



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

Original
Certification
Date: 04/28/2021

Jeffrey Kroeker - Secretary / Treasurer
KROEKER, INC.
4627 S CHESTNUT,
Fresno, CA, 93725-9238

Dear Jeffrey Kroeker:

Congratulations! Welcome to the HUBZone Program!

I am pleased to advise you that effective this date, KROEKER, INC. has been approved for certification as a "certified HUBZone small business concern." The firm is now eligible for HUBZone opportunities and will be included on the list of certified HUBZone small business concerns found at http://dsbs.sba.gov/dsbs/search/dsp_searchhubzone.cfm. This certification will remain in effect for one year, unless: the firm acquires, is acquired by, or merges with another firm during that one-year period; the firm is performing a HUBZone contract and fails to attempt to maintain the minimum employee HUBZone residency requirement; or the firm voluntarily withdraws from the program. The information below sets forth requirements concerning the company's continued eligibility and its responsibilities.

The Firm's Responsibilities as a Certified HUBZone Small Business Concern

As a certified HUBZone small business concern, the firm may receive program benefits, including eligibility for HUBZone set-aside awards, HUBZone sole source awards, the HUBZone Price Evaluation Preference in full and open competition, and HUBZone reserves. These benefits come with important responsibilities, including:

- Keeping up-to-date on the HUBZone area designations by visiting the HUBZone Maps on the HUBZone website at <http://www.sba.gov/content/hubzone-maps>.
- Annually recertifying the eligibility of the firm.
- Checking SBA's HUBZone Maps to determine whether changes in HUBZone area designations impact, or will impact, the firm's eligibility. Note that changes in HUBZone designations may critically affect the firm's compliance with Program requirements that its principal office be located in a HUBZone, and/or that at least 35% of its employees reside in a HUBZone.
- Signing up to receive HUBZone News Updates by entering your email address at <http://www.sba.gov/content/hubzone-maps>. Once there, expand the "SBA Initiatives" subscription topic, select HUBZone News, and click "Next." This is the simplest single step you can take to keep current on key program changes that may affect the firm's eligibility.
- Complying with the limitations on subcontracting requirements and nonmanufacturer rule when performing any HUBZone contracts (see 13 C.F.R. §§ 126.700, 125.6, 121.406).
- "Attempting to maintain" compliance with the 35% HUBZone residency requirement during the performance of any HUBZone contracts. "Attempt to maintain" means making substantive and documented efforts, such as written offers of employment, published advertisements seeking employees, and attendance at job fairs and applies only to concerns during the performance of any HUBZone contract. A certified HUBZone small business concern that has less than 20% of its total employees residing in a HUBZone during the performance of a HUBZone contract has failed to attempt to maintain the HUBZone residency requirement.
- Notifying SBA if the firm is performing a HUBZone contract and has fewer than 20% of its employees residing in a HUBZone.
- Notifying SBA within 30 days if the firm is acquired by, acquires, or merges with another firm.
- Keeping the firm's System for Award Management (SAM) and Dynamic Small Business Search (DSBS) records up-to-date. For the firm to receive benefits from the HUBZone Program (i.e., to be identified by contracting officers as eligible to receive HUBZone contracts and to be paid under any such contracts), these records must remain up-to-date. You must validate the firm's information at least annually or its SAM registration will become inactive. If you need assistance in updating the firm's SAM or DSBS information, please go to the SAM Help Desk at <https://fsd.gov/fsd-gov/home.do>.
- Responding to notices from SBA, including notices regarding program examinations, protests, proposed decertifications, and recertifications. The HUBZone Program sends such notices to the firm's email addresses of record. If the firm fails to respond to these notices, SBA will propose the firm for decertification and may subsequently decertify it from the Program. Therefore, it is critical that you keep the firm's SAM and DSBS profiles current and check your email's SPAM folder to make sure that you are receiving emails from SBA.

Note: In accordance with Section 1701 of the National Defense Authorization Act of 2018, areas that would have lost their HUBZone eligibility during 2018 and 2019, through expiration of their status as a redesignated area, will retain their HUBZone eligibility until December 31, 2021. For planning purposes, if the firm's principal office is located or some of its employees reside in such an area, you should consider actions to maintain program compliance after that date.

