonable price.

Contracting officers may set aside a requirement for **EDWOSBs** if:

- The NAICS code is in an industry in which SBA has designated that WOSBs are underrepresented.
- The contracting officer has a reasonable expectation that two or more EDWOSBs will submit offers.
- The anticipated award price of the contract does not exceed \$5 million in the case of manufacturing contracts and \$3 million in the case of all other contracts.
- In the estimation of the contracting officer, the contract can be awarded at a fair and reasonable price.

**For more information, please read the WOSB Federal Contract program <u>regulations</u> in the Federal Register and the <u>Compliance Guide for the WOSB Federal Contract Program</u>. Additional information can also be obtained by visiting the WOSB Federal Contract Program web page at www.sba.gov/wosb.