



U.S. Small Business
Administration

Small Business Update

NASA Marshall Space Flight Center

March/April 2024

Goal Updates

- Service-Disabled Veteran-Owned Small Business (SDVOSB) goal increased from 3% to 5% ([National Defense Authorization Act \(NDAA\) FY24 Section 863](#)) for both prime and sub awards.
- Small Disadvantaged Business (SDB) goal increased from 12% to 13% for FY24. The goal will increase to 15% in FY25. [OMB Memo M-24-01](#)
- [FY2024 Goaling Guidelines \(sba.gov\)](#)

Small Business Category	Small Business Procurement Goals
Small Business Concerns	Not less than 23% of the total value of all prime contract awards for each fiscal year.
SDBs	Not less than 13% of the total value of prime contract and not less than 5% subcontract awards for each fiscal year.
WOSBs	Not less than 5% of the total value of all prime contract and subcontract awards for each fiscal year.
SDVOSB	Not less than 5% of the total value of all prime contract and subcontract awards for each fiscal year.
HUBZone	Not less than 3% of the total value of all prime contract and subcontract awards for each fiscal year.

VetCert

- Prime Awards
 - Self-certification grace period ended on December 31, 2023.
 - Must be certified in [VetCert](#) to be eligible for SDVOSB prime awards.
- **Subcontract Awards**
 - **Grace period for self-certification until December 22, 2024.**
 - Prior to change, SDVOSBs could self-certify for subcontracts and still have their status count toward prime contractor's subcontracting plans. Additionally, agencies would receive credit on SBA's scorecard for working with self-certification SDVOSBs.
- See [Preparing for SBA Veteran Certification/Recertification](#) and [NDAA FY24 Section 864](#).

Subcontractor Payments

- [NDAA FY24 Section 862](#) makes three changes to the requirements for prime contractors in the payment of subcontractors:
 - Prime contractors **shall** notify the contracting officer if a payment under a small-business subcontracting plan is more than 30 days (decreased from 90 days) past due (See 15 U.S.C. 637(d)(13)(B)(i));
 - Contracting officer **may** enter or modify a prime's past-performance rating if the prime unjustifiably fails to make a full or timely payment to a subcontractor (See 15 U.S.C. 637(d)(13)(C)(ii)); and
 - Primes are **required** to cooperate with CO, who **shall** consult the Director of Office of Small Business Programs to rectify unjustified failures pay a subcontractor in full and in a timely manner (See 15 U.S.C. 637(d)(13)(E)).

Facility Security Clearances (FCL)

- National Industrial Security Program (NISP) requires any legal entity that will access classified information pursuant to a legitimate government requirement (e.g., contract or similar agreement) must undergo an EED.
- The Information Security Oversight Office (part of the National Archives and Records Administration) and the U.S. Small Business Administration issued a joint statement.
- The purpose is to clarify issues between an SBA rule from 10/16/202 and a GAO decision from 8/27/21.
- The policy memo clarifies that an unpopulated Joint Venture (JV) will not have to hold a separate entity eligibility determination (EED) itself, though the partners to the JV must then hold EEDs.
- For more details, see [Notice 2024-01: Joint Ventures and Entity Determinations \(archives.gov\)](#) issued October 5, 2023.