ATTENTION: SBA determined that there was no clear line of fracture between the firm and its affiliate(s). As a result, SBA considered the employees of the affiliate(s) to be employees of the HUBZone small business in order to conclude that the HUBZone small business meets the 35% HUBZone residency and principal office requirements. The affiliate(s) is/are NOT HUBZone certified businesses; only this company is HUBZone certified. The HUBZone small business must consider this affiliation when monitoring its compliance with the HUBZone program. In addition, the HUBZone SBC must comply with the contract performance requirements that are delineated in [13 CFR §126 - Subpart G](#). I encourage you to listen to the [Employment and Affiliation in the HUBZone Program webinar](#) so that you can learn more about how affiliated businesses are treated.

No clear line of fracture was found between KROEKER, INC. and affiliate Kro Corp. Therefore, both firms were aggregated to determine if combined that the firm meets the Principal Office and 35% HUBZone residency requirement. After review of the totality of information it was determined that the firm meets the eligibility requirements.

- Periodically visiting our website (<http://www.sba.gov/hubzone>) to keep up-to-date with the Program requirements and geographical designations. Check SBA's HUBZone mapping pages to determine whether changes in HUBZone area designations impact or will impact the firm's eligibility at <http://www.sba.gov/content/hubzone-maps>. While there, sign up to receive HUBZone News Updates via email; and when you need help, go to the Small Business Learning Center at <http://www.sba.gov/tools/sba-learning-center>.

Additional information about the program is available in the SBA YouTube channel at <https://www.youtube.com/user/sba>. You might be particularly interested in the following webinars, recorded in February and March 2018:

- HUBZone Contracting: Make the Federal Government Your Customer <https://youtu.be/LA0LKYSKTIE>
- HUBZone Joint Ventures: How to Partner with Other Companies for HUBZone Contracts <https://youtu.be/ZBJfs2h-w3Q>
- HUBZone Protests and Appeals <https://youtu.be/LcBGMt-ge4g>
- Continued HUBZone Compliance: How to Maintain Your HUBZone Certification https://youtu.be/_gKBw-XjvJg
- Employment and Affiliation in the HUBZone Program <https://youtu.be/DLCEjoRDDoQ>
- Understanding How HUBZones are Designated <https://youtu.be/k0j9AniLTdl>

Misrepresentation

By bidding on any Federal solicitation that is set-aside or reserved for certified HUBZone small business concerns or for which a HUBZone price evaluation preference will be applied, the firm's submission of that offer is deemed to be a representation to the United States that the company is a certified HUBZone small business concern in compliance with the

HUBZone Program requirements. ANY FIRM FOUND TO HAVE WILLFULLY MISREPRESENTED ITS HUBZONE STATUS IN OBTAINING SUCH AN AWARD MAY BE SUBJECT TO A RANGE OF CIVIL AND CRIMINAL PENALTIES, TREBLE DAMAGES UNDER THE FALSE CLAIMS ACT, AND/OR SUSPENSION OR DEBARMENT FROM FEDERAL CONTRACTING.

How to get the most out of the Program

Although the firm's status as a certified HUBZone SBC greatly improves its access to Federal awards, this certification does not guarantee contract awards. Your ability to research opportunities and competitively bid on them will be the key to your success in this program. I recommend you utilize the following additional web resources designed to help you maximize the Program's benefits:

- SBA's Government Contracting Classroom website, available at <http://www.sba.gov/gcclassroom>, provides valuable information on Federal contracting.
- Contract Opportunities (<https://beta.sam.gov/>) serves as a central listing for Federal procurement solicitations to the public. The Federal Procurement Data System is a database accessible to the public at no cost and you may use it to learn about contract awards to businesses in various socioeconomic categories, including HUBZone. Please note that while your concern was approved under the primary North American Industry Classification System (NAICS) Code found in your firm's SAM and DSBS profiles, you may be awarded contracts under other NAICS Codes, as long as your firm is determined to be responsible to perform the required work. You may benefit from researching and identifying potential HUBZone contracting opportunities outside your firm's primary NAICS code.

We wish you the best of luck as a HUBZone certified concern - your success will help improve the economic future of the HUBZones in which the firm operates.

If at any time you have any questions about the Program or how SBA may be able to support your business objectives, the HUBZone Office offers assistance via an interactive conference call where we can respond to general questions and concerns in real-time. For additional information, visit our website at <http://www.sba.gov/hubzone> or contact the HUBZone Help Desk at HUBZone@sba.gov.

Respectfully,

Lori Gillen

Lori Gillen
Director
Office of HUBZone Program
U.S. Small Business Administration

Email: HubZone Helpdesk

HUBZone Certification Number: 66777

Ref: IAF-19L

Office of the HUBZone Program, U.S. Small Business Administration, 409 Third Street, SW, Washington, DC 20416
