



U.S. Small Business  
Administration



# **8(a) Business Development Program Updates**

**First Wednesday Virtual Learning  
Series 2022**

# Hosts

**Charles Mason, Procurement Center Representative  
SBA Office of Government Contracting, Area IV,  
Omaha, NE**

**Steven Szalo, Procurement Center Representative  
SBA Office of Government Contracting, Area IV,  
Rock Island, IL**

# Welcome to “SBA Virtual Learning 2021”

1. Questions answered during the final 10 minutes.
2. Technical problems: Contact your IT admin who manages Teams settings for your organization.
3. Captioning available for this presentation.
4. We cover the “**SBA Quick Reference**” as time allows.
5. For more SBA training visit the SBA Learning Center website <https://www.sba.gov/tools/sba-learning-center/search/training>

# Association of Procurement Technical Assistance Centers (APTAC)

Procurement Technical Assistance Centers are a vital resource partner.

- APTAC posts past “First Wednesday” programming at this link: <http://www.aptac-us.org/for-contracting-officers-sba-webinar-library/>
- Contracting officer resources: “How PTACs partner with federal agencies”: <http://www.aptac-us.org/federal-partners/>
- Find your nearest Procurement Technical Assistance Center at <http://www.aptac-us.org>

# Small Business Administration YouTube Page

SBA YouTube page posts past “First Wednesday” programming at links below.

- October 6, 2021 – 8(a) Program Updates:
- November 3, 2021 – NMR:
- December 1, 2021 – Releasing Requirements from 8(a):
- January 5, 2022 – Category Management Part 1:
- February 2, 2022 – Category Management Part 2:
- March 2, 2022 – Market Research:
- April 6, 2022 – All Small Mentor Protégé Program:
- May 4, 2022 – ESRS System:
- Jun 1, 2022 – Legislature and Regulatory Updates:
- July 6, 2022 – Women Owned Small Business Program:
- August 3, 2022 – HUBZone Program:

# FIRST WEDNESDAY VIRTUAL LEARNING SERIES

## FY 2022 SCHEDULE

1:00 to 2:00 PM Central Time

FY 2022	Date	Topic
1	October 6, 2021	8(a) Business Development Program Updates
2	November 3, 2021	Non-Manufacturing Rule (NMR)
3	December 1, 2021	Releasing Requirements from 8(a) Business Development Program
4	January 5, 2022	Part I: Category Management: Policy Considerations and Flexibilities and Small Business Utilization
5	February 2, 2022	Part 2: Category Management: Increasing Small Business Participation Through Subcontracting and Legal Obligations
6	March 2, 2022	Market Research
7	April 6, 2022	All Small Mentor Protégé Program
8	May 4, 2022	Electronic Subcontracting Reporting System (ESRS)
9	June 1, 2022	Legislature and Regulatory Updates
10	July 6, 2022	Women-Owned Small Business Program
11	August 3, 2022	HUBZone Program

The program schedule is for information only and is subject to change.

## One Continuous Learning Point

- Self-service: Using the PowerPoint that was sent with your invitation for this training event, fill in your name on the certificate slide and save. Download the certificate and print for your records. You submit your request for training credit IAW your agency policy, i.e. FAITAS.
- If you listen in groups and you want all attendees to be included on the future mailing list, send email addresses of participants in an excel document to [sbalearning@sba.gov](mailto:sbalearning@sba.gov).



# “SBA 1st Wednesday Virtual Learning 2022”

This Certificate is awarded to

**Insert Your Name Here**

For completion of

## 8(a) Business Development Program Updates

This training seminar may be credited towards “Continuous Learning Points” as described in OFPP Policy Letter 05-01. Recommendation of One CLP.



Pamela J. Beavers  
Director, Area IV  
SBA Office of Government Contracting

10/06/2021

DATE

# Today's Speakers

**Dr. Donna Peebles**  
**Associate Administrator**  
**Office of Business Development**  
**U.S. Small Business Administration**

**Van Tran**  
**Deputy Associate Administrator**  
**Office of Business Development**  
**U.S. Small Business Administration**

**Ms. Sandra Barrett**  
**Director**  
**Office of Certification and Eligibility**  
**U.S. Small Business Administration**

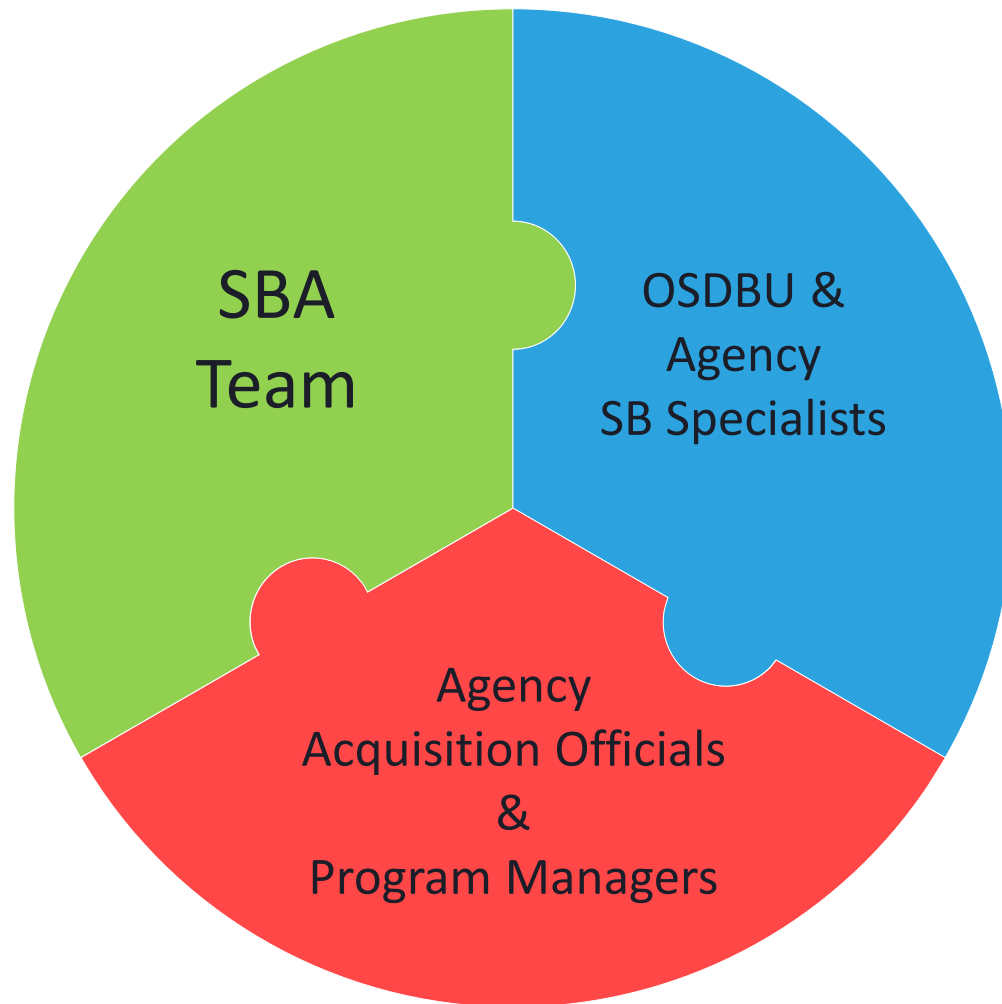
**Mr. Stanley Jones Jr.**  
**Director, Office of Management and Technical Assistance**  
**Acting Director, All Small Mentor Protégé Program**  
**Office of Business Development**  
**U.S. Small Business Administration**

**Ms. Sharon Gurley**  
**Director, Office of Program Review**  
**Office of Business Development**  
**U.S. Small Business Administration**

# Discussion Topics

- 8(a) Program Strategic Priorities
- Program Flexibilities in response to pandemic
- New changes in regulations that assist 8(a) Program participants and small businesses
  - SBA's new Mentor Protégé Program
  - Joint Venture Agreements
  - Bona Fide Office moratorium
  - Follow-on requirements vs definition of new requirements
  - Requests for release
- 7(j) Management and Technical Assistance Program
  - NEW! 7(j) Bidspeed tool for access to Federal opportunity  
<https://sba7j.fedbidspeed.com>
- Partnership Agreement and training

# SBA's Office of Business Development



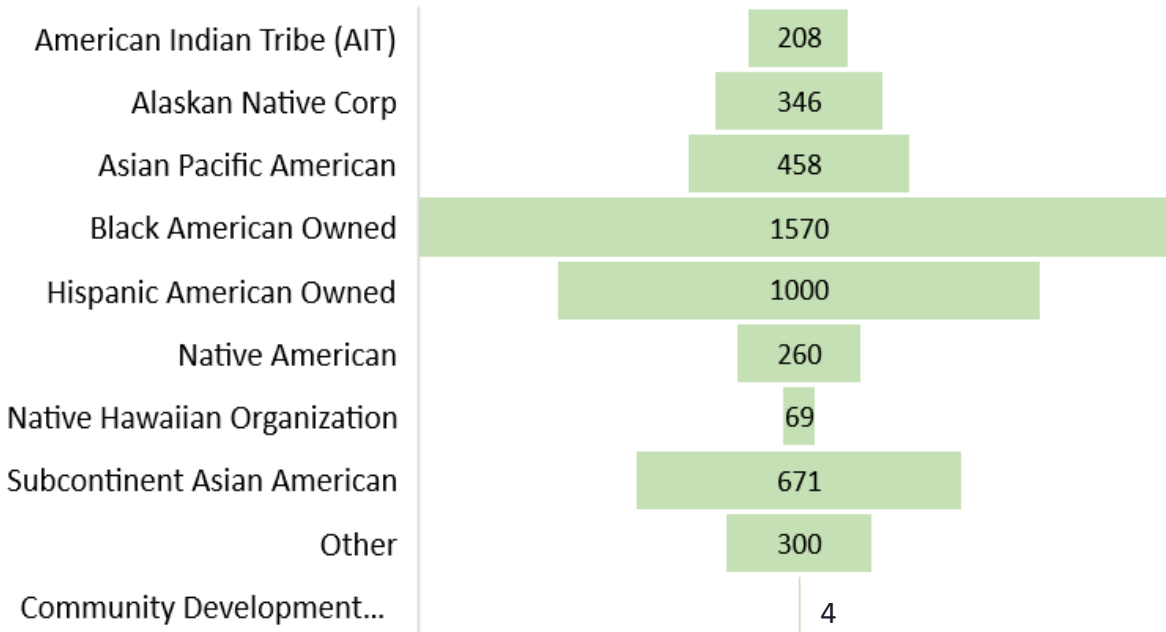
- Multifunctional team approach
- Engage early & often
- Share strategic acquisition planning to maximize utilization of underserved disadvantaged small businesses
- Proactive partnerships

*Thank You!*

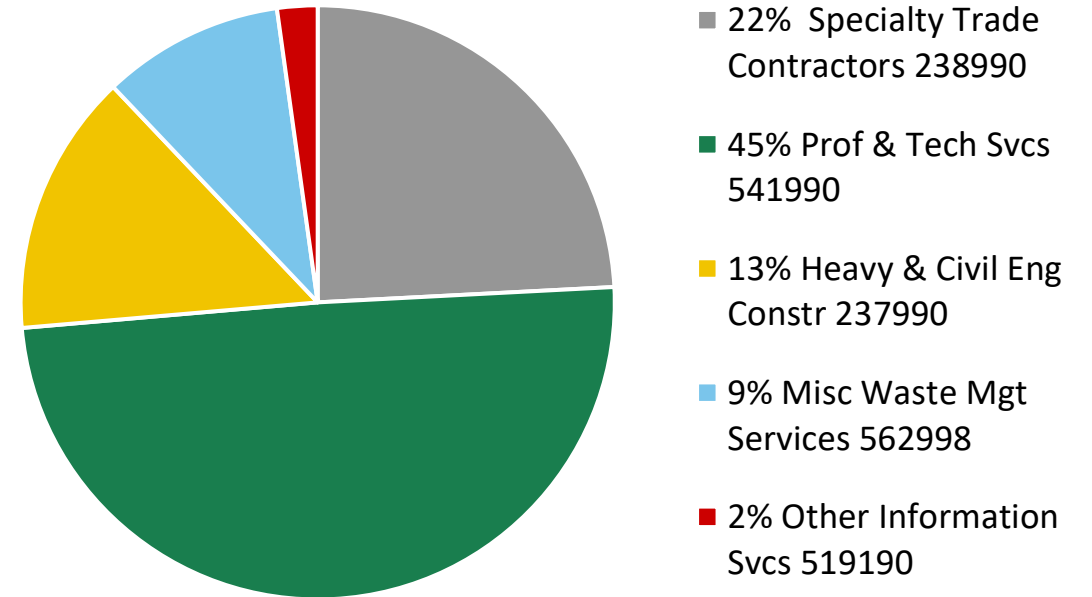
*Passion For The Program – Attitude of Service*

