

How to apply for the Historically Underutilized Business Zones (HUBZone) Certification



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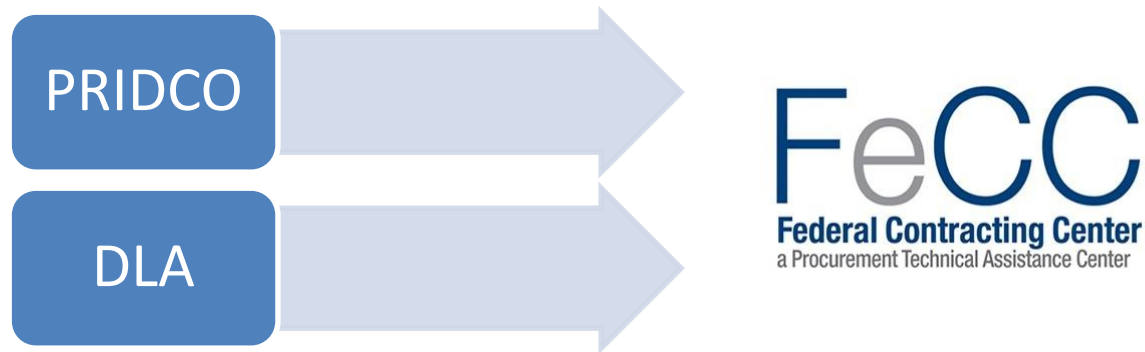
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Federal Contracting Center (FeCC)

a Procurement Technical Assistance Center



- A division of the Puerto Rico Industrial Development Company (PRIDCO)
- Cooperative agreement with DoD
- Part of a nationwide network of 92 PTACs
- 30 years of experience



Puerto Rico Federal Contracting Center

<p>To proactively position businesses in the federal government market while actively assisting and matchmaking companies with federal contracts available.</p>	<p>Mission</p>
<p>Goal</p>	<p>To generate employment and improve the general economy of Puerto Rico by assisting business firms to obtain and perform under federal state, and municipal government contracts.</p>



Federal Contracting Center Services

Technical Support

- DUNS Number
- SAM
- SBA and VA Certifications
- One-on-one counseling
- Bid preparation
- GSA Schedules

Marketing

- Market intelligence
- Identify & match bids
- Forecasting
- Capturing plan
- Help you decide if this is the right market for your firm

Training

- Federal Contracting education
- Matchmaking events
- E-training

Advocacy

- Small Business Administration
- Federal Procurement Policy
- Trade Missions



Course Objectives

By the end of the presentation you will:

- Be able to determine if this program is right for your business;
- Understand the certification requirements and application process according to your business legal structure; and
- Start the application process if applicable.



HUBZone Program

The Historically Underutilized Business Zones (HUBZone) program was enacted into law as part of the [Small Business Reauthorization Act of 1997](#). The program falls under the auspices of the U.S. Small Business Administration. The program encourages economic development in historically underutilized business zones - "HUBZones" - through the establishment of preferences



Benefits of the HUBZone Program

The federal government has a goal of awarding 3% of all dollars for federal prime contracts to HUBZone-certified small business concerns.

- Competitive and sole source contracting
- 10% price evaluation preference in full and open contract competitions, as well as subcontracting opportunities.



Eligibility Requirements

- It must be a small business by SBA standards including affiliates
- It must be owned and controlled at least 51% by U.S. citizens
- Its principal office must be located within a “HUBZone
- At least 35% of its employees must reside in a HUBZone



Who are Considered HUBZone Firm Employees?

- Employee means all individuals employed on a full-time, part-time, or other basis, so long as that individual works a minimum of 40 hours per month
- If an individual has an ownership interest in and works for the HUBZone firm a minimum of 40 hours per month, that owner is considered an employee regardless of whether or not the individual receives compensation



Does employees from affiliated companies are counted for purpose of certification?

