

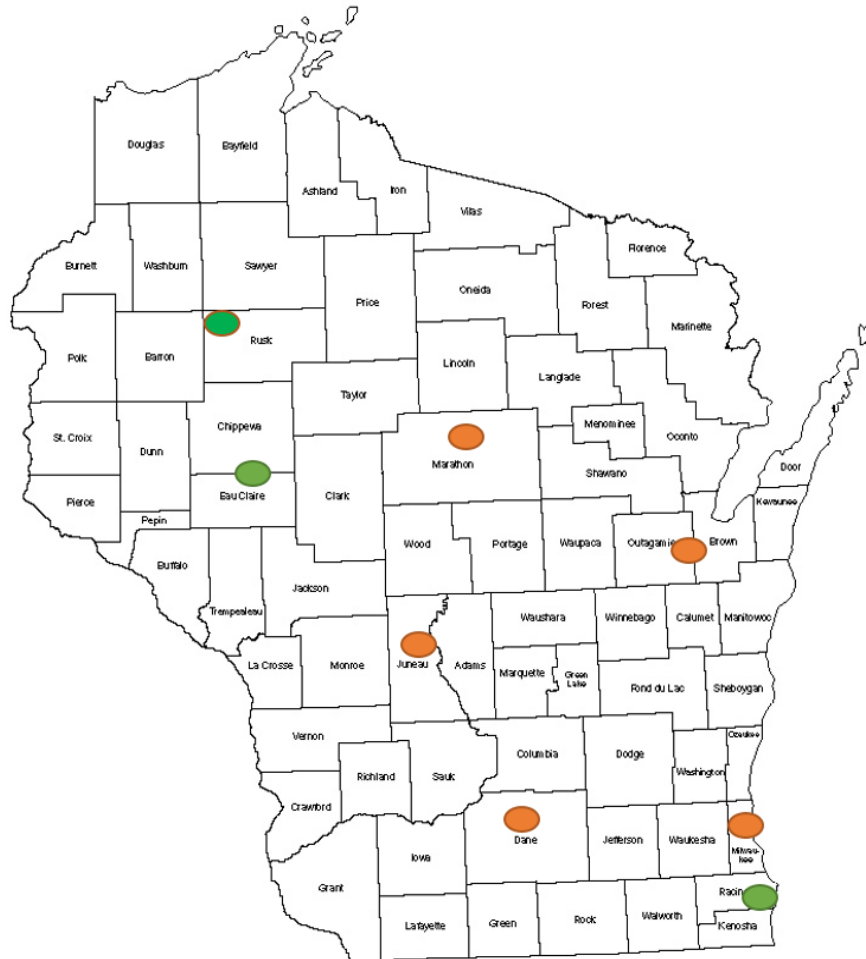


A Procurement Technical Assistance Center (PTAC)

Introduction to Certifications Available to Minority Owned Businesses

February 22, 2017





LOCATIONS:

- **Primary office – Milwaukee** - Technology Innovation Center
- **Staffed Satellite offices**
 - Madison** (FEED – Food Enterprise & Economic Development / MEC – Madison Enterprise Center)
 - Camp Douglas** (Juneau County Economic Development Corporation)
 - Wausau** (Wausau Region Chamber of Commerce)
 - Appleton** (Fox Valley Technical College)
- **Active Partnerships**
 - Racine** – LaunchBox
 - Eau Claire** - Western Dairyland
 - Ladysmith** – Indianhead Community Action

MY ACCOUNT

Hello benjaminb (not benjaminb? [Sign out](#)).

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1. [SBA Seeks Funding Proposals from Non-Profits and Local Institutions to Provide Entrepreneurship Training for Service Members, Military Spouses and Veterans - January 18, 2017](#)
WASHINGTON – The U.S. Small Business Administration (SBA) is inviting funding proposals from non-profit organizations, state, local and tribal government agencies, and institutions of higher learning to provide “Boots to Business” entrepreneurship training to service members, military spouses, and veterans.

