

Women-Owned Small Business Federal Contract Program: Application and Common Compliance Pitfalls

The Small Business Administration's Women-Owned Small Business Federal Contract program was designed to create an equal playing field for women business owners and with the goal to award at least 5% of federal contracting dollars to women-owned small businesses (WOSBs) and economically disadvantaged WOSBs (EDWOSBs) each year. Where companies used to self-certify, companies that wish to compete for WOSB set-aside or sole source contracts under the program (as well as those seeking multiple award contracts for pools reserved for WOSBs/EDWOSBs) must now apply for certification via one of three ways: (1) directly through SBA; (2) through an approved third-party certifier; or (3) by presenting certification by the U.S. Department of Veterans Affairs Center for Verification and Evaluations. This guide covers some program requirements to keep in mind when applying for certification as well as a concern's responsibility after certifying.

Timing of WOSB/EDWOSB Application

1. Concerns should submit applications for WOSB/EDWOSB certification as soon as possible to avoid losing contract awards. While SBA regulations require applications to be processed within 90 days where practicable, it can take longer due to backlogs. SBA's current processing time is eight months.
2. If a concern becomes the apparent successful offeror for a set-aside procurement while its WOSB/EDWOSB application is still pending (either at SBA or a third-party certifier), the contracting officer for the particular contract is required to immediately notify SBA's Director of Government Contracting to prioritize the application. If the contracting officer does not receive a determination on the concern's status within 15 days, the contracting officer is permitted to presume that the concern is not an eligible WOSB or EDWOSB and may make an award accordingly.

Recertification & Decertification

1. To remain a certified WOSB/EDWOSB, a concern must undergo a program examination every three years. The WOSB/EDWOSB must request a program examination from SBA or notify SBA that it has requested one from a third-party certifier no later than 30 days prior to the anniversary of its certification anniversary. If the concern fails to do so, it will be decertified.
2. The SBA can also conduct examinations at any time while a concern is a certified WOSB/EDWOSB. It is the responsibility of the concern to ensure that the information provided to SBA is kept up to date and is accurate.

Ongoing Compliance Obligations

1. A concern must notify SBA of any material changes that could affect its eligibility within 30 days. This includes, among other things, a change in ownership, business structure, or management.
2. Failure to notify SBA of a material change can result in decertification as well as penalties such as suspension or debarment and even civil and criminal penalties.