# 8(a) Business Development Program

8(a) Program Participant Demographics



8(a) Portfolio Primary NAICS

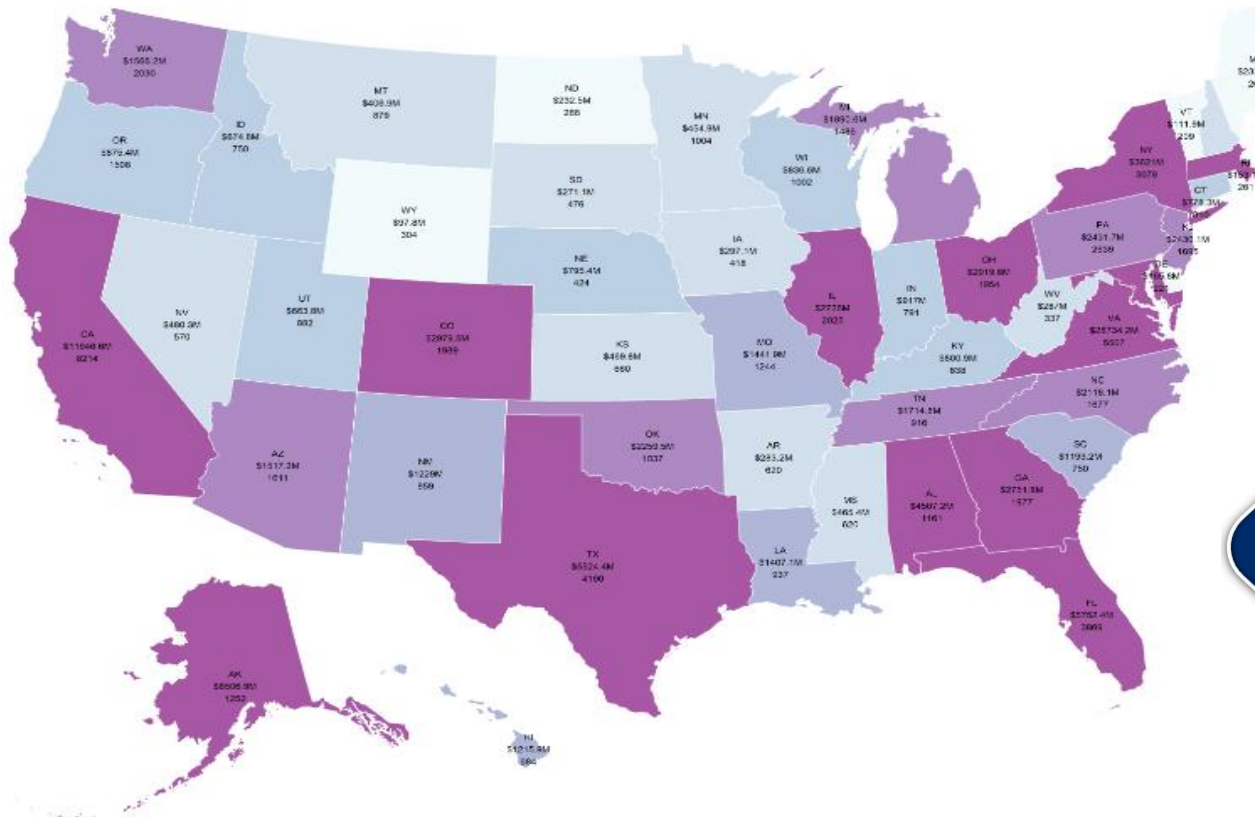
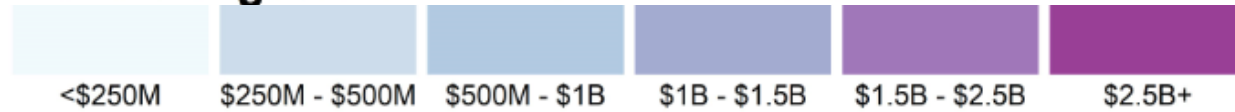


## Strategic Goals: Reduce Barriers & Maximize Business Development & Assistance

- Potential gradual increase in SDB Goal from 5% to 15%
- 8(a) application education
- Grow the 8(a) Program Portfolio
- Maximize business assistance – revenue & job growth
- Raise sole source thresholds to \$8M all acquisitions/\$10M manuf NAICS
- Category Management (CM): Exemption of 8(a) from Tier 0 Category Management & Prevent agencies from removing 8(a) contracts from the 8(a) Program to include in CM

# Maximize utilization of Small Disadvantaged Businesses

## FY2020 Obligated Small Business Dollars and Vendor Count by State



### Challenges Ahead: Repair the erosion

- Approximately 38% of our SB industrial base has been lost over the past 10 years because of Category Management
- Small business contractors:
  - Today: 85,000 vs. 140,000 in 2011

**WORLD'S LARGEST BUYER**

- \$500,000 billion/year
- 23% SB Goal

- Women-Owned Small Businesses (5%)**
- Small Disadvantaged Businesses (including 8(a) certified) (5%)**
- HUBZone Businesses (3%)**
- Service-Disabled Veteran-Owned Small Businesses (3%)**

Set-asides are reserved for small businesses between \$10,000 (Micro-purchase Threshold) to \$250,000 (Simplified Acquisition Threshold)

# 8(a) Program Flexibilities Provided During COVID-19

## 1-year Extension of Participation in the 8(a) Business Development Program

- Eligibility: Firms participating in the 8(a) Program between March 13, 2020 and January 13, 2021 had the option to extend program participation for a period of one year from the end of its program term.
- Firms participating in the 8(a) Program on January 13, 2021 received an automatic one-year program extension unless they decline it in writing
- Firms that were terminated, early graduated, or voluntarily withdrew from the 8(a) Program during this period were not eligible for the extension.
- Firms admitted to the 8(a) Program on or after September 10, 2020 were not eligible for the extension.
- **To verify eligibility of the 8(a) firm**, contact the SBA District Office in addition to DSBS.gov or beta.SAM.gov (system technical issues)
- Advise firms to visit [certify.sba.gov](https://certify.sba.gov) and go to the **“Certify Knowledge Base”** for all tools, FAQ’s and program information for 8(a), Mentor Protégé, WOSB, and HUBZone

# 8(a) BD Program Stats

**Active 8(a) Firms**  
**4,963**

Year	Application Received	Processed	Approved	Avg Processing Days
FY19	3857	550	450	143
FY20	7672	747	591	127
FY21	9611	716	609	90



\*\*Data Current As of 9/29/2021.

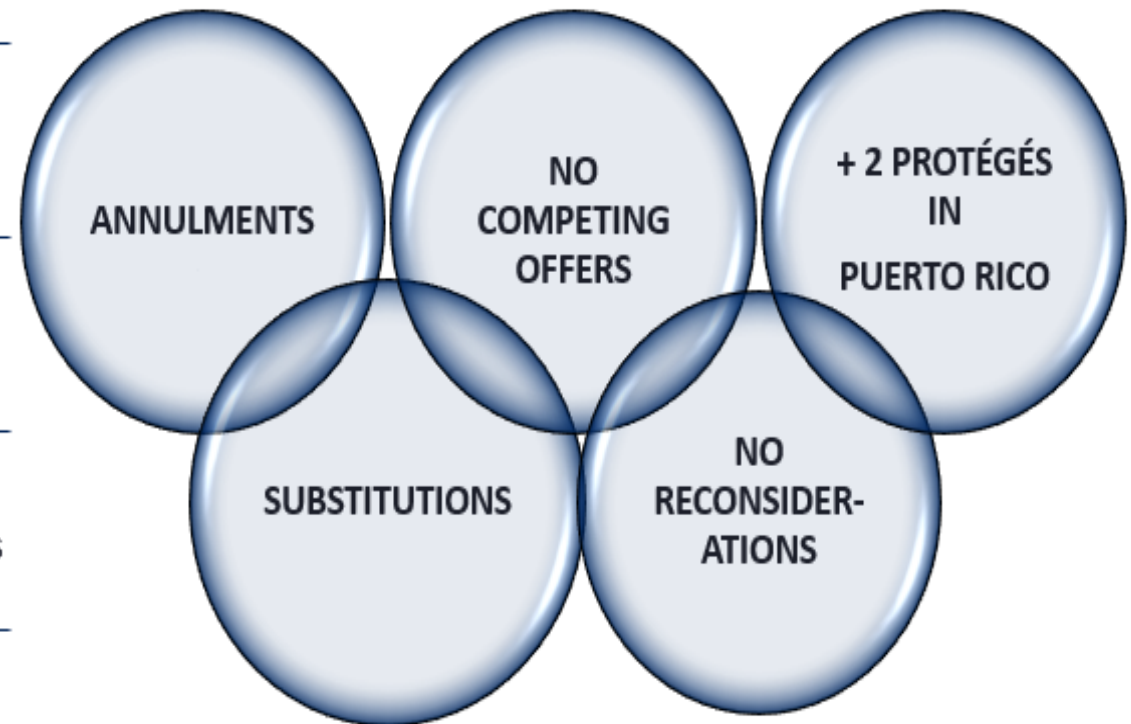


# Program Updates – Mentor Protégé Program- Highlights

## THE PROGRAM MERGER

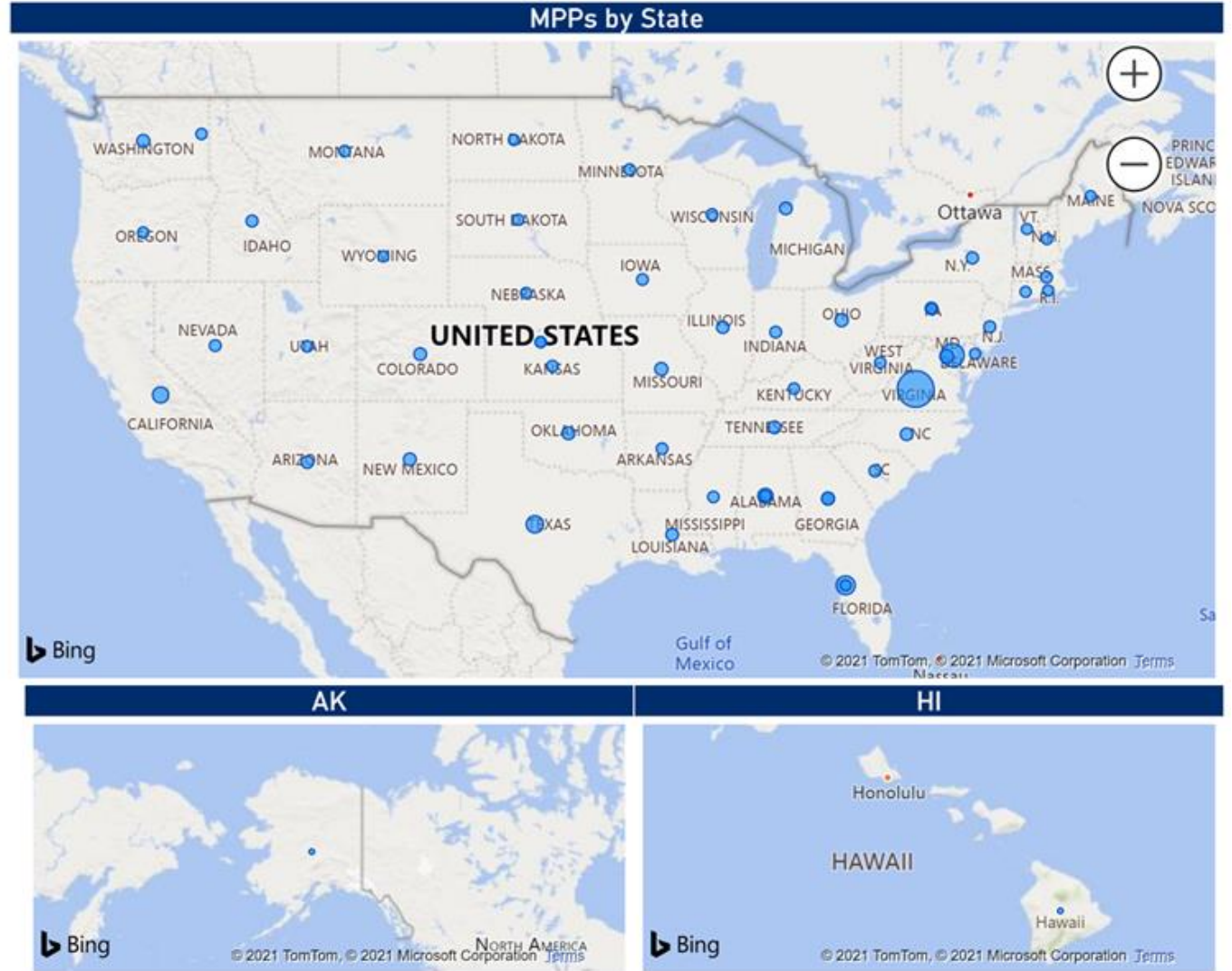
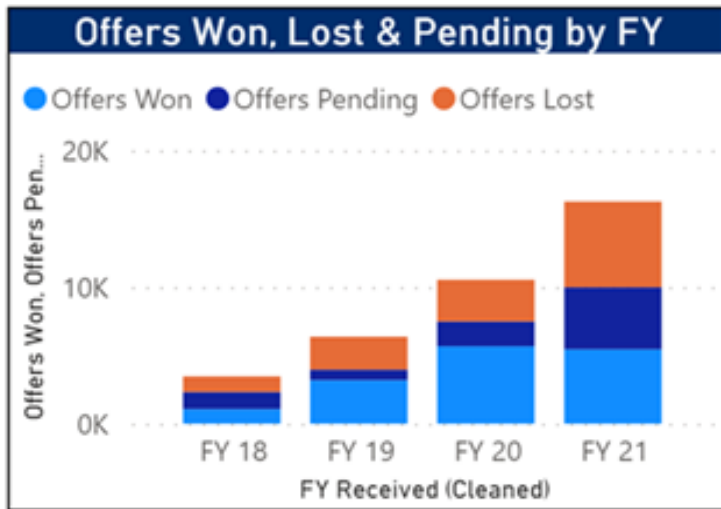
Annulments	MPA will not count if terminated within first <b>18 months</b>
No Competing Offers	Mentor cannot submit competing offers
Puerto Rico	The first 2 Protégés from Puerto Rico do not count; Mentor may have up to 5 total relationships
Substitutions	MPA substitutions allow the protégé to switch mentors for the remainder of their six-year term. JV substitutions ( <u>novations</u> ) are completed by the contracting activity
Reconsiderations	Declined applicants must wait <b>60 days</b> before re-submitting <u>new</u> application

## MPA-RELATED CHANGES & CLARIFICATIONS



# Mentor-Protégé Program Data

**Active M-Ps**  
**1,519**



## What Contracting Officers Should Know About the SBA Mentor-Protégé Program

As a contracting officer (CO), you can facilitate business relationships through the SBA Mentor-Protégé Program (SBA MPP). You can use the [Dynamic Small Business Search](#) (DSBS) to find small government contractors that are qualified to do the work.

### 10 Tips for SBA Mentor-Protégé Agreements

1. A Mentor-Protégé Agreement (MPA) is a business development tool that allows an experienced mentor to assist small business protégés in different areas, such as:
  - Management and technical assistance
  - Financial assistance
  - Contracting
  - International trade education
  - Business development
  - General administrative
2. The processing time for an MPA takes approximately 105 days. Once approved, the last up to six years. Either party or SBA may terminate the MPA at any time. Terminating an MPA does not impact the parties' obligations under contracts previously awarded to the mentor-protégé joint venture.
3. SBA will not approve an MPA if the protégé is affiliated with its prospective mentor, when the manager of the protégé is employed by the mentor at the time of application.
4. The MPA or assistance provided under the MPA does not make the protégé and its mentor affiliated. The parties may form a joint venture as a small business for any federal contract or subcontract for which the protégé qualifies as small, even if the joint venture is a large business.
5. Mentors with more than one protégé may not submit competing offers under the solicitation through joint ventures with different protégés.
6. Protégé firms must complete annual evaluations within 30 days of their program date to remain in the SBA MPP.
7. Contracting officers may [check the list of MPAs](#) or contact us to verify whether an MPA is approved.
8. An MPA terminated within the first 18 months from the date of approval will generate a count against the protégé's two-per-lifetime MPA limit.
9. Protégés may request to substitute mentors when the mentor does not provide the necessary business assistance.
10. Protégés may have up to two mentor relationships in a lifetime; mentors may have three protégé relationships at any one time.