2. [Chicago Secures \\$1 Billion in Federal Grant Funding for Rail Upgrades - January 10, 2017](#)
Chicago’s Transit Authority will receive nearly \$1.1 billion in federal grant funding to help pay for upgrades meant to expand rail capacity on the north side of the city, officials said Monday.

The money will go toward roughly \$2.1 billion of planned work on the city’s Red and Purple “L” lines. This will include improvements to track, stations, power and signal systems, and the purchase of 32 new railcars, according to the Federal Transit Administration.

3. [Secure That Smart Toaster and Win \\$3,000- January 4, 2017](#) The Federal Trade Commission is offering up to \$25,000 in prize money for applications or tools that help people protect their smart home devices from hackers, according to a Federal Register notice.

The competition, which will announce winners in July, comes as the internet is creeping into more and more household devices ranging from baby monitors to toasters.

These internet-of-things devices are often less secure than traditional internet-connected devices such as laptops and smartphones. It’s also often more difficult to update the software in these devices to patch vulnerabilities, making

US Small Business Administration

8(a) Business Development Program



8(a) BD Program

***What is the 8(a) Business
Development Program?***

8(a) BD Program

- 8(a) BD Program began as a public law and was named after Section 8(a) of the Small Business Act of 1953 (Section 204 of Public Law 100-656)
- The 8(a) BD Program is governed by 13 CFR § 124.100
- The 8(a) BD Program was incorporated in Part 19, Small Business Programs of the Federal Acquisition Regulations (FAR) in 1984

Term of Participation

Start = date of approval

- Developmental Stage - year 1 through year 4
- Transitional Stage – year 5 through year 9

Continuation in the program is dependent on the firm's continuing eligibility as a socially and economically disadvantaged owned/operated firm and continued compliance with the 8(a) BD participation agreement

Eligibility Criteria

- The business must be majority-owned (51 percent or more) and controlled/managed by socially and economically disadvantaged individual(s)
- The individual(s) must be an American citizen, by birth or naturalization

Eligibility Criteria

- The individual(s) controlling and managing the firm on a full-time basis must meet the SBA requirement for disadvantage, by proving both social disadvantage and economic disadvantage
- Under federal law, socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identification as members of groups without regard to their individual qualities

Social Disadvantage

- For purposes of the 8(a) Business Development program, the following individuals are presumed socially disadvantaged (called “presumed groups”):
 - Black Americans
 - Hispanic Americans
 - Native Americans
 - Asian Pacific Americans
 - Subcontinent Asian American
- Other individuals may similarly be found socially disadvantaged and eligible for the program on a case-by-case basis

Economic Disadvantage

- SBA cannot determine if an individual is economically disadvantaged unless SBA has already found the individual to be socially disadvantaged. The individual majority owner(s) must prove both social disadvantage and economic disadvantage
- According to SBA's regulations, "economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities."

Determining Economic Disadvantage

•To determine if an individual is also economically disadvantaged, each socially disadvantaged individual must provide the following to SBA:

- Narrative statement of economic disadvantage
- Personal financial information (including tax returns and certain SBA forms)
- In every case, when married, the socially disadvantaged individual must submit separate financial information to SBA for his or her spouse (including tax returns and certain SBA forms)

Eligibility Criteria

- The business must be a small business
- The business must demonstrate potential for success
- The principals must show good character

**Separate eligibility requirements exist for a business that is owned by American Indians, Native Alaskans, Native Hawaiians or Certified Development Companies*

Good Character

What Shows a lack of good character?