- SBA first considers whether there is a clear line of fracture between an applicant firm and its affiliate(s)
- If it is not evident that there is a clear line of fracture, then SBA will consider the employees of the affiliate to be employees of the applicant



Employee / Independent Contractor

- SBA considers the totality of the circumstances in determining whether individuals are employees of a concern
- Factors from SBA's [Size Policy Statement No. 1](#)
- Factors from IRS:
 - Behavioral: right to control what the worker does and how the worker does his or her job
 - Financial: right to control how worker is paid, whether expenses are reimbursed, who provides tools/supplies, etc.
 - Type of Relationship: existence of written contracts or employee type benefits; permanence and significance of relationship



Principal Office -- Defined

- Principal office definition: location where the greatest number of the business's employees - at any one location - perform their work
- For businesses in service or construction, the determination of principal office excludes the concern's employees who perform the majority of their work at job-site locations to fulfill specific contract obligation
- HUBZone firm's headquarters does not have to be its "principal office"



How do you know if your firm or employees are located in a designated HUBZone area?

SBA has created an electronic tool where you can insert the address and zip code of a specific location (or its coordinates) to determine if that location is recognized as a designated HUBZone.

1. The first step is to locate your coordinates using Google Maps
2. The second step is to use the coordinate input tool in the HUBZone Map to determine if the location is in a qualified HUBZone area.



Let's do an exercise

- Using [Google Maps](#) determine coordinates
- Using the [HUBZone Map](#) determine if the location is in a qualified HUBZone area
- You can use this 35% and principal office [calculator](#) to perform a self-evaluation of eligibility



Reflections Before You Apply

Most successful HUBZone firms plan for their success

- Market themselves to maximize opportunities
- Long-term and revolving strategies that define how to be and remain competitive
- Maintain principal office and 35% employee residency requirements
- Planning is everything



Applying for HUBZone Certification

- You will be required to submit different supporting documentation based on your ownership structure
- Please take out your document request checklist
 - [Corporation Document Request](#)
 - [Sole Proprietor Document Request](#)
 - [Partnership Document Request](#)
 - [LLC Document Request](#)



HUBZone Application Process

1. Verify eligibility compliance
2. Gather what you need (supporting documentation)
3. Review the HUBZone Application Guide
4. Review and ask questions
5. Access SBA's General Login System (GLS)
6. Complete and submit the online HUBZone application
7. Submit requested supporting documentation



Initial Application in GLS



February 14, 2017

- [Forgot User ID?](#)
- [Forgot or Expired Password?](#)

GLS Instructions for:

- [Banking Partners](#)
- [Small Businesses](#)
- [SBA Employees and SBA Contractors](#)
- [Create New SBA GLS Account](#)
- [Contact Program Offices](#)

SBA Account Login

User ID

Password

[Example application link](#)



Avoid Common Mistakes

- Time of Review for date sensitive documents
- Application “times-out”
 - 60 minutes per section
 - 10 days to accept and 10 days to up-load documents
- 35% of employees are not located within HUBZone areas
- Requested supporting documents do not validate information in the HUBZone application
- SAM profile is not up to date



Maintaining the HUBZone Certification

- There is no limit to the length of time a firm is qualified as a HUBZone
- The firm may remain certified as long as it continues to maintain compliance, follows the HUBZone regulations, notifies SBA of any material changes, and properly recertifies every 3 years
- HUBZone certification ends in one of two ways: The firm voluntarily decertifies or SBA decertifies the firm



What is considered a "material change?"

- Change in the ownership
- Change in business structure
- Change in principal office
- Falling below the 35% employee HUBZone residency requirement



Summary & Actions

- Decide if this program is right for you, if it is:
 - Set-up an appointment with a FeCC counselor
 - Gather the required documentation
 - Submit the application
 - Conduct thorough research specific to HUBZone opportunities.
 - Develop and execute a sound marketing strategy.



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Our Blog: www.federalcontractingpr.com



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BRIDGING THE GAP BETWEEN YOU AND THE FEDERAL GOVERNMENT

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ARE YOU REGISTERED IN SAM?

To do business with the federal government you must be registered in the System for Award Management (SAM), previously known as the Central Contractor Registration (CCR).

[Learn more...](#)

SMALL BUSINESS PROGRAMS

Take advantage of socio-economic programs to increase your competitive advantage. Review the 8(a), HUBZone, Women-Owned and Veteran-Owned programs.

[Learn more...](#)

REQUEST OUR SERVICES

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[Saudi Losses in Yemen War Exposed by U.S. Tank Deal](#)

Searching for opportunities?

Every day the federal government publishes their business opportunities that are expected to



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Remember that you are not alone; we have 30 years of experience in helping companies doing business with the Federal Government.

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