

CENTRALIZED CERTIFICATION ADMINISTRATION

Frequently Asked Questions- MBE/WBE/DBE/ACDBE Certification

1. What are the criteria to become a certified Minority Business Enterprise/Women Business Enterprise (MBE/WBE), Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantage Business Enterprise (ACDBE)?

The following table summarizes the certification criteria:

	MBE/WBE	DBE	ACDBE
Ownership & Control:	At least 51% owned <u>and</u> controlled by one or more minority ¹ individuals or women	At least 51% owned <u>and</u> controlled by one or more socially and economically disadvantaged individuals ²	
Qualifying Owner's Personal Net Worth:	Not Applicable	< \$750,000 (excluding equity in primary residence and applicant business)	< \$750,000 with an additional \$3 million exclusion ³ (excluding equity in primary residence and applicant business)
Size Standards: (Avg. of 3 yrs gross receipts, including affiliates)	Not Applicable	Small Business Administration Size Standards up to \$22.41 million	< \$52.47 million
Type of Business	Any for-profit, independent business pursuing business on City-funded contracts	Any for-profit, independent business doing business on Federal DOT funded contracts (e.g. highway, bridge, or transit construction)	A business that is located on the airport providing goods or services to the public <u>or</u> A business not located at the airport that provides goods and services to concessions.

¹ Black American, Hispanic American, Native American, Asian-Pacific American, or Subcontinent Asian American;

² Members of the minority groups listed above and women are presumed to be disadvantaged. Any other individual may be determined to be a socially and economically disadvantaged on a case-by-case basis.

³ Assets that the individual can document have in fact been encumbered for the initiation or expansion of the ACDBE firm.

2. What are the benefits of being a certified firm?

Answer: For firms certified as DBE and ACDBE, the California Unified Certification Program (CUCP) provides “one-stop shopping” certification services to small businesses seeking to participate in contracts funded by the USDOT. The CUCP eliminates the need for DBE firms to obtain certifications from multiple agencies within the State. The program also increases marketing and business exposure of your business through a statewide database and directory (www.californiaucp.com).

MBE/WBE Certification provides additional opportunities in competing against non-certified subcontractors for City-funded contracts. The certification enhances marketing exposure of your business through the City of Los Angeles’ online database (www.bca.lacity.org). The MBE/WBE certification is also recognized by many private companies with supplier diversity programs including Dell, AT&T, Kaiser Permanente, Sprint, Disney, and Nestlé.

3. How does a firm become certified with the City of Los Angeles?

Answer: Applicants may request an application by writing to the Bureau of Contract Administration, Office of Contract Compliance (OCC), 1149 South Broadway, Suite 300, Los Angeles, CA 90015 or by calling (213) 847-2684. You may also download the applications from the Certification Applications link at www.bca.lacity.org.

4. How can I get assistance with completing the application forms?

Answer: Contact Centralized Certification at (213) 847-2684 for assistance or to schedule an appointment with a certification analyst.

5. My firm is certified by another agency. Does it need to go through all the certification steps again?

Answer: No, if you have a DBE certification with another certifying agency in the California Unified Certification Program (CUCP), you do not need to apply for the City's DBE program to participate in City projects. The City has reciprocity with the following agencies throughout California:

California Department of Transportation (CALTRANS), Central Contra Costa Transit Authority (CCCTA), City of Fresno, Los Angeles County Metropolitan Transportation Authority (METRO), San Francisco Bay Area Rapid Transit District (BART), San Francisco Municipal Transportation Agency (SFMTA), San Mateo County Transit District (SAMTRANS), Santa Clara Valley Transportation Authority (VTA), and Yolo County Transportation District (YOLOBUS).

The City has reciprocity for ACDBE certification with San Diego County Regional Airport Authority (SAN), San Francisco International Airport (SFO), and CALTRANS.

The City also recognizes the MBE/WBE certification of METRO, CALTRANS, and Southern California Minority Business Development Council (SCMBDC). Note: A firm certified as DBE by the CUCP that is owned and controlled by minority or women will also be recognized for the City's MBE/WBE program.

6. What are the components of the certification process?

Answer: The certification process consists of four stages:

- Preliminary Review – Submitted documents are checked for completeness. All applications must be signed and notarized. Applications that are not notarized or signed will be returned.
- Desk Audit – Supporting documents are reviewed and additional information may be requested.
- Site Visit* – An analyst will interview business owners at the business location.
- Final Recommendation – A recommendation for approval or denial is made after a thorough review of the application and submitted documents.

*Site visit may not be required for all MBE/WBE applicants

7. What recourse does a firm have if it is denied certification?

Answer: DBE/ACDBE applicants have the right to appeal the denial in writing to the USDOT

within 90 calendar days from the date of the denial letter. MBE/WBE applicants may submit a written appeal to the Office of Contract Compliance. Denied applicants can reapply after one year.

8. How long is the certification valid?

Answer: Certifications are valid until the certifying agency decertifies a firm that no longer meets eligibility standards or fails to cooperate with requests for information. Certified firms are subject to renewal review after 5 years. DBE/ACDBE certified firms are required to confirm their continued eligibility on an annual basis by submitting a “No Change Declaration”.

9. Question: Once certified, how do firms procure contracts?

Answer: The Business Assistance Virtual Network (BAVN) is a free service provided by the City of Los Angeles and the Mayor’s Office of Small Business Services. You can view and download information about all contractual opportunities offered by the City of Los Angeles in one convenient location and find certified sub-contractors to complement your project bid. If you wish to be notified of future City contract opportunities, please register in the BAVN at: <http://labavn.org>.

Frequently Asked Questions about the Small & Local Business (SLB) Program

1. What are the benefits of being certified as a SLB with the City of Los Angeles?

Answer: Firms certified as a Small and Local Business with the City of Los Angeles are given a 10% preference applied to competitively bid contracts of \$100,000 or less. The preference is determined by taking 10% of the lowest bid that is proposed by a non-certified SLB firm, and subtracting that amount from the bid of the SLB certified firm. If, after the preference, the SLB’s bid is less than or equal to the lowest non-certified firm’s bid, the SLB will be awarded the contract.

2. What qualifications are required to be certified as a SLB?

Answer:

- Firm’s principal office must be located within the County of Los Angeles.
- Firm must have a current City of Los Angeles Business Tax Registration Certificate. (For information, visit www.lacity.org/finance)
- Gross Receipts of the firm, including affiliates, must total less than \$3 Million for the previous fiscal year.
- Firm’s application must be submitted to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance, Centralized Certification Section no later than five (5) calendar days prior to the bid or proposal deadline and be approved prior to the bid due date.

3. How long is the certification valid?

Answer: An SLB certification is valid for two (2) years.