Puerto Rico Federal Contracting Center
a Procurement Technical Assistance Center

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Learning Objectives

- Understand the basic requirements
  - How to register to do business with the federal government
  - Finding business opportunities
  - Conducting market research
- How to use the socio-economic programs as an additional competitive edge
- Learn where to go for support in selling to the federal government
1. Identify your product or service as the Government does North American Industry Classification System (NAICS) [www.census.gov/eos/www/naics](http://www.census.gov/eos/www/naics)


4. Register in the Central Contractor Registration System [www.sam.gov](http://www.sam.gov)
The socio-economic programs as a competitive edge

- 8(a) Business Development Program
- HUBZone Program
- Women Owned Small Business Program
- Veteran Owned Small Business Program
8(a) Business Development Program

- Promote the business development of small business concerns owned and controlled by socially and economically disadvantaged individuals
- Certified firms can potentially receive sole-source contracts up to:
  - $4 million for goods and services
  - $6.5 million for manufacturing
- 8(a) program participants are not in any way guaranteed or entitled to receive federal contracts
- Joint ventures and teaming
- Mentor-Protégé Program
8(a) Basic Eligibility Requirements

- Socially Disadvantaged
- Economically Disadvantaged
  - Net worth must be less than $250,000 - after excluding the individual’s equity in the firm, unavailable pension funds and equity in the primary residence
- Citizens of the United States
- In business for two years
  - Waiver of the Two Year Rule
- How long does it take to get certified?
  - 15 days screening period and a 90 day processing time
- Maximum 9 year participation in the program

Persons or principals used to determine socially and economically disadvantaged status, must be the direct and unconditional majority owners
The HUBZone Program

- Program is designed to help small firms in certain communities gain access to federal contract opportunities
- HUBZone areas: typically areas of low median household incomes or high unemployment, or both
- As of March 15, 2013 there were 33 HUBZone certified firms in Puerto Rico
- Set asides – Contracting officers can reserve or set-aside specific contracts for qualified HUBZone firms
- Government-wide contracting goals require that at least 3% of all federal prime contracting dollars and 3% of all federal subcontracting dollars flow to certified and qualified HUBZone firms
- A price evaluation preference of 10% can be applied to certified HUBZone firms in full and open contract competitions.
HUBZone Eligibility Requirements

- Small business (by SBA standards)
- Owned and controlled by at least 51% U.S. citizens or a community development corporation, an agricultural cooperative, or an Indian tribe
- Principal office must be located within a designated HUBZone
- At least 35% of its employees must reside in a HUBZone
- Term of Participation as long as:
  - Business remains in a HUBZone certified area
  - 35% of the employees live in a HUBZone area
  - Business remains small
  - Meet all other terms of the certification
SBA has created an electronic tool where you can insert the address and zip code of a specific location (or its coordinates) to determine if that location is recognized as a designated HUBZone.

HUBZones are determined by the government – using the most current census, unemployment and other data.

http://map.sba.gov/hubzone/maps
Women-Owned Small Business Program

- The program authorizes contracting officers to set aside certain federal contracts for eligible:
  - Women-owned small businesses or
  - Economically disadvantaged women-owned small businesses
- Levels the playing field for WOSBs to compete for and win federal contracts
- Provides procuring agencies a tool to help meet their 5% WOSB contracting goal
- Helps create and retain more jobs for WOSBs
## Requirements for Set Asides

<table>
<thead>
<tr>
<th></th>
<th>WOSB Set Aside</th>
<th>EDWOSB Set Aside</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industries</strong></td>
<td>• NAICS code assigned to solicitation is in an industry in which WOSBs are <strong>substantially underrepresented</strong> (38 4-digit NAICS designated)</td>
<td>• NAICS code assigned to solicitation is in an industry in which WOSBs are <strong>underrepresented</strong> (45 4-digit NAICS designated)</td>
</tr>
<tr>
<td><strong>Rule of two</strong></td>
<td>• Contracting officer has reasonable expectation that 2 or more WOSBs will submit an offer</td>
<td>• Contracting officer has reasonable expectation that 2 or more EDWOSBs will submit an offer</td>
</tr>
<tr>
<td><strong>Award price</strong></td>
<td>• Anticipated award price including options does not exceed the statutory thresholds of <strong>$6.5M for manufacturing or $4M for other contracts</strong></td>
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A complete list of applicable NAICS codes can be found at [www.sba.gov/wosb](http://www.sba.gov/wosb)
Eligibility - WOSB Program