*Continued*

What Contracting Officers Should Know About the SBA Mentor-Protégé Program

### 8 Tips for SBA Joint Ventures

1. A joint venture between a protégé and mentor may seek a federal prime contract, and compete for HUBZone, 8(a), WOSB, and SDVOSB small business set-asides if the protégé qualifies as such.
2. Once a joint venture receives a contract, it may submit additional offers for a period of two years from the date of that first award. The joint venture has two years from the date of their first contract award date to get as many contracts as they want.
3. Where a facility security clearance is required to perform primary and vital requirements of a contract, the lead small business partner to the joint venture must possess the required clearance. However, a joint venture may be awarded a contract requiring a facility security clearance where either the joint venture itself or the individual partner(s) to the joint venture that will perform the necessary security work has (have) a facility security clearance.
4. The protégé must perform at least 40 percent of the work in the joint venture, and work subcontracted to a similarly situated entity cannot be part of this 40 percent.
5. COs are required to consider all work and qualifications by each partner to the joint venture as well as any work done by the joint venture. The CO is required to look at the totality of past performance.
6. Currently, there is no mechanism in SAM or DSBS for self-certifying the joint venture as a WOSB, SDVOSB, or HUBZone. However, an exception has been made for 8(a) joint ventures. Please reach out to the appropriate [SBA District Office](#) for details on the 8(a) process.
7. A firm that has an SBA-approved MPA is not affiliated with its mentor or protégé firm just because the protégé firm receives assistance from the mentor under the agreement. If the CO has questions or concerns, they should contact the [SBA District Office](#) in their local area.
8. For joint ventures, under the [FAR 52.219-14](#) the small business concern must agree to:
  - Pay no more than 50 percent of the amount paid by the government to non-similarly situated firms for service contracts or supplies or products contracts.
  - Pay no more than 85 percent of the amount paid by the government to non-similarly situated firms for construction contracts.
  - Pay no more than 75 percent of the amount paid by the government to non-similarly situated firms for special trade contracts.

# Mentor-Protégé Program Factsheet

# Program Updates - Rule Changes – Joint Venture Highlights

New rules effective Nov 16, 2020

- Eliminates need for 8(a) Participants to seek & receive 8(a) JV agreement approval from SBA for competitive 8(a) awards, but allows for checks of JV compliance through the size protest process. **SBA approval still required for 8(a) sole source awards.**
- Eliminates 3-in-2 Rule: Now all JV's have unlimited number of contracts within the 2-year time limit from date of their first contract award.
- Clarifies that JV's may be populated with administrative personnel that includes Facility Clearance Officers.



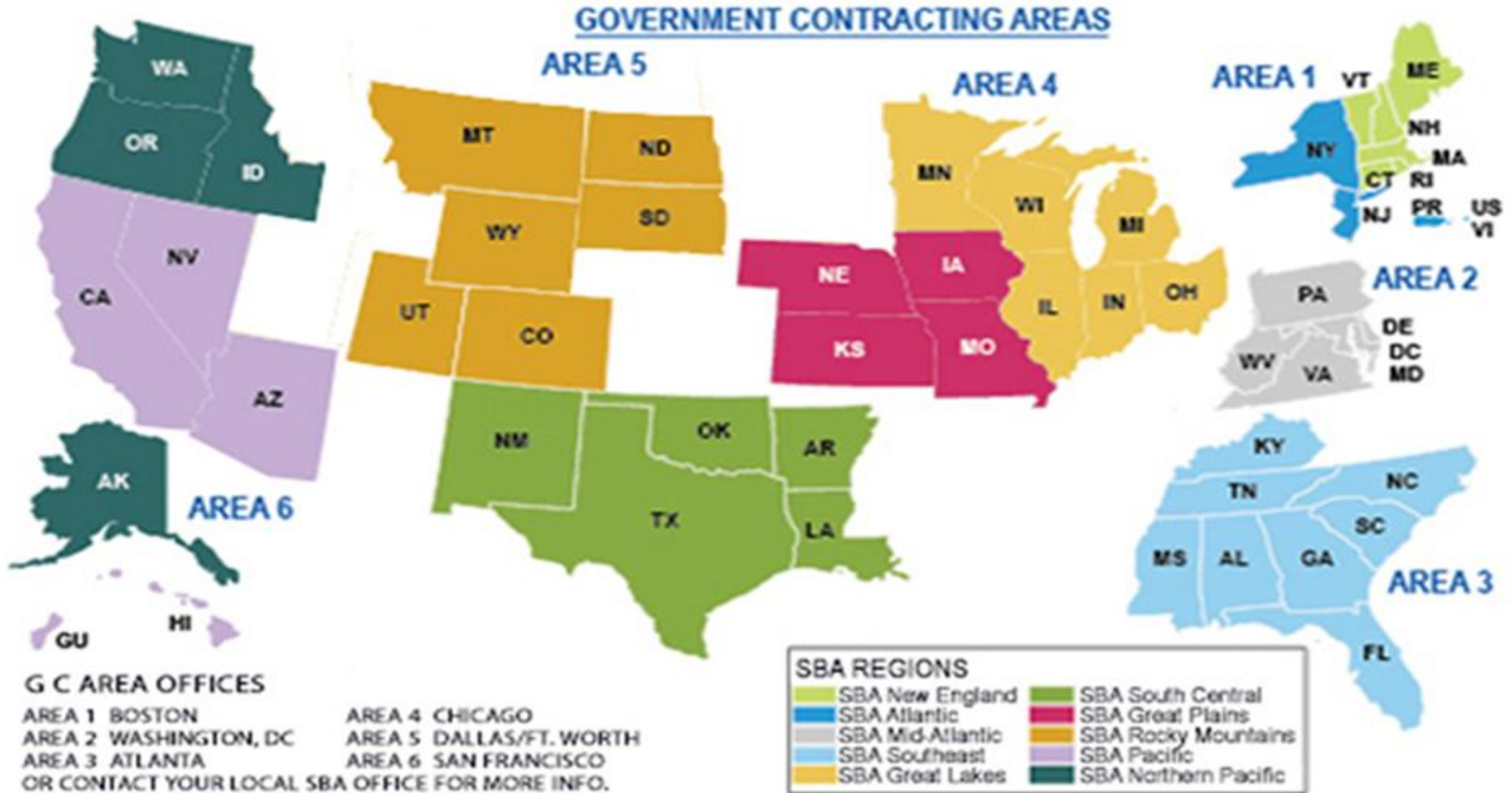
## 8(a) BD Program regulation updates :

