

<p><b>Type of Federal Acquisition</b></p> <p><b>Set-Aside</b></p>	<p><b>Limitation of Subcontracting—How much work must the concern (prime contractor/joint venture) perform and how much may they subcontract and still meet the requirements of the set-aside?</b></p> <p>Note that subcontract work may be performed by any type of firm as long as the limitations set forth below are met.</p>	<p><b>Who can be a Joint Venture Partner?</b></p> <p>Note that a joint venture is a legal entity created by a joint venture agreement between two or more companies or an implied agreement created by the actions of the parties.</p> <p>A joint venture entity cannot submit more than three offers over a two year period, starting from the date of the submission of the first offer without being considered affiliated for size determination purposes.</p>
<p><b>Small Business (SB)</b></p>	<p>(1) If contract is for services (except construction), the concern will perform at least 50% of the cost of the contract incurred for personnel with its own employees.</p> <p>(2) If contract is for supplies or products (other than from a non-manufacturer in such supplies or products), the concern will perform at least 50% of the cost of manufacturing the supplies or products (not including the costs of materials).</p> <p>(3) If contract is for general construction, the concern will perform at least 15% of the cost of the contract with its own employees (not including the costs of materials).</p> <p>(4) If contract is for construction by special trade contractors, the concern will perform at least 25% of the cost of the contract with its own employees (not including the cost of materials).</p> <p style="text-align: right;">13 CFR 125.6</p>	<p>Any other small business as long as the procurement is considered a “bundled” requirement per 13 CFR 125.2 (d)(1)(i), or</p> <p>Any other small business as long as the procurement is “non-bundled” , and</p> <p>for procurement with \$ size standard, the procurement &gt;1/2 size standard or</p> <p>for procurement with # employees size standard, the procurement &gt;\$10M.</p> <p>For procurements of lower value than (2)(a) or (2)(b), any other small business as long as the joint venture partners considered together as affiliated meet the applicable SB size standard.</p> <p style="text-align: right;">13 CFR 21.103</p>

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<p><b>Service-disabled Veteran-owned Small Business (SDVOSB)</b></p>	<p>See SB above. Same percentages apply except prime contractor AND ANY SDVOSB subcontractors together must meet the requirements. 13 CFR 125.6</p>	<p>Any small business as long as for procurement with \$ size standard, the procurement &gt;1/2 size standard or  for procurement with # employees size standard, the procurement &gt;\$10M.  For procurements of lower value than (1)(a) or (1)(b), any small business as long as the SDVOSB and joint venture partner considered together as affiliated meet the SB size standard.  13 CFR 125.15</p>
<p><b>HUBZone</b></p>	<p>(1) If contract is for services (except construction), the concern will perform at least 50% of the cost of the contract incurred for personnel with its own employees or employees of other qualified HUBZone concerns.  (2) If contract is for supplies or products (other than from a non-manufacturer in such supplies or products), the concern or other qualified HUBZone concerns will perform at least 50% of the cost of manufacturing the supplies or products (not including the costs of materials).  (3) If contract is for general construction, the concern will perform at least 15% of the cost of the contract with its own employees (not including the costs of materials). In addition, either the concern itself or one or more other qualified</p>	<p>Any other HUBZone certified firm that is a SB under the applicable NAICS as long as long as  for procurement with \$ size standard, the procurement &gt;1/2 size standard or  for procurement with # employees size standard, the procurement &gt;\$10M.  For procurements of lower value than (1)(a) or (1)(b), any other HUBZone certified firm as long as the joint venture partners considered together as affiliated meet the SB size standard.</p>

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	<p>HUBZone concerns shall perform an additional 35% of the cost of the contract with its own employees, for a total of at least 50% of the cost of the contract being performed by employees of a HUBZone concern.</p> <p>(4) If contract is for construction by special trade contractors, the concern will perform at least 25% of the cost of the contract with its own employees (not including the cost of materials). In addition, either the concern itself or one or more other qualified HUBZone concerns shall perform an additional 25% of the cost of the contract with its own employees, for a total of at least 50% of the cost of the contract being performed by employees of a HUBZone concern.</p> <p>A contracting officer may waive the 50% requirement set forth in (3) and (4) above for a particular procurement after determining that at least two qualified HUBZone SBCs cannot meet the requirement.</p> <p style="text-align: right;">CFR 126.700</p>	<p>The joint venture itself need not be certified as a qualified HUBZone concern.</p> <p style="text-align: right;">13 CFR 126.616</p>
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<p><b>8(a)</b></p>	<p>See SB above. Same percentages apply.</p> <p>Examples are provided in 13 CFR 124.510.</p>	<p>(1) <b>Any small business</b> as long as size of one 8(a) participant &lt;1/2 size standard and</p> <p>(a) for procurement with \$ size standard, the procurement &gt;1/2 size standard or</p> <p>(b) for procurement with # employees size standard, the procurement &gt;\$10M.</p> <p>(2) For 8(a) procurements of lower value than (1)(a) or (1)(b), any small business as long as 8(a) firm and joint venture partner considered together as affiliated meet the SB size standard.</p> <p style="text-align: right;">13 CFR 124.513</p> <p><b>(3) Any firm (large or small) can joint venture with an 8(a) firm under an SBA-approved mentor/protégé agreement.</b></p> <p style="text-align: right;">13 CFR 124.520</p> <p>Note that 8(a) joint venture partners must be approved by SBA.</p>
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