- **WOSB**
  - ✓ 51% owned & controlled by one or more women who are US citizens
  - ✓ Ownership must be direct and not subject to limitations
  - ✓ Woman or women must manage day to day operations

- **EDWOSB**
  - ✓ Satisfy all conditions of WOSB
  - ✓ Personal net worth of less than $750,000
  - ✓ Adjusted annual income of $350,000 or less
  - ✓ Market value of all assets does not exceed $6 million
Certification - WOSB Program

- Self certification
  - WOSB or EDWOSB can self certify
  - Registration in SAM (CCR & ORCA) is required
  - Contracting officer may/will request additional documentation
  - All documents will be maintained in WOSB Program Repository
    - Review: http://www.sba.gov/wosb

- Third Party Certification
  - Can be certified by third party certifier – federal agency, state government or national certifying entity approved by SBA
  - Existing DBE or 8(a) program certification may be eligible
Veterans Programs (VOSB & SDVOSB)

- Established 3% government-wide prime and subcontracting goals for service disabled veteran owned small businesses
- Self-certification program except for VA contract opportunities
- Verification requirement may become mandatory for all federal agencies
- SDVOSB Program
  - ✓ Contract set-asides are authorized
The Veteran owner(s) have direct, unconditional ownership of at least 51% of the company and have full decision making authority.

The Veteran manages the company on both a strategic policy and a day-to-day basis.

The Veteran holds the highest officer position.

The Veteran should be the highest compensated employee unless there is a logical explanation otherwise.

The Veteran has the managerial experience of the extent and complexity needed to manage the company.
Finding Business Opportunities

- Federal Business Opportunities
  [www.fbo.gov](http://www.fbo.gov)
- Fedbid
  [www.fedbid.com](http://www.fedbid.com)
- Agencies’ websites
Conducting market research

- SAM
  [www.sam.gov](http://www.sam.gov)
- SBA Small Business Dynamics
- Federal Procurement Data System
  [https://www.fpds.gov](https://www.fpds.gov)
- Agency Recurring Procurement Forecasts
Puerto Rico Federal Contracting Center
www.federalcontractingpr.com

- A division of the Puerto Rico Industrial Development Company (PRIDCO)
- Cooperative agreement with Department of Defense (DoD)
- Part of a nationwide network of 92 PTACs
- 26 years of experience
<table>
<thead>
<tr>
<th>Mission</th>
<th>Goal</th>
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<tbody>
<tr>
<td>To proactively position businesses in the federal government market while actively assisting and matchmaking companies with federal contracts available.</td>
<td>To generate employment and improve the general economy of Puerto Rico by assisting business firms to obtain and perform under federal state, and municipal government contracts.</td>
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<td>Services</td>
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<td>------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
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<tr>
<td>Help the entrepreneurs decide if this is the right market for them</td>
<td>GSA schedules application</td>
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<td>Market research</td>
<td>Mentor-Protégé Programs</td>
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<td>Registrations &amp; certifications:</td>
<td>Marketing the products or services</td>
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<tr>
<td>• Central Contractor Registration</td>
<td>Preparation of Invitation for Bids and Request for Proposals</td>
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<tr>
<td>• Duns &amp; Bradstreet registration</td>
<td>Bid matching service</td>
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<tr>
<td>• Veterans verification program</td>
<td>Sub-contracting and networking opportunities</td>
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<tr>
<td>• SBA 8a program</td>
<td>Training</td>
</tr>
<tr>
<td>• SBA HUBZone program</td>
<td>All Services are Free of Charge</td>
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<tr>
<td>• Women-Owned Business</td>
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Thank you…

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