

## Continuing Eligibility for the HUBZone Program: How Do Program Examinations Work?

## What to expect

New HUBZone regulations require all certified HUBZone firms to undergo a program examination at least every three years to ensure continued program eligibility. Through the program examination process, SBA officials verify the accuracy of any certification made or information provided by firms as part of their HUBZone application or recertification.

- SBA will conduct a program examination as part of the recertification process three years after a firm's HUBZone certification or at least every three years after the firm's last program examination, whichever date is later.
- of the examination and may review any information related to the firm's HUBZone eligibility including, but not limited to, documentation related to ownership of the firm, as well as compliance with the 35 percent HUBZone residency and principal office requirements.

These measures increase value of HUBZone certification by ensuring only eligible firms benefit from the program.

## **Program Examination Process Timeline**

- If your firm is subject to a program examination, you will receive an email notice about 30 calendar days after completing your mandatory annual recertification.
- You should gather all documents proving your firm met the eligibility requirements as of the current anniversary of its certification.
  - Respond to the notice within 30 calendar days of receipt by
    - Providing the documents requested in the notice, or
    - Voluntarily withdrawing from the HUBZone program within 30 calendar days of receipt of the notice by submitting a <u>Voluntary</u> <u>Decertification Agreement form</u>.
  - If a firm fails to respond, SBA may propose decertification based on its failure to cooperate with the program examination.
- Possible outcomes of a program examination include:
  - SBA determines that the firm is eligible. In this case, SBA will send a written notice to the firm, and the firm will maintain its certified HUBZone status in DSBS.
  - SBA determines that the firm is not eligible.
     In this case, SBA will send a written notice of proposed decertification and the firm will have 30 days to submit documentation supporting its eligibility. The email will include specific instructions for responding.

You'll need to provide documents similar to those submitted with your initial application, which may include:

- Corporate documents
- Firm employee and location lists
- Payroll records
- Utility bills
- Employee HUBZone residency documents
- Principal office lease, rental agreement, or deed

Use the checklists on the website to get more information about these documents.

## For more information:

- Visit <u>sba.gov/hubzone</u>
- Email the HUBZone Help Desk at <u>hubzone@sba.gov</u>
- Visit SBA's <u>local assistance</u> website