- Request for release and updates to 13 C.F.R. § 124.504(d)
  - What triggers release from the 8(a) Program
  - SBA's concurrence to release any follow-on procurement from the 8(a) Program
- Definition of FOLLOW-ON requirement vs. NEW requirement
  - Changes in scope, magnitude and end user
  - 25% is a guide
  - Procuring activity must notify SBA if the work was in the 8(a) Program
- Competition before acceptance
  - Procuring agency **clearly identified** a requirement **as a competitive 8(a)** procurement
  - Public fully understood it to be restricted only to eligible 8(a) Participants
  - SBA should be able to accept that requirement regardless of when the offering occurred

# SBA's 8(a) Partnership Agreement

- SBA delegates its authority, delineates responsibilities and establishes procedures for the award and oversight of 8(a) contracts through a Memorandum of Understanding between federal agencies under the authority of 13 C.F.R. § 124.501(a) known as the “Partnership Agreement(PA).”
- SBA is currently updating the PA to reflect recent regulatory changes to the 8(a) Business Development program as well as to provide procedural clarifications.
- These updates will result in the replacement of the current 61 Partnership Agreements with federal agencies and continues to streamline 8(a) contract awards.
- SBA's goal is to issue and have signed all new agreements executed by end of December 2021. The new agreements will remain as a non-expiring document with SBA's right to amend as needed.
- One important aspect of the PA is the requirement that agencies have annual training of the agreement for all contracting and small business personnel. In addition, SBA would like agencies to let us know of other training topics that they would like during FY 2022.

Six SBA Government Contracting Areas: <https://www.sba.gov/content/pcr-directory>



# Procurement Assistance

## SBA Resources

- Business Opportunity Specialist
- Procurement Center Representative



## Procurement Technical Assistance Centers

- Government contract assistance
- Consulting and workshops
- Information and resources



## Marketing Resources

- [Contract Opportunities on SAM.gov](#)
- [Contract Data on SAM.gov](#)
- [System for Award Management](#)
- [Dynamic Small Business Search System](#)
- [Subcontracting Networking System \(SubNet\)](#)



## Other Resources

- [USASpending](#)
- [GSA Subcontracting Directory](#)
- [DoD Prime Contracting Directory](#)





# SBA Contacts

## Business Opportunity Specialist (BOS)

*Search for local SBA District Office*

[SBA.gov/LocalAssistance](https://www.sba.gov/LocalAssistance)

## Procurement Center Representatives (PCRs)

[PCR Directory online](#)

## SBA Answer Desk (general questions)

[answerdesk@sba.gov](mailto:answerdesk@sba.gov)

## 8(a) Participants may email SBA at

[8aQuestions@sba.gov](mailto:8aQuestions@sba.gov)

# Online Information

For small businesses impacted by the pandemic

[SBA.gov/Coronavirus](https://www.sba.gov/coronavirus)

For information on SBA's **Economic Injury Disaster Loans (EIDL)**

[SBA.gov/Disaster](https://www.sba.gov/disaster)

Current CDC business guidance on planning for and responding to the Coronavirus pandemic

[Coronavirus.gov](https://www.cdc.gov/coronavirus)

For Federal Contractors

[Acquisition.gov/Coronavirus](https://www.acquisition.gov/coronavirus)



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# QUESTIONS