



HUB Zone

- **The HUBZone Empowerment Contracting** program was enacted into law as part of the Small Business Reauthorization Act of 1997. The program encourages economic development in historically underutilized business zones - "HUBZones" - through the establishment of preferences and is intended to promote economic development and employment growth in distressed areas by providing access to more Federal contracting opportunities.
- **Federated Advantage** – Section 19.1307 HUBZone qualified companies are eligible for price evaluation preference of up to 10% when bidding on federal contracts. FAR 52.219-4 When submitting a bid, the contracting officer adds a factor of 10% to all other offers applied on a line item basis or to any group of items on which award may be made.
- **Section 19.1305** – HUBZone qualified companies are eligible for contract set-asides and sole-source awards. FAR 52.219-3 The anticipated price of the contract, including options, will not exceed \$5M for a requirement within the North American Industry Classification System (NAICS) codes for manufacturing; and \$3M for a requirement within any NAICS code
- **Contracting Officer's Advantage** – The Government requires Federal Agencies to achieve an award goal of 1.5% to HUBZone concerns. This goal is passed along in the requirements of subcontracting plans.
- **Prime Contractor's Advantage** – All subcontracting plans for large business Federal contractors must include a HUBZone subcontracting goal; the program provides evaluation credits for prime contractors who achieve their subcontracting targets. Large companies engaged in the federal market can also benefit by partnering with Federated to pursue HUBZone set-asides for which the large business would not normally qualify.

Indian Incentive Program

- **The Indian Incentive Act**, established in 1974, provided for payment of incentives to Government contractors that use Indian organizations and Indian-owned economic enterprises as subcontractors. Administered by the Office of the Secretary of Defense (OSD) Small Business Programs (OSBP) Office, the Indian Incentive Program (IIP) is funded independently by the OSD and is not supported by the funds of the contracting agency.
- **Federated Advantage** – As a 100% Native American owned company, Federated is eligible to participate fully in Native American contract set-asides and sole-source awards; as well as assisting our teaming partners meet their small business goals and financial incentives.
- **Contracting Officer's Advantage** – Contracting officers, subject to the terms and conditions of the contract, shall authorize an incentive payment of 5% of the amount paid to subcontractors that are Indian organizations or Indian-owned economic enterprises. Per DFARS 226.1, clause 52.226-1, shall be used in all solicitations exceeding the simplified acquisition threshold where part 12 procedures are not used.
- **Under certain circumstances**, commercial products are eligible for rebate. For more information, please refer to <http://www.acq.osd.mil/osbp/programs/iip/>.
- **Prime Contractor's Advantage** – The FY 2006 Appropriations Act makes \$8 Million available for incentive payments to prime contractors and to small businesses that use Indian-owned businesses or enterprises as subcontractors at any tier. The Prime may request the insertion of *FAR Clause 52.226-1* and file for the incentive payment any time during the life of the contract. The present 5% rebate program started in FY97. Claims may go back to that period if the contract is open and performance is being made by the Prime. Once the contract is closed, the claim cannot be filed.