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Fy 22 Annual Review Retention

Sep 26, 2022 09:01 AM  Read from **Sandrieka Moore**

September 26, 2022

Mr. Anwar Shahid

Propelled Technologies LLC

445 Dexter Ave Ste 4050

Montgomery, AL 36104-3867

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Dear Mr Shahid:

Your Annual Review has been completed and you have been found eligible for 8(a) participation at this time. The purpose of our review is to monitor the development of your firm and to determine continued 8(a) eligibility. Our findings indicate that your company continues to be eligible for the 8(a) program. Your firm is in good standing and eligible for 8(a) sole source and competitive contracts. The company will remain eligible as long as you comply with the requirements of 13CFR 124 Subpart A-8(a) Business Development.

Most contracts that are awarded under the 8(a) Program are usually a result of direct marketing efforts of the 8(a) firm. SBA will do its best to assist you in your efforts to obtain contracting opportunities.

Below are a few key points to be mindful of in the next program year:

1. Updated Business Plan Strengths Weaknesses, Short and Long-Term Goals, and Revenue Projections
2. Please be sure to sign up for Bidspeed and the SBA | Bidspeed (fedbidspeed.com), a tool that can help you find contracting opportunities
- 3.. Recommended 7(j) Assistance
 - A. Understanding the All Small-Mentor Protégé Program
 - B. Joint Ventures and Mentor Protégé Agreements
 - C. Federal Contracting and Government Contracting Management
 - D. 8(a) Friendly Marketing and E-Tools

This office would like to encourage you to participate in any training offered to you and your key staff in the areas of government contracting and marketing outreach during the program year by the Alabama District Office and/or other SBA business partners. You are encouraged to utilize all of the SBA's business counseling resources available to you including SCORE, and the Small Business Development Centers (SBDC13CFR Part 124.112 – “What criteria must a business meet to remain eligible to participate in the 8(a) program?” Be sure to read the information on informing SBA in writing of any changes in circumstances which would adversely affect your program eligibility, especially economic disadvantage and ownership and control.

You must obtain prior written approval from SBA for any changes in ownership or business structure, management or control pursuant to 124.105 and 124.106. Failure to comply is reason for termination from the program.

13CFR Part 124.509 “What are non-8(a) business activity targets?”

This deals with what is commonly called competitive mix. As you will see the company is required to meet non 8(a) business activity targets. During your first four years in the program (Developmental Stage) you are not required to meet a target. Starting with your fifth year in the program you enter the Transitional Stage of the program and are required to meet Non-8(a) business targets. This means that a certain percentage of your work has to come from non-8(a) contracts. Failure to meet the non-8(a) targets will result in your firm being ineligible for sole source contracts. The following are the required targets:

Year 5 – 15%

Year 8 – 40%

Year 6 – 25%

Year 9 – 50%

Year 7 – 30%

Year 10 – 50%

13CFR Part 124.602 “What kind of annual financial statement must a Participant submit to SBA”?

Please be sure to provide financial statements as outlined in this section. We will not approve a contract until we receive the statements. The basic information is detailed below:

Code of Federal Regulations 13 Part 124.602 requires participants with gross annual receipts of more than \$10,000,000 to provide SBA audited annual financial statements prepared by a licensed independent public accountant within 120 days after the close of the concern’s fiscal year.

Code of Federal Regulations 13 part 124.602 requires participants with gross annual receipts between \$2,000,000 and \$10,000,000 to provide SBA reviewed annual financial statements prepared by a licensed independent public accountant within 90 days after the close of the concern’s fiscal year.

Code of Federal Regulations 13 part 124.602 requires participants with gross annual receipts of less than \$2,000,000 to provide SBA an annual statement prepared in-house or a compilation statement prepared by a licensed independent public accountant, verified as to accuracy by an authorized officer, partner, limited liability member, or sole proprietor of the Participant, including signature and date, within 90 days after the close of the concern's fiscal year.

13 CFR Part 124.104 "Who is economically disadvantaged"?

Please note that for continued 8(a) eligibility after admission to the program the personal income threshold cannot exceed \$350,000 (average over three years); the personal net worth must be less than \$750,000; and the fair market value of all assets cannot exceed \$6,000,000,000. In determining such net worth SBA will exclude the ownership interest in the Participant and the equity in the primary personal residence.

I hope this information will be helpful to you.

Sincerely,

Sandrieka Moore

Business Development Specialist

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