

SBA 8(A) SOLE SOURCE PROCESS

The Small Business Administration (SBA) 8(a) business development program enables Federal Government agencies to contract directly with certified 8(a) contractors. The Building People, LLC (*The Building People*) is a certified SBA 8(a) program participant through March 3, 2025.

Benefits

The 8(a) sole source vehicle provides agencies a simplified and shortened acquisition procedure which offers the following benefits:

1. Reduced decision cycle: the time required to award an 8(a) sole source contract is usually within weeks
2. Lowered administrative costs: procurement process and time is reduced to a minimum
3. Best value pricing: agencies negotiate with the firm directly to get the best value
4. Best value services: agencies can evaluate the capability and qualifications of an 8(a) firm before making award
5. Credit for promoting small business participation within agency
6. A contract can be initiated with a simple high level statement of work

Simple Steps to Establish 8(a) Sole Source Contract with The Building People

1. The Government program manager or interested party develops a statement of work, prepares a government estimate, and obtains the necessary funding.
2. The Government program manager or interested party chooses *The Building People* to perform the work and submits a procurement request to their agency contracting officer.
3. The agency contracting officer prepares and submits an "Offering Letter" directly to the SBA office in Washington DC (contract information below). If the SBA accepts the contract (technically, the SBA is the "prime" contractor and *The Building People* is a "subcontractor" to the SBA), the agency can proceed with developing a contract with *The Building People*.

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Small Business Administration 8(a) Sole Source Process



4. *The Building People* submits the proposal which is then evaluated and negotiated (if necessary) by the agency.
5. A contract is awarded to *The Building People*.

These steps can be accomplished quickly based on the schedule established by the agency. The Building People has a great working relationship with the SBA-assigned Business Development Specialist (BDS) who is willing to help clarify any issues related to 8(a) program and facilitate any contract award.

Background

Section 8(a) of the Small Business Act created a business development program that enables the SBA to assist small disadvantaged firms to develop their businesses. A firm is rigorously evaluated on its ownership, operations, financial health, and past performance before being admitted to the program. Once accepted, the firm is required to provide SBA a detailed business plan and show continued success as a viable, strong business entity. The program runs for a period of nine years. The SBA has signed Memorandums of Understanding (MOUs) with Federal Agencies allowing them to contract directly with certified 8(a) firms. Participants can receive sole source contracts, up to a ceiling of \$4 million for services.

Subcontracting: The 8(a) program allows 8(a) contractors to expand their scope of services by contracting to non-8(a) firms. The 8(a) firm must perform at least 50% of the total contract value. This allows to the 8(a) firm to expand its scope of service by teaming with other qualified firms.