- Adverse information regarding possible criminal conduct by the applicant or its principals
- Violations of any SBA regulations
- Debarred or suspended individuals or firms
- Applicant firms and principals that lack business integrity as shown by an indictment, guilty plea or civil judgment
- Any principal who is incarcerated or on parole or probation
- Evidence that the firm knowingly submitted false information during the application process
- Any firm or any of its principals that fail to pay financial obligations to the Federal Government

Potential for Success

- Must be in business in its primary NAICS code for at least two full years immediately prior to the date of its 8(a) application
- Proof of two years operation in the firm's primary industry as verified by revenues reported in business tax returns
- Financial capability: sufficient capitalization, financial performance, bonding capacity, manageable debts
- Managerial and Technical capability: performance on previous contracts, firm has the necessary personnel, licenses, certifications, facilities, and prior experience

Waiver of the Two Year Rule

- The individual or individuals upon whom eligibility is to be based have substantial and demonstrated business management experience
- The applicant has demonstrated technical expertise to carry out its business plan with a substantial likelihood for success if admitted to the 8(a) BD Program
- The applicant has adequate capital to carry out its business plan as a Participant

Ownership

- At least 51% unconditional ownership by the disadvantaged person(s)
- Partnerships: Agreements must reflect unconditional ownership
- Limited Liability Company: Disadvantaged individuals must own at least 51% of each class of member interest

Ownership

Corporations

- Disadvantaged persons must own at least 51% of each class of voting stock and at least 51% of all outstanding stock
- A Tribe must unconditionally own at least 51% of the aggregate of all classes of stock. For non-corporate entities, a Tribe must unconditionally own at least a 51% interest

Control and Management

- **Partnerships:** Agreements must reflect unconditional management by disadvantaged partner(s)
- **Limited Liability Company:** One or more disadvantaged individuals must serve as management members with unconditional control
- **Corporations:** Disadvantaged directors of the board must control the board by actual number of votes and must be able to establish a quorum without the presence of non-disadvantaged directors

What Constitutes Control?

The Disadvantaged Individual(s) must:

- Hold the position of President or Chief Executive Officer, Managing Partner or LLC Managing Member
- Be the highest compensated individual
- Have the ability to Hire and Fire
- Set Policies
- Have the ability to commit firm to contracts
- Have the ability to control the Budget and Financial Disbursement

Eligibility Criteria

Size

Firms must be small based on their primary NAICS Code, including affiliates

- Size is determined either by:
 - Average 3 years revenues (construction and services)
 - Number of employees (manufactures, dealers, wholesalers)

**See 13 CFR § 121 Size Regulations or visit our website:
www.sba.gov*

Application Processing

- We recommend that you obtain and submit your 8(a) Program application electronically at SBA.gov
- For more information or questions call the Division of Program Certification & Eligibility at (202) 205-6417 or your local SBA district office

Assistance Available to 8(a) BD Participants

- 7(j) Training
- 8(a) BD Contracting
- Finance
- Resource Partners
 - SCORE
 - SBDCs
 - Women's Business Centers

Mentor/Protégé

- The purpose of the Mentor/Protégé program is to enhance the capabilities of 8(a) BD participants and to improve their ability to successfully compete for federal government contracts
- Mentors may provide the following forms of assistance to Protégés:
 - Technical and management assistance
 - Financial assistance, including equity investments and/or loans
 - Subcontracting support
 - Assistance in performing prime contracts through joint venture arrangements

Joint Venture

An agreement between an eligible 8(a) participant and one or more other business concerns to establish a new legal entity solely for the purpose of performing a specific 8(a) contract. The contract is then awarded to the Joint Venture entity rather than to one or more of the participants.

What is expected of 8(a) BD Program Participants?

- Maintain up-to-date SAM profile
- Self marketing to federal procurement agencies
- Submission and annual update of business plan
- Access to company records by the SBA
- Informing SBA of any changes affecting 8(a) BD eligibility, i.e. changes in business structure, ownership, etc.

What is expected of 8(a) BD Program Participants?

