

NORTH FLORIDA 8(A) & BUSINESS DEVELOPMENT QUARTERLY

February 2011

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Final Regulations Will Strengthen 8(a) Business Development Program for Small Businesses

The SBA published a package of final rules that will revise regulations to strengthen its 8(a) Business Development program to better ensure that the benefits flow to the intended recipients and help prevent waste, fraud and abuse.

The rules were published in *The Federal Register* and will become effective in 30 days on March 14, 2011. The revisions are the first comprehensive overhaul of the 8(a) program in more than 10 years. The regulations incorporate technical changes and substantive changes that mirror existing or new legislation enacted since the last revision in June 1998. The rules cover a variety of areas of the program, ranging from clarifications on determining economic disadvantage to requirements on Joint Ventures and the Mentor-Protégé program. Some of the components of the 8(a) program that the revised regulations will affect include:

- Joint Ventures – requiring that the 8(a) firm must perform 40 percent of the work of each 8(a) joint venture contract that is awarded, including those awarded under a Mentor/Protégé agreement, to ensure that these companies are able to build capacity;
 - Economic Disadvantage – providing more clarification on factors that determine economic disadvantage as it relates to total assets, gross income, retirement accounts and a spouse of an 8(a) company owner when determining the owner's ability to access capital and credit;
 - Mentor-Protégé Program – adding consequences for a mentor who does not provide assistance to their protégé, ranging from stop-work orders to debarment
 - Ownership and Control Requirements – providing flexibility on whether to admit 8(a) program companies owned by individuals with immediate family members who are owners of current and former 8(a) participants;
 - Tribally-Owned Firms – requiring firms owned by tribes, Alaska Native Corporations, Native Hawaiian Organizations and Community Development Corporations to report benefits flowing back to their respective communities;
 - Excessive Withdrawals – amending regulations on what amount is considered excessive as a basis for termination or early graduation from the 8(a) program; and
- Business Size for Primary Industry – requiring that a firm's size status remain small for its primary industry code during its participation in the 8(a) program.

The SBA initially published the proposed rule on Oct. 28, 2009 and provided a 60-day comment period for the public to submit their comments. Many businesses requested more time, so the SBA extended the comment period an additional 30 days, allowing the public to submit their comments by Jan. 28, 2010. In addition to requesting written comments from the public, the SBA also embarked on a "Listening Tour" and hosted public meetings between December 2009 and January 2010 in 10 cities around the country: Albuquerque, N.M., Atlanta, Ga., Boston, Mass., Chicago, Ill., Dallas, Texas, Los Angeles, Calif., Miami, Fla., New York, N.Y., Seattle, Wash. and Washington, D.C. The SBA also conducted tribal consultations to gain further public input to the revisions in Albuquerque, Fairbanks and Anchorage, Alaska, and Seattle. In total, the SBA received more than 2,500 individual comments from the public.

The 8(a) program is a nine-year business development program for small businesses where the owner(s) fits the SBA's criteria of being socially and economically disadvantaged and the same owners control the firm. The 8(a) program helps these firms develop their business and provides them with access to government contracting opportunities, allowing them to become solid competitors in the federal marketplace. It also provides specialized business training, counseling, marketing assistance and high-level executive development to its participants. In FY09, small businesses received \$18.6 billion in 8(a) contract dollars.

For more information about the revised 8(a) regulations, a compliance guide, and the 8(a) program, visit <http://www.sba.gov/content/revised-8a-regulations> or e-mail questions to: 8aBD2@sba.gov.



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 SBA North
 Florida
 Calendar of
 Events:
 Please visit**

www.sba.gov/fl/north

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start, grow and succeed.

SBA
 Your Small Business Resource

News From the Desk of Kenneth Hamilton, *SBA Assistant District Director*



This is the first installment of the 8(a) Newsletter for the 2011 calendar year and, like many of you, this office has taken the start of the new year to assess past performances and prepare for the opportunities and challenges that will be presented in the coming year.

You may be aware that there are a number of new developments that are being implemented at the SBA. The recently announced, revised 8(a) regulations will modify or change existing regulations in some cases and simplify or clarify regulations in others. A number of new rule changes, several of which are summarized on the front page of this newsletter, may apply to your firm; therefore you should become familiar with them. I encourage you to visit our web link listed at the bottom of page one to review a more comprehensive document that details the revised regulations.

Of special note, in this edition the contract data for our North Florida District Office 8(a) portfolio is presented.

We are especially pleased with the growth in contracting opportunities for our 8(a) contractors. As a review of the three-year history shows, there has been continuous growth and improvement. During this past fiscal year 2010, our district accepted into our program over 283 contract offers amounting to over \$734 million. Our report further shows that over the last three years over \$1.5 billion and 748 contracting opportunities were made available for our North Florida 8(a) participants.

These contracts are but one of the components that we feel are critical to the development of a cadre of firms that are experienced and capable of competing in the open market without the assistance of the 8(a) business development program. While these contracts may be important for the survival and growth of 8(a) firms, these contracts are equally beneficial to our local economies. Each of these contracts represents economic development and job creation for the North Florida Region.

Continuing to take advantage of the training and technical assistance programs that we offer is another component to creating strong contractors and enhancing potential for contract awards. Our 7(j) training class which will be held on April 25 and 26 at the Beaver Street Enterprise Center in Jacksonville is a great way to start your firms' development program this year. The online registration is currently open, so register early as seats are limited.

As always, we want to acknowledge the collaborative efforts of our resource partners and the federal agencies that work with us in our 8(a) business development mission. We realize that our program would not be as successful without their collegial support.

FYI From Department of Homeland Security- *E-Verify Information for Employers*

Now is the ideal time to ensure that employers and employees understand the E-Verify and the federal employment eligibility verification processes. E-Verify is a fast, free, and easy to use internet-based system run by the Department of Homeland Security (DHS) that allows employers to verify the eligibility of their newly hired employees to legally work in the United States.

All United States employers are already required to complete and retain a Form I-9 - the "Employment Eligibility Verification" form - for each person they hire in the United States. That includes citizens and non-citizens.

E-Verify takes the Form I-9 process one step further. It compares information provided on a Form I-9 against information in government records. In most cases, E-Verify tells the employer in just seconds if an employee is eligible to work in the United States. E-Verify isn't a database, but simply a secure way for employers to check new employee's employment eligibility information against existing records in the Social Security Administration, DHS and the State Department - depending upon which form of identification the employee presents, and the employee's citizenship or immigration status.

To use E-Verify, an employer must first enroll online at www.dhs.gov/E-Verify. Employers complete a basic registration application, then must take a tutorial, and pass a test before being granted access to use the system. E-Verify users give the signup process a high score and rate the program as fast and easy to use, according to a recent American Customer Satisfaction Index (ACSI) survey.

For example, E-Verify cannot be used by employers in a discriminatory way, such as only checking some employees but not others. Employers may not use E-Verify to prescreen job applicants. Also, employers may not take any adverse action against an employee, including firing or delaying the employee's start date, who is in the process of resolving an initial mismatch.

According to survey results, most employers are confident in E-Verify's accuracy. Also, users are likely to use E-Verify in the future and recommend it to others.

DHS conducts free, live [webinars](#) about E-Verify that can be attended without ever leaving the office. The 90-minute webinars include a demonstration of E-Verify and an opportunity to ask questions. By the end of the webinar, employers will have a good understanding of E-Verify. DHS also offers Form I-9 webinars.

E-Verify is currently used by more than 233,000 employers. E-Verify is growing rapidly, with more than 1,400 new businesses enrolling each week. For most employers, using E-Verify is voluntary and limited to verifying new employees only. Since September 2009, E-Verify is mandatory for many federal contractors.

Visit the [E-Verify web pages](#) for more information about E-Verify. Follow E-Verify and Form I-9 on Twitter [@USCIS](#).

Great Contracting Data!

Contracts by Industry

North Florida D/O 8(a) Offer Letters Product	FY10		FY09		FY08		Total #	
	#	\$	#	\$	#	\$	#	\$
11 - Agri, Forestry, Fish & Hunt	8	\$2,587,610	9	\$3,860,419	16	\$5,682,124	33	\$12,130,153
21 - Mining	1	\$249,000					1	\$249,000
22 - Utilities			2	\$5,937,280	1	\$700,000	3	\$6,637,280
23 - Construction	155	\$172,632,696	122	\$170,620,596	136	\$209,017,799	413	\$552,271,091
32 - Mfg - Wood, Paper, Print, Petrol, Chemical			1	\$10,340			1	\$10,340
33 - Mfg - Metal, Machinery, Equip, Plastic & Furn	17	\$265,425,623	9	\$8,161,989	11	\$34,039,392	37	\$307,627,003
42 - Wholesale Trade	1	\$112,544	6	\$1,865,061	4	\$131,687	11	\$2,109,292
48 - Trans & Warehousing			3	\$28,944,393	1	\$3,000,000	4	\$31,944,393
49 - Trans & Warehousing - Couriers & Storage	1	\$5,400	1	\$51,263			2	\$56,663
51 - Information	2	\$500,000					2	\$500,000
53 - Real Estate & Rental & Leasing					1	\$401,350	1	\$401,350
54 - Prof.,Sci & Technical Service	50	\$181,299,061	38	\$241,947,162	39	\$47,463,448	127	\$470,709,671
56 - Admin & Support & Waste Mgmt	37	\$108,060,559	24	\$25,546,391	22	\$33,544,596	83	\$167,151,545
61 - Educational Services	2	\$943,889	8	\$5,391,137	2	\$663,800	12	\$6,998,826
62 - Health Care & Social Asst			1	\$183,406	2	\$561,400	3	\$744,806
71 - Arts, Ent & Rec			1	\$3,500,000			1	\$3,500,000
72 - Accom & Food Service			1	\$4,800,000			1	\$4,800,000
81 - Other Service	3	\$1,751,903	1	\$900,000	3	\$2,600,380	7	\$5,252,283
44 - Retail Trade	1	\$160,000					1	\$160,000
31 - Mfg - Food, Textiles & Leather	5	\$519,347					5	\$519,347
Grand Total	283	\$734,247,631	227	\$501,719,437	238	\$337,805,975	748	\$1,573,773,043

Contracts by Federal Agency

North Florida D/O 8(a) Offer Letters By Agency	FY10		FY09		FY08		Total #	
	#	\$	#	\$	#	\$	#	\$
Dept JF Kennedy Performing Arts			1	\$120,000			1	\$120,000
Florida National Guard	1	\$280,000					1	\$280,000
National Aeronautics and Space Administration					1	\$500,000	1	\$500,000
U.S. Army Corps of Engineers	9	\$24,061,691	2	\$52,629,178	3	\$28,000,000	14	\$104,690,869
U.S. Defense Logistics Agency	1	\$231,804	1	\$27,126	1	\$796,987	3	\$1,055,917
U.S. Dept of Agriculture	17	\$4,738,957	5	\$3,621,140	11	\$2,712,536	33	\$11,072,633
U.S. Dept of Commerce/NOAA			1	\$25,463			1	\$25,463
U.S. Dept of Defense-Joint Reserve Bases	3	\$1,272,225	5	\$609,611	6	\$2,054,000	14	\$3,935,836
U.S. Dept of Education					1	\$2,075,327	1	\$2,075,327
U.S. Dept of Energy			1	\$10,340			1	\$10,340
U.S. Dept of Health & Human Services	3	\$4,550,193					3	\$4,550,193
U.S. Dept of Homeland Security	15	\$15,250,745	14	\$11,485,711	23	\$11,269,993	52	\$38,006,450
U.S. Dept of Housing and Urban Development			1	\$1,521,931	1	\$27,500	2	\$1,549,431
U.S. Dept of Justice	1	\$51,000	1	\$58,434	1	\$900,000	3	\$1,009,434
U.S. Dept of State					1	\$3,500,000	1	\$3,500,000
U.S. Dept of the Air Force	47	\$174,956,926	45	\$279,499,295	43	\$60,161,948	135	\$514,618,169
U.S. Dept of the Army	31	\$143,286,996	32	\$45,330,095	33	\$110,583,138	96	\$299,200,230
U.S. Dept of the Interior	22	\$4,142,760	19	\$5,207,520	26	\$15,931,946	67	\$25,282,226
U.S. Dept of the Navy	102	\$342,417,233	82	\$92,905,569	73	\$87,641,948	257	\$522,964,749
U.S. Dept of Transportation	1	\$1,000,000					1	\$1,000,000
U.S. Dept of Treasury	1	\$400,000					1	\$400,000
U.S. Dept of Veterans Affairs	1	\$162,815					1	\$162,815
U.S. Environmental Protection Agency					3	\$2,838,969	3	\$2,838,969
U.S. General Service Administration	24	\$7,254,286	14	\$4,368,225	8	\$4,561,883	46	\$16,184,394
U.S. Marine Corps	4	\$10,190,000	3	\$4,299,800	3	\$4,249,800	10	\$18,739,600
Grand Total	283	\$734,247,631	227	\$501,719,437	238	\$337,805,975	748	\$1,573,773,043

The Jacksonville Acquisition Conference and Trade Show on April 21, 2011

Hours: 8:00 AM – 4:30 PM
Breakfast, registration, and networking opens at 7:00 AM

Phone: 904-620-2476

Web:

<http://www.sbdc.unf.edu>

see "Special Events"

<http://ptacnefl.org>

Register Now!!

7(j) Training

April 25 – Construction Contracting

April 26 – Proposal Preparation

Location: Beaver Street Enterprise Center, Jacksonville, FL

Details and Registration go to:

<http://sbaworkshops.stoverteam.com>

For More Information
Contact: Phyllis Embree
or Chris Strudthoff
Email: sbaworkshops@stoverteam.com
(770) 423-9888

SBA District Office
Contact: Pam DuRocher
(904) 443-1924

8(a) SUCCESS News!!



CONGRATULATIONS to 5 of SBA North Florida 8(a) firms!!! They have been recognized as recipients of the 2011 Florida Companies to WatchSM award, an honor presented by GrowFL, the Florida Economic Gardening Institute at the University of Central Florida

and ACG Florida, in association with the Edward Lowe Foundation, and funding support from The Governor's Office of Tourism, Trade and Economic Development. Fifty companies from 18 Florida counties have earned a place in Florida's inaugural class of "Companies to Watch." The accolade recognizes the state's privately held businesses that employ up to 99 employees and have between \$750,000 to \$50 million in annual revenue or capital. Awardees are selected for demonstrating the intent and capacity to grow based on employee or sales growth, exceptional entrepreneurial leadership, sustainable competitive advantage or other notable strengths. A big congratulations to the following firms:

- B3 Solutions, LLC of Jacksonville
- Bit Wizards of Okaloosa County
- H2 Performance Consulting of Pensacola
- Hixardt Technologies of Pensacola
- IMS Expert Services of Pensacola



CONGRATULATIONS to Santoni International Builders LLC, an 8(a) participant from Orlando, Florida, was selected to build the first Florida portions of the National Truck Stop Electrification (TSE) program on two Florida Turnpike Plazas, Okahumpka at Milepost 299 and Canoe Creek at Milepost 229. By 2012 all over-the-road (OTR) trucks will be required by Federal-law to stop idling their engines while resting at truck stops.

Truck idling is used to heat or cool the cab and to power on-board appliances during rest periods. Engine idling promotes unhealthy environmental conditions, wastes fuel, reduces engine life, and requires more frequent engine maintenance. The state of Florida, through the

State Clean Diesel Grant program, funded a project utilizing American Recovery and Reinvestment Act of 2009 money to allow drivers to shut off their engines and connect to an in-cab service module with an external unit that will provide a source of electrical power to the truck driver to watch TV, use their laptops and power other accessories without running the engine. The TSE project was awarded to JB Enterprises and sub-contracted to Santoni International Builders to create and build the new infrastructure along the Florida Turnpike. These are currently being monitored for usage before implementing them statewide.

Santoni International Builders LLC is a general construction firm registered to do business with the state of Florida, the federal government, and various municipalities in Central Florida. They hold several certifications: 8(a), SDB, Woman-Owned Small Business and Disadvantaged Business Enterprise (DBE). They can be found on the web at <http://santonibuilders.com>.

Hello & Welcome and Farewell & Best of Luck! 8(a) Firms Fiscal Year 2011

Welcome New 8(a) Firms!!

- Carter Solutions, Inc., Lake Mary
- Jetechnology Solutions, Inc., Orlando
- Pinnacle Civil and General Contractors, LLC, Ponte Vedra Beach
- Rayson Enterprises, LLC, Orlando
- Crowson Paint Contractors, Inc., Fort Walton Beach
- Kingdom Communications, LLC, Orlando
- Sunrise Contracting Services, Inc., Navarre

Farewell Graduated 8(a) Firms!!

- Cost Management, Inc., Orlando
- L.M.C.C. Specialty Contractors (Mims), Orlando
- Z-Facilitators, Inc., Orlando
- Aviation Systems Of Northwest Florida, Inc., Pensacola
- Barnes, Ferland And Associates, Inc., Orlando
- BPC Group, Inc., Orlando

U. S. Small Business Administration

North Florida District Office
 7825 Baymeadows Way
 Suite 100-B
 Jacksonville, FL 32256
www.sba.gov/fl/north
 Phone: 904-443-1900
 Fax: 904-443-1980
 E-mail: lola.kress@sba.gov

Mentor-Protégé Connection

In an effort to assist 8(a) program participants find a suitable mentor or protégé, the SBA North Florida District Office has developed this listing to identify firms interested in participating in SBA's Mentor Protégé Program.

The list is divided into two listings; one list identifies firms whose interest is to participate as "protégé," and the second list firms interested in participating as "mentor." For more information visit www.sba.gov

To View the List of Interested Mentors/Protégés, Please

Recently, the U.S. Small Business Administration announced an expanded online presence with the creation of Twitter accounts and Facebook pages devoted to its 10 regional offices throughout the country.

With the expansion to its regional offices, the SBA is trying to reach more businesses with locale-specific information, enhancing efforts to ensure entrepreneurs have access to the tools and information they need to start and grow their small business and create jobs.

Find us at:
Region 4 - Southeast
 Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi and Florida

Follow us on 
 Find us on 

Other SUCCESS News!!



Vera Smith, a contract specialist in Code 244, is NAVSUP FISCJ's Small Business Programs Office Acquisition Advocate for Small Business Concerns (4th Quarter FY10). Smith has made a tremendous contribution in helping FISCJ achieve its socio economic goals for small business awards.

From June 1 to Sept. 31, Smith awarded a myriad of contracts, the majority to small business concerns. Utilizing her negotiating skills and knowledge of contracts, she provided notable opportunities to small business concerns throughout the country; specifically under the SBA 's 8(a) Program. Smith consistently worked above and beyond customary procurement practices.

Throughout the fourth quarter, she presented her findings and determined that a small business set aside or a sole source award to an SBA 8(a) contractor would be in the government's best interest. She routinely questioned the receipt of large business sole source recommendations and offered small business competition to her customers with competitive pricing and on-time delivery. Smith's perseverance was so overwhelming that the SBA North Florida District Office commended her for her capacity to see beyond customary practices and to consider all possibilities. To achieve these results, Smith takes advantage of several marketing strategies and resources.

Congratulations to the following 8(a) Firms that Graduated from the 2010 e200 Program!

- Gwendolyn Jenkins of Jenks Trucking, Inc.
- Debra Klein of Baker Klein Engineering, P.L.
- Mark A. Morley of The Ohmega Group, LLC
- Javier Garcia of Pinnacle Civil And General Contractors, LLC



For more information on the Emerging 200 Program, please [click here](#)

Contact Your SBA 8(a) Specialist Today!

■ Ed Phillips (904) 443-1968
■ Annette Paulson (904) 443-1914
■ Nancy Alvarez-Hernandez (904) 443-1930
■ Ed Ramos (407) 648-2891

The North Florida District Business Opportunity Specialists are here to Assist You in your Government Contracting Needs.