

8(a) Prequalification Questions

Is your company organized as a for profit? **YES NO**

Have you participated in the 8(a) program previously? **YES NO**

Are you a Small Business (According to North American Industry Classification (NAICS)?  
**YES NO**

Is your company operating as a broker? (If yes, you do not qualify) **YES NO**

Do you have outside employment other than your company? **YES NO**

**(if YES above, make sure the outside employment does not infringe on the normal 40 working hours of the main business/qualifying company)**

Do you work for the Federal or State Government? (If yes, you do not qualify) **YES NO**

Is the business owned and controlled by a US Citizen who has been the victim of discrimination in a manner that negatively affected their education (schooling) or business? (a detailed narrative detailing the circumstances and resulting actions will be required to be provided by the business) **YES NO**

Do you have documentation to establish proof of citizenship: Birth certificate, naturalization certificate or passport? **YES NO**

Does the business have the majority of its sales from its primary NAICS code and is the business profitable? (Profitable on both their financials and tax returns for the last 2 years)  
**YES NO**

Does the business have a client base of more than three clients? **YES NO**

Does the 51% owner (and spouse, jointly, if applicable) have a personal combined net worth of \$850K or less? (Personal residence excluded) **YES NO**

Does the 51% owner (and spouse, jointly, if applicable) have a combined adjusted annual gross income of \$400K or less? **YES NO**

Does the 51% owner (and spouse, jointly, if applicable) have a combined \$6.5 million or less in assets? (Personal residence included) **YES NO**

Are you currently on parole or probation pursuant to a pre-trial diversion or following conviction for a felony or any crime involving business integrity...i.e Money laundering, Grand Theft, etc.? (If yes, you do not qualify) **YES NO**

Do you affirm that neither this firm, nor any of its owners have ever been debarred or suspended by any federal entity? **YES NO**

## **NARRATIVE GUIDELINE/FORMAT**

**The narrative should provide at least two examples to show that your experience is pervasive. Please use the following format:**

**Incident #1 –**

**When – describe when this occurred**

**Where – describe where this occurred**

**Who – detail the name and/or title of the individual(s)**

**What – Detailed description of event**

**Motivation– How you know the incident was based on your social disadvantage**

**Impact– How this incident affected your entry or advancement in the business world**

**Incident #2 –**

**When – briefly when this occurred**

**Where – briefly where this occurred**

**Who – name or title of the individual(s)**

**What – Detailed description of event**

**Motivation– How you know the incident was based on your social disadvantage**

**Impact– How this incident affected your entry or advancement in the business world**

## **BENEFITS**

### **Benefit 1 – Sole Sourcing**

Sole Sourcing accounts for about half of all 8(a) sales or approximately \$16 Billion dollars annually. A sole source contract functions like how contracts are awarded in the normal small business marketplace where a formalized bidding process is not relied upon. The Federal procurement officer meets with the owner of the 8(a) firm, and they agree to project specifics and price. If the 8a firm is not found to be more than 10% above market the federal procurement officer can direct award the contract to the 8a firm. A side benefit of an 8(a) company's ability to obtain sole source contracts is that often the 8(a) firm can obtain contracts from their federal buyers before other businesses are even given notice that an opportunity was present. In many cases 8(a) firms in their third year and beyond do not even respond to bids any more as the relationships they have developed lead to enough sole sourced contract to keep them busy.

Sole-sourcing limits are set at \$4 million for goods and services and \$6.5 million for manufacturing.

### **Benefit 2 – Limited Competition**

An 8(a) certification limits the field of competition for bidding on federal contracts. There are approximately 24 million businesses in the United States only 6,500 have successfully completed the process of obtaining their [8\(a\) certification](#). 5% of all federal spending is earmarked for 8(a) firms which accounts to more than \$34 billion per year in federal contracts. This is more than \$4 million per year in federal spending per 8(a) firm.

### **Benefit 3 – Cuts through Federal Bureaucracy**

The SBA acts as a liaison with the 8(a) firm to help the 8(a) firms obtain federal contracts. This benefits the 8(a) firm in the reduction of time necessary to achieve its first federal sale. For most 8(a) firms the SBA will send out letters of introduction which help the 8(a) firm make initial contact with their targeted market.

### **Benefit 4 – Large Contracts**

Contract size for 8(a) firms can be large from a small business standpoint. These contracts can be accomplished by teaming with other partners. This is because 8(a) firms are permitted to partner with other firms in what is known as a joint venture or mentor protégé arrangement. This is often done with large federal prime contractors. This helps expand the 8(a) companies' knowledge on how the government works, allows the 8a firm

to be awarded contracts they would not otherwise be able to win as well as helping to build the 8(a) firms federal performance history so that they can win large contracts without the 8(a) firm needing to partner in the future.

### **Benefit 5 – Better Pricing**

Due to the limited number of 8(a) firms and the fact that they are all small businesses 8(a) firms can receive better pricing than their non-8(a) small business peers.

### **Benefit 6 – Growth**

8(a) firms have the capability of growing much faster than their peers. The Washington Post publishes the fastest 50 each year made up of the fastest growing federal IT contractors working for the federal government. It is not accident that 31 of the fastest 50 are 8(a) IT firms.

### **Benefit 7 – 8(a) Boosts GSA Schedule Effectiveness**

An 8(a) certification will greatly increase the effectiveness of a GSA Schedule. When a federal procurement officer visits GSA Advantage the web porthole for GSA buying those procurement officers always seek out 8(a) firms first. This gives 8(a) firms an estimated 300% advantage over their non-8(a) GSA Schedule peers.

### **Benefit 8 – Construction Contractor Friendly**

8(a) firms are very successful in their award of federal construction contracts and therefore outperform their peers. As a result, 40%+ of all 8(a) firms are in the construction field. Additionally, because 80% of all Federal Construction occurs at DoD facilities (Army, Navy, Air Force, Marine Bases) the contract dollars are spread throughout the United States and US Territories.

### **Benefit 9 – FEMA Contracts**

When National Disasters strike due to the quick nature of 8(a) sole source contracting mechanism 8(a) firms are administratively better equipped to be awarded contracts and help disaster victims. In the past 10 years there have been 560 designated presidential disasters with \$11.5 billion spent annually with a large amount of these dollars going to 8(a) firms.

### **Benefit 10 – 8(a)s Become Large Business Concerns**

Approximately 30% of 8(a) firms can use their performance rating and contacts with the federal government becoming large federal prime contractors once they graduate from the program. These companies are often having annual billing more than a hundred million dollars.