



A Guide to Awarding Sole-Source Contracts in the WOSB Program

Section 825 of the FY15 National Defense Authorization Act provided agencies with statutory authority to award sole-source contracts to women-owned small businesses (WOSBs) and economically disadvantaged women-owned small businesses (EDWOSBs) through the WOSB Federal Contract Program. Previously, contracts could only be restricted to competition of two or more WOSBs. On September 14, 2015, the SBA promulgated a final rule governing the awarding of these contracts. The FAR Council's Interim Final Rule implementing sole source authority became effective on December 31, 2015. The relevant portions of the CFR and FAR are noted at the end of this document.

Requirements for WOSB Sole Source Contracts

1. The contract is in a WOSB/EDWOSB eligible NAICS code.

The WOSB program is unique in that it is only applicable to contracts in certain NAICS codes. In addition, some NAICS codes are open to all WOSBs, while some are only available to Economically-Disadvantaged WOSBs (EDWOSBs). A list of all NAICS codes in the program is readily available at:

https://www.sba.gov/sites/default/files/2016_wosb_NAICS.pdf

https://www.sba.gov/sites/default/files/2016_edwosb_NAICS.pdf

2. The contract (including options) valued at \$6.5 million or less for manufacturing contracts or \$4 million or less for all other contracts.

Similar to other small business contracting programs, WOSB sole source contracts are limited to certain sizes. For manufacturing contracts (the 31-33 NAICS codes) that cap is \$6.5 million, while all other contracts have a cap of \$4 million. This is including all options on the contract. More on the specifics of the NAICS manufacturing codes can be found at: <http://www.census.gov/econ/manufacturing.html>.

3. The contract be awarded to the WOSB/EDWOSB at a fair and reasonable price.

The statute and regulations also require that the contract can be awarded at a "fair and reasonable price." This common term in federal contracting is described in the Federal Acquisition Regulation (FAR) Subpart 15.4 available at: <https://www.acquisition.gov/?q=/browse/far/15>.

4. The WOSB/EDWOSB concern has been determined a reasonable contractor with respect to performance.

The WOSB/EDWOSB performance on active and physically completed contracts indicates that they will be able to adequately perform the work.

5. The contracting officer does not have a reasonable expectation that offers would be received from two or more WOSB¹/EDWOSB² concerns.

The statute requires that "the contracting officer does not have a reasonable expectation that offers would be received from two or more WOSB/EDWOSB concerns."

How to Find Examples of Sole Sources to WOSBs

Go to www.fbo.gov. Under "Set-Aside Code" Select WOSB, HUBZone or SDVOSB. Under "type" click on Justification and Approval (J&A). WOSB, SDVOSB and HUBZone sole source justification requirements are all the same. A strategy to understand sole source justifications by agency can be found by filtering through FBO as described above or on the agency website.

FAR Subpart on WOSB program: 19.15
CFR on WOSB program: 13 CFR 127

¹ FAR 19.1506(b)(2)

² FAR 19.1506(a)(2)