



U.S. Small Business Administration

# Small Business Certification and Government Contracting

The U.S. Small Business Administration works across all federal agencies to award at least 23 percent of all prime government contracting dollars to small businesses, with specific statutory goals for:

- small disadvantaged businesses (SDB),
- women owned (WOSB),
- service-disabled veteran-owned (SDVOSB), or
- businesses that are located in Historically Underutilized Business Zones (HUBZone).

For more information, visit [www.sba.gov/contracting](http://www.sba.gov/contracting).

## SBA Small Business Certification Programs

The following are details of the SBA's small business certification programs:

**8(a) Business Development Program**—The 8(a) Business Development Program is a nine-year program established to assist eligible socially and economically disadvantaged individuals to start, grow and succeed in their business ventures. Business development assistance includes one-on-one counseling, training, workshops and other management and technical guidance. All firms deemed eligible for SBA's 8(a) business development assistance are also considered small disadvantaged business concerns for federal contracting purposes. To be eligible for the 8(a) Business Development Program a business must meet the following criteria:

- must be a small business by SBA size standards;
- must be owned (at least 51 percent) by one or more individuals who qualify as socially and economically disadvantaged, and who are U.S. citizens of good character;
- must be controlled, managed and operated by one or more individuals who qualify as disadvantaged; and
- must demonstrate the potential for success.

For more information, visit [www.sba.gov/8abd](http://www.sba.gov/8abd).

**HUBZone**—The HUBZone program helps small businesses located in economically distressed urban and rural communities, known as Historically Underutilized Business Zones, gain access to federal set-aside and sole source contracts, as well as price evaluation preference in full and open contract competitions. To qualify for the program, a business (except tribally-owned) must meet the following criteria:

- must be a small business by SBA size standards;
- must be owned and controlled (at least 51 percent) by U.S. citizens, an Alaska Native Corporation, a Community Development Corporation, or an agricultural cooperative;
- must have a principal office located within a HUBZone; and
- at least 35 percent of the firm's employees must reside in a HUBZone.

For more information, visit [www.sba.gov/hubzone](http://www.sba.gov/hubzone).

## Self-Certification Programs

**Service-Disabled Veteran-Owned Small Business (SDVOSB)**—The SBA is committed to ensuring that the federal government is dedicated to and provides support to our returning veterans. The SDVOSB procurement program authorizes federal contracting officers to award sole source or set-aside contracts to SDVOSBs when certain criteria are met. Additionally, large prime contractors must establish a sub-contracting goal for veteran-owned small businesses in their subcontracting plans. In order to be eligible for the SDVOSB, you and your business must meet the following criteria:



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- the Service Disabled Veteran (SDV) must have a service-connected disability that has been determined by the Department of Veterans Affairs or Department of Defense;
- the SDVOSB must be small under the NAICS code assigned to the procurement;
- the SDV must unconditionally own 51 percent of the SDVOSB;
- the SDV must control the management and daily operations of the SDVOSB; and
- an SDV must hold the highest officer position in the SDVOSB.

For more information, visit [www.sba.gov/content/service-disabled-veteran-owned-small-business-concerns-sdvosbc](http://www.sba.gov/content/service-disabled-veteran-owned-small-business-concerns-sdvosbc) and [www.sba.gov/vets](http://www.sba.gov/vets).

**Women-Owned Small Business (WOSB)**—The WOSB federal contract program authorizes contracting officers to set aside certain federal contracts for eligible women-owned small businesses and economically disadvantaged women-owned small businesses. To be eligible, a firm must meet the following criteria:

- must be at least 51 percent unconditionally and directly owned or controlled by one or more women, who must be U.S. citizens;
- must be small in its primary industry in accordance with SBA's size standards for that industry; and
- must either (1) be self-certified or (2) be certified by an SBA-approved Third-Party Certifier.
- To be considered economically disadvantaged, a WOSB has to have a personal net worth of less than \$750,000 (with some exclusions), an adjusted gross yearly income averaged over the three years preceding the certification that is less than \$350,000, and the fair market value of all assets must be less than \$6 million.

If a current 8(a) business development participant is 51 percent owned and controlled by one or more women, the SBA will accept 8(a) certifications as evidence of the WOSB's economic disadvantage. A certified 8(a) Business Development participant still needs to submit their 8(a) certification and WOSB certification to the WOSB Program Repository. For more information, visit [www.sba.gov/wosb](http://www.sba.gov/wosb).

**Small Disadvantaged Business (SDB)**—An SDB is defined as a small business that is at least 51 percent owned and controlled by one or more individuals who are socially and economically disadvantaged. Firms self-certify as an SDB without submitting any application to the SBA. Firms approved by the agency for the 8(a) Business Development Program are automatically certified as an SDB. To self-certify, firms should update their SAM profile, making sure to reflect their SDB status.

**For more information about SBA, visit [www.sba.gov](http://www.sba.gov) or contact your local SBA office: [www.sba.gov/sba-direct](http://www.sba.gov/sba-direct)**  
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