



# THE ALL SMALL MENTOR-PROTÉGÉ PROGRAM

## JOINT VENTURES IN THE ALL SMALL MENTOR-PROTÉGÉ PROGRAM

### Background

The All Small Mentor-Protégé Program (ASMPP) was established in 2016 to extend SBA approved mentor-protégé relationships to every small business. This dynamic program seeks to develop strong protégé firms through mentor-provided business development assistance, and to help them successfully compete for government contracts. Rather than creating separate programs for each constituency (Service Disabled Veteran Owned Businesses, Women Owned Small Businesses, Historically Underutilized Business Zones) the SBA created one all-inclusive program. This new program was modeled after the successful SBA 8(a) Mentor-Protégé Program.

### Joint Ventures

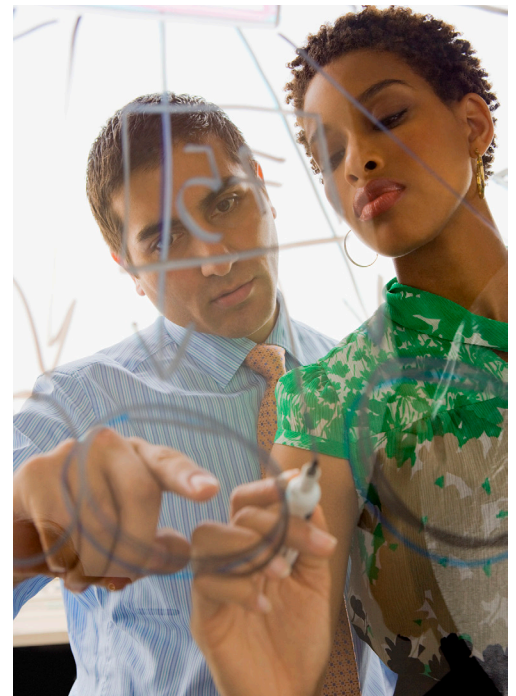
As a Protégé in the All Small Mentor-Protégé Program, you are eligible to form a joint venture (JV) with your SBA-approved Mentor. The joint venture may compete for Federal contracts and subcontracts based on your size and status. For example, the joint venture can compete for a small business set-aside contract, if you are small for the contract and regardless of your Mentor's size. The joint venture could qualify for award of a HUBZone contract, if you are certified HUBZone firm.

If you and your approved Mentor form a JV to compete for a Federal contract or subcontract, you should be aware of the following:

1. The JV will only qualify for the contracting set-asides that you are eligible for. The JVs must be separately identified with its own name, DUNS number, and CAGE number in SAM.gov.
2. The entity "Type" in SAM.gov must be identified as a JV, with the individual JV partners listed.
3. All JV agreements must be in writing, and you must meet the program-specific requirements for the particular set-aside.
4. The Protégé must certify to SBA and the contracting officer that the JV complies with SBA requirements. SBA provides a template certificate.
5. The JV must satisfy the limitations on subcontracting that apply to the contract, and you must perform at least 40% of the total work performed by the JV partners. A legal entity JV may not have its own employees perform contracts. You must annually submit reports to SBA and your contracting agencies explaining how the performance of work requirements are being met for each contract performed.
6. SBA does not review or approve JV agreements prior to award for non-8(a) contracts. If the JV is seeking to win an 8(a) contract, SBA will follow the 8(a) program rules for reviewing and approving the JV agreement.
7. If your JV is selected for award and a size or status protest is filed against it, SBA will review the JV agreement to determine eligibility. You must allow SBA access to the JV's files and records.

Your JV agreement with your approved Mentor must:

- State the purpose of the JV.
- Designate you as the managing venturer and one of your employees as the project manager responsible for the contract.
- State that you own at least 51 percent of the JV entity, if it is a separate legal entity, and that you will receive profits from the JV that are commensurate with the work you will perform.
- Provide for the establishment and operation of a special bank account in the name of the JV that requires signatures by all parties for withdrawals.
- Itemize all major equipment, facilities, and resources to be furnished by each party.
- Specify each party's responsibilities with regard to contract negotiations, labor sourcing, and contract performance. This should show how you will meet the performance of work requirement.



- Obligate all parties to ensure that the contract is performed regardless of whether one party withdraws from the agreement.
- Designate that accounting and administrative records be kept in your office, and require that you retain final original records of the JV once a contract is completed.
- State that all quarterly financial statements showing cumulative contract receipts and expenditures will be submitted to the SBA within 45 days of the end of each operating quarter of the JV.
- State that a project-end profit and loss statement, including a statement of final profit distribution, will be submitted to SBA no later than 90 days after completion of the contract.

This guidance is only a summary. Please review the regulations governing JVs in 13 CFR 124.513 (8(a)), 125.8 (small business), 125.18(SDVOSBC), 126.616 (HUBZone), or 127.506 (WOSB/EDWOSB), as appropriate.

## For More Information

Please visit [www.sba.gov/allsmallmpp](http://www.sba.gov/allsmallmpp) or email [AllSmallMPP@sba.gov](mailto:AllSmallMPP@sba.gov).

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OnlineTutorial: <https://www.sba.gov/tools/sba-learning-center/training/sbas-all-small-mentor-protége-program>