

# City of Indianapolis

## Office of Minority & