

Getting Share of Government Pie

Selling to the government is big business, billions of dollars per year. The U.S. Government purchases a multitude of products and services. Several statutory goals have been established to ensure that small business gets a fair share. The goals include:

23% of prime contracts to small business

5% of prime and subcontracts to small disadvantaged business

5% of prime and subcontracts for women-owned small businesses

3% of prime contracts for small businesses located in a HUB zone.

3% of prime and subcontracts for service-disabled, veteran-owned small businesses.

Government agencies are more than willing to contract to the small business. The trick, as a small business owner, is to get your foot in the door and know how to work within their requirements. There are several programs available to assist. The first group of programs I'll discuss is available to any small business in the State of Utah.

The Utah Procurement Technical Assistance Center provides guidance on registration and certification assistance as well as a bid-match service. The bid-match service searches a database of new procurement opportunities based on keywords that you identify for your business. Any RFP's including the terms that you have identified will be e-mailed to you. You, of course, must prepare the proposal and submit to the government agency, but the

UPTAC counselors can give you advice and guidance. Our local contact for UPTAC is Dave Douglas at 801-593-2242



Located at Hill Air Force Base is the Small Business Office. The staff there offers one-on-one counseling to “provide assistance in understanding procurement regulations and practices, determine the appropriate buying office for specific business products and services, provide advice on how to best pursue contracting opportunities and to provide pertinent information on present and future procurements.” I recommend that you check out their guides and training at <http://www.hill.af.mil/library/factsheets/factsheet.asp?id=5612> before calling.

My office will also help any business that receives a government contract to get their accounting system in compliance with DCMA accounting requirements. Depending on the type of contract received, this can be an essential element to maintaining the contract.

A second group of programs is more discriminatory as to which business may participate. They are the SDB and 8(a) programs. SDB stand for Small Disadvantaged Business, the second item on the goals list. To

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be eligible for either of these programs the business must be owned in majority by individuals who have been subjected to ethnic or racial prejudice or cultural bias. Groups that are eligible include African American, Hispanic Americans, Native American and Asian Americans with other groups considered. Socially and economically disadvantaged is the key. Personal net worth and involvement in the business is analyzed.

The two programs are similar with 8(a) status automatically qualifying as SDB certified. The SDB program offers a couple important incentives in addition to the 5% contracting goal. One incentive is a price evaluation adjustment of up to 10%.

Participants in the 8(a) program can receive sole-source contracts that are set-aside for 8(a) firms only. The business stays in the program for nine years, the first four as a developmental stage and the remaining five as a transition stage. The business is expected to be able to survive without the special assistance after the nine years. Business must be in operation for a minimum of two years prior to applying for 8(a) status, meet small business size standards, display reasonable success and demonstrate the capacity to perform

A new program offered under the SBA's 8(a) program is the Mentor Protégé program. This program places the business with mentors who can provide technical and management assistance. This program can bring a wealth of experience and know-how to the protégé on the Government's nickel. What a deal!

All these programs are monitored by the SBA. Find information at www.SBA.gov or contact my office for the next SBA workshop.

The fourth goal refers to HUB Zones. This stands for Historically Underutilized Business Zones. Per the SBA website: "The HUBZone Program stimulates economic development and creates jobs in urban and rural communities by providing Federal contracting preferences to small businesses. These preferences go to small businesses that obtain HUBZone certification in part by employing staff who live in a HUBZone. The company must also maintain a "principal office" in one of these specially designated areas."

In the Top of Utah, we have a HUBZone area around the Ogden Industrial Park and out into West Haven. Davis County has a small area around the Freeport Center and Box Elder is currently all HUBZone.

The final two goals concerns woman-owned and service-disabled veteran owned businesses. There are no special certification programs for these. Just show the agency you wish to contract with that you qualify and your business will receive preference. Also remember that the Government sub-contractors are equally interested in achieving these goals, so don't hesitate to contact their purchasing departments to get on their vendor list.

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