- Submission of year end financial statements and annual tax returns
- Participation in business development training opportunities and networking offered by the SBA
- Keeping financial obligations to the Federal Government current

Resources and Tools

- Federal Acquisition Regulations
 - <https://www.acquisition.gov/far>
- Acquisition Central
 - <https://www.acquisition.gov/>
- FAR Part 19 – Small Business Programs
 - <http://www.acquisition.gov/far>
- Code of Federal Regulations (13CFR)
 - <http://www.gpoaccess.gov/cfr/index.html>
- Federal Business Opportunities
 - <http://www.fbo.gov>
- SBA-Government Contracting
 - <http://www.sba.gov/aboutsba/sbaprograms/gc/index.html>

SBA – Wisconsin District Office

For more information on SBA's programs and services
Please contact:

Shane Mahaffy, Lead Business Opportunity Specialist

Telephone: 414-297-1455

Email: Shane.Mahaffy@sba.gov

Or visit our office web site at www.sba.gov/wi

SBA - Wisconsin Offices

Wisconsin District Office

310 West Wisconsin Ave.

Suite 580W

Milwaukee, WI

Phone: 414-297-3941

Wisconsin District Office

740 Regent Street

Suite 100

Madison, WI

Phone: 608-441-5261

Certifications Available for Minority Owned Businesses

- Today's Agenda – a broad overview of certifications available to minority owned businesses in Wisconsin
 - Federal Government
 - 8(a) Program
 - Small Disadvantaged Businesses (SDB)
 - State Government
 - Minority Business Enterprises (MBE) Certification
 - Wisconsin Department of Transportation Disadvantaged Business Enterprise (DBE) Certification
 - Local Governments
 - Various Municipalities – DBE under the Unified Certification Program (UCP)
 - Milwaukee County
 - Dane County
 - City of Madison
 - Other Municipalities
 - Milwaukee Metropolitan Sewerage District (MMSD) – Small, Woman and Disadvantaged Business Enterprises (SWMBE)
 - Milwaukee Public Schools (MPS) Historically Underutilized Businesses (HUB)
 - Corporate
 - North Central Minority Supplier Development Council – affiliate of National Minority Supplier Development Council (NMSDC) – Minority Business Enterprise (MBE)

Federal Government

- SBA's 8(a) Business Development Program
- SDB

Federal Government

- **Small Disadvantaged Businesses (SDBs)**
 - **Who qualifies as being “disadvantaged?”** – must meet the **social and economic disadvantaged standards as set forth in the 8(a) program** – Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Subcontinent Asian American
 - **Where and How do I get certified?** There is no formal certification for federal SDBs. Must meet eligibility requirements set forth by the SBA (<https://www.sba.gov/contracting/government-contracting-programs/small-disadvantaged-businesses>) and self represent your status as SDB in www.SAM.gov (note there is no cost to register in SAM.gov)
 - **Certification length** – You must update your SAM.gov registration once a year and verify that you still qualify as SDB
 - **Certification Cost** – No cost

Federal Government

- **Small Disadvantaged Businesses (SDBs)**

- **Benefits**

- While there are no set asides for the SDB program, if you self-represent as an SDB you will still count towards the 5% federal contracting programs for SDBs on prime contracts
- You may also count towards subcontracting goals on small business subcontracting plans from large prime contractors
 - \$700,000 or \$1.5M for construction

State of Wisconsin

- **Minority Business Enterprise (MBE)**
 - **Definition of Minority**
 - Belong to an ethnic minority group: Native American, Black, Hispanic, Asian Indian, Asian Pacific, Aleut, Eskimo, or Native Hawaiian. (The Department does not recognize women as minorities or base eligibility on the gender of an applicant.)
 - **Where and How do I get certified?** <https://wisdp.wi.gov/Register.aspx>
 - Certification is online through the State's Supplier Diversity website – MUST submit certification application and required documentation online
 - Instructions for new certifications:
<https://wisdp.wi.gov/Images/Instructions%20for%20Completing%20New%20App.pdf>
 - **Certification length** – recertification must take place every 3 years
 - **Cost for Certification**
 - There is no cost for MBE certification through the State of Wisconsin

State of Wisconsin

- **Minority Business Enterprise (MBE) – Continued**
- **Certification Benefits**
 - 5% bid preference on state purchases
 - All certified firms can receive technical and marketing assistance, including eligibility to participate in the Marketplace awards.
 - Certified firms are also eligible to be listed in the State of Wisconsin's Directory of Minority, Woman, and Disabled Veteran-Owned Businesses which is circulated to corporate buyers throughout the state purchasing agents.

Unified Certification Program (UCP)

- **Disadvantaged Business Enterprise (DBE) – UCP**

- **NOTE:** The DBE certification is part of the UCP – there are multiple certifying agencies and multiple agencies accept DBE certification. This will be discussed in more detail later in the presentation
- **Definition of Minority & Disadvantaged:** Disadvantaged Status - Belong to an ethnic minority group: Native American, Black, Hispanic, Asian Indian, Asian Pacific or women.
- **Where and How do I get certified?**
 - Contact one of the four certifying members - Wisconsin Department of Transportation, Milwaukee County – Community Business Development Partners, Dane County Purchasing Division- Contract Compliance or City of Madison Department of Civil Rights – Target Business Enterprise Program
 - **WisDOT :** <http://wisconsindot.gov/Pages/doing-bus/civil-rights/dbe/eligibility-requirements.aspx>
 - **Milwaukee County Online Certification:** Milwaukee, Waukesha, Ozaukee, Racine, Kenosha and Washington. The County of Milwaukee shall process applications submitted by firms interested in working on projects assisted by the FAA, FHWA, or FTA. The County of Milwaukee shall process applications for airport concessionaires located anywhere in this state.
 - <http://county.milwaukee.gov/cbdp/CertificationServices.htm>

Unified Certification Program (UCP)

- **Disadvantaged Business Enterprise (DBE) – UCP**

- **Where and How do I get certified?**

- **Dane County:** Only certifies airport concessionaires – contact Wesley Sparkman, Contract Compliance Officer
608.266-5623 sparkman@countyofdane.com for additional information
 - **City of Madison:** The City of Madison shall provide certification-related services to firms located in Dane County, and shall process only applications submitted by firms interested in working on projects assisted by the Federal Transit Administration (FTA)
 - Application is available online: <http://www.cityofmadison.com/dcr/aaTBDir.cfm>

- **Certification length** – Certification is ongoing - companies are re-evaluated every three years, and must submit an annual Affidavit of Continuing Eligibility.

- **Cost for Certification** – There is no cost to be certified as DBE

Unified Certification Program (UCP)

- **Benefits – WisDOT**

- Support Services are available to certified firms free of charge including technical, marketing and financial assistance
- WisDOT offers two programs designed to assist DBEs making connections with Prime contractors: Mentor Connection (6-month) and Mentor Protégé (3-year); <http://wisconsindot.gov/Documents/doing-bus/civil-rights/dbe/mentor-protege.pdf>
- Mega project goal setting for DBE participation
 - National goal of placing at least 10 percent of federal highway and transit funds with persons who qualify as disadvantaged small business operators.
- UCP is a cooperative of 24 different Wisconsin cities, counties , airport and transit authorities that benefit from USDOT funding – incorporate DBE goals into their federally funded transportation projects:

