



U.S. Small Business  
Administration

# Powering the American Dream

*The Woman Owned Small  
Business and the Economically  
Disadvantaged Woman Owned  
Small Business Programs*

# Eligibility Requirements for WOSBs

*To qualify as a WOSB, a business must meet the following requirements:*

- Meet **small business size standard** for primary NAICS code and contract
- At least **51% unconditionally and directly owned by women** who are **U.S. citizens\***
- The woman must manage the **day-to-day operations**
- The woman must make the **long-term decisions** for the business
- A woman must **hold highest officer position** in the company
- This woman must work at business **full-time during normal working hours.**
- No minimum amount of time** for the business to be operational

\*Community property laws are not considered when looking at ownership.

# Eligibility Requirements for EDWOSBs

*To qualify as an EDWOSB, a business must meet all the requirements for a WOSB, as well as the following requirements:*

- Personal net worth** (assets minus liabilities) is **less than \$750,000** excluding:
  - Ownership in business and primary personal residence
  - Income reinvested or used to pay taxes of business
  - Funds reinvested in IRA or other retirement account\*
  - Transferred assets within two years if to or on behalf of immediate family member for select purposes\*\*
- Adjusted gross income **average** over three years is \$350,000 or less excluding:
  - Income reinvested or used to pay taxes of business
- Fair market value of **all** assets is **\$6 million or less**.

\* Must be IRA or other official retirement account that is unavailable until retirement age without significant penalty

\*\* Select purposes are for that individual's education, medical expenses or other essential support or to family member in recognition of special event

Note: SBA will look at a spouse's finances if the spouse has a role in the WOSB/EDWOSB, has lent money to or provided financial support (including credit or guarantee of loan) to the business. SBA may also look at spouse's finances if both spouses are in same or similar line of business and businesses share names, websites, equipment and employees.

# How to demonstrate eligibility: Self- or Third-Party Certification

There are currently **two ways** to demonstrate eligibility for the WOSB program:

## Self Certification with supporting documents

- *Free*
- Register in SAM
- Compile and upload all required documents to the WOSB Repository
- Represent status in SAM as WOSB or EDWOSB

## Third Party Certification with supporting documents

- *Fee associated with Third Party Certifiers*
- Register in SAM
- Obtain certification from an SBA-approved Third Party Certifier
  - US Women's Chamber of Commerce
  - Women's Business Enterprise National Council (WBENC)\*
  - National Women's Business Owners Council (NWBOC)
  - El Paso Hispanic Chamber of Commerce
- Compile and upload all required documents to the WOSB repository (reduced requirements)
- Represent status in SAM as WOSB or EDWOSB

\*Does not perform economic disadvantage determinations

## Upcoming Program Changes

- Final Rules governing the WOSB Program will be published on June 30, 2020 and become effective 30 days later;
- You will no longer be able to self-certify as a WOSB or EDWOSB.
- You will have to either certify through an [approved third-party entity](#) or go through SBA's online certification at [certify.sba.gov](https://certify.sba.gov).

## Impact of Changes

- **New Applicants** - Firms must be certified through the Small Business Administration (SBA), the Department of Veteran Affairs' Center for Verification and Evaluation (CVE), or a third party certifier;
- **Self Certified Firms with Active Contracts** - A firm that was eligible as a WOSB or EDWOSB at the time of offer for the contract is considered a WOSB or EDWOSB throughout the life of the contract. However, the firm must get certified by the end of the fifth year of the contract

## Impact of Changes Continued

- **Existing Third Party Certified Firms** - Firms must re-certify three years after their most recent TPC certification.
- **8(a)-Certified Firms** - 8(a) firms that are owned and operated by women can submit documentation of their ongoing 8(a) eligibility for their EDWOSB certification.
- **CVE-Certified Firms** - Firms can submit evidence of their CVE and WOSB or EDWOSB ownership and control requirements to demonstrate eligibility.



## For More Information Regarding these Changes, Visit [www.sba.gov/wosbready](http://www.sba.gov/wosbready)

John L. Banks  
Deputy District Director  
[John.Banks@sba.gov](mailto:John.Banks@sba.gov)  
302-573-6553

Jennifer Tilden  
Lead Business Development  
Specialist  
[Jennifer.Tilden@sba.gov](mailto:Jennifer.Tilden@sba.gov)  
610-382-3083

George Tapia  
Business Opportunity Specialist  
[George.Tapia@sba.gov](mailto:George.Tapia@sba.gov)  
610-382-3086

Thank You