Unified Certification Program (UCP) List

- (a) Austin Straubel Airport, Green Bay, Wisconsin.
- (b) Central Wisconsin Airport, Mosinee, Wisconsin.
- (c) Chippewa Valley Regional Airport, Eau Claire, Wisconsin.
- (d) La Crosse Municipal Airport, La Crosse, Wisconsin.
- (e) Outagamie County Regional Airport, Appleton, Wisconsin.
- (f) Rhinelander-Oneida County Regional Airport, Rhinelander, Wisconsin.
- (g) City of Appleton, Wisconsin.
- (h) City of Beloit, Wisconsin.
- (i) City of Eau Claire, Wisconsin.
- (j) City of Green Bay, Wisconsin.
- (k) City of Janesville, Wisconsin.
- (l) City of Kenosha, Wisconsin.
- (m) City of La Crosse, Wisconsin.
- (n) City of Oshkosh, Wisconsin.
- (o) City of Racine, Wisconsin.
- (p) City of Sheboygan, Wisconsin.
- (q) City of Superior, Wisconsin.
- (r) City of Waukesha, Wisconsin.
- (s) City of Wausau, Wisconsin.
- (t) County of Waukesha, Wisconsin.

Local Governments

- **City of Madison** – Targeted Business Certification Program
- **Note:** There is no reciprocity with the State MBE certification. For the purposes of this certification, minority means African American, Asian, Native American and Pacific Islander.
- **Where and How do I get certified?**
 - Certification available online at:
<http://www.cityofmadison.com/dcr/documents/targetedbuscertpgm.pdf> and must be submitted to City of Madison, Affirmative Action Division, 210 Martin Luther King, Jr. Blvd., Rm. 523 , Madison, WI 53703
- **Certification length** – Recertification yearly:
<http://www.cityofmadison.com/dcr/documents/TargetedBusReCertApp.pdf>
- **Cost for Certification** – There is no cost for certification

Local Governments

- **City of Madison** – Targeted Business Certification Program
- **Certification Benefits**
 - Participate in federally funded city projects – the bid document will specify MBE participation
 - Participate in Dane County Targeted Business Enterprises Program

Local Governments

- **Dane County** – Targeted Business Enterprise Program and Disadvantaged Business Enterprises
 - See City of Madison and UCP Certification

Local Governments

- **Milwaukee County** – DBE Program
 - See UCP Certification

Local Governments

- **Metropolitan Milwaukee Sewerage District (MMSD) – Small, Veteran, Women, Minority (SWMBE) Businesses**
 - **NOTE:** MMSD does not certify MBE businesses, but does recognize the State of Wisconsin's MBE certification, WisDOT's DBE certification as well as the North Central Minority Supplier Development Council's MBE certification (note this list is not exhaustive. Visit <http://www.mmsd.com/procurement/SWMBE> for additional information)
- **Where and How do I get Certified?**
 - Since MMSD is not certifying you as a MBE or DBE, you must register in MMSD's Vendor Registration database here: <https://mmsd.diversitycompliance.com/frontend/startvendor.asp> and provide proof of certification mentioned above.
- **Benefits**
 - MMSD has a 13% contracting goal for MBE certified firms
 - Participation on MBE subcontracts on larger contracts

Local Governments

- **Milwaukee Public Schools (MPS) – Historical Underutilized Businesses Program**
 - **Note:** similar to MMSD, MPS does not certify you as a HUB. However, if you are certified as an MBE by the State of Wisconsin or NMSDC, 8(a) by the US SBA, or DBE by WisDOT or Milwaukee county you may participate in this program.
- **Where and How do I get certified?** Submit recognized certification to Contact Contract Compliance Services - <http://mps.milwaukee.k12.wi.us/en/District/About-MPS/School-Board/Contract-Compliance-Services.htm>
- **Cost** – There is no cost for this certification

Local Governments

- **Milwaukee Public Schools (Continued)**

- 35% goal for HUB certified firms
- Ability to participate in MPS subcontracts that require a HUB utilization plan
- Joint Venture & Mentor Protégé agreements are encouraged
- HUB Requirements are for contracts over \$50,000

Corporate

- **North Central Minority Supplier Development Council (NCMSDC) – MBE Certification**
 - Minority defined as: African-American, Hispanic-American, Native American, Asian and Pacific Islander American (Asian-Indian included).
 - **Where and How do I get certified?** Must register, access the application, upload documentation online here:
<http://www.northcentralmsdc.net/MbeCertification/HowToGetCertified>
 - **Certification length** – one year – must renew annually
 - **Cost for Certification** - There is a \$300.00 non-refundable processing fee for certification. There is a \$250.00 re-certification fee due annually on your certification anniversary date.

Corporate

- **North Central Minority Supplier Development Council (NCMSDC) – MBE Certification**
 - Benefits
 - Expanded business opportunities. More than two-thirds of MBEs confirm an increase in revenues as a result of partnership with Corporate Members.
 - Local, regional and national referrals of minority business to member corporations.
 - Exposure to about 3,600 leading national, regional and local companies.
 - Access to corporate buyers.
 - Listing in the National Minority Supplier Development Council MBE computer database ([NMSDC Central](#)).
 - Participation in education programs and workshops to assist in personal and professional growth.
 - Opportunities to network with Corporate Members at various NCMSDC events and activities.
 - Second tier and MBE to MBE business opportunities.

Gender/Race Neutral Certifications

- HUBZone Certification (Federal): <https://www.sba.gov/contracting/government-contracting-programs/hubzone-program>
- Service Disabled Veteran Owned Businesses (Federal): <https://www.sba.gov/contracting/government-contracting-programs/service-disabled-veteran-owned-businesses>
- Disabled Veteran-Owned Business Enterprise (State of Wisconsin): <http://doa.wi.gov/Divisions/Enterprise-Operations/Supplier-Diversity-Program/Program-Descriptions#disabled>
- MMSD SWMBE (SBE, SDVOSB) (Local): <http://www.mmsd.com/procurement/swmbe>
- Small Business Enterprise (SBE) (City of Milwaukee): http://city.milwaukee.gov/Directory/OSBD/Certifications.htm#.V_vLNSSo6io

Gender/Race Neutral Certifications

- Small Business Enterprise (SBE) (City of Madison): <http://www.cityofmadison.com/dcr/aatbdir.cfm>
- Emerging Small Business Enterprise (ESBE) (Dane County): <https://danepurchasing.com/>
- Section 3 (Housing Authority of the City of Milwaukee, various municipalities): <http://www.hacm.org/business/section-3-business>

Upcoming WPI Events – Acquisition Hour Webinars

- March 1, 2017 – [Acquisition Hour – Market Research – Using the Federal Procurement Data Systems \(FPDS\)](#) – Presented by WPI
- March 8, 2017 – [Acquisition Hour – Introduction to Certifications available to Woman Owned Businesses](#) – Presented by WPI
- April 4, 2017 – [Acquisition Hour: Overview of the Federal Acquisition Regulations \(FAR\)](#) – Presented by WPI
- April 19, 2017 – [Acquisition hour: The New Small Mentor Protégé Program – The SBA Perspective](#) – Presented by SBA

HUBZONE Onsite Events: Growing New Customers with Government Contracting – the Federal Small Business HUBZone Program

- [February 28, 2017 – Milwaukee](#)
- [March 1, 2017 – Madison](#)
- [March 2, 2017 – La Crosse](#)
- [March 14, 2017 – Hurley](#)
- [March 20, 2017 – Sturgeon Bay](#)
- [March 21, 2017 – Friendship](#)
- [March 23, 2017 – Siren](#)

Federal Acquisition Regulations (FAR)

- A series of webinars on Wednesdays from 6.00pm to 7.00pm.
 - This introductory session of the FAR REVIEW series is geared towards those interested in becoming CFCM certified. Sessions of this FAR REVIEW series will cover all parts of the FAR and will be beneficial to current Federal contractors and subcontractors even if not intending to participate in the NCMA certification exam.
- Schedule listed below:
 - <https://www.wispro.org/wp-content/uploads/2017/02/FAR-Training-Webinar-Schedule.pdf>



QUESTIONS?

SURVEY



Today's Presentation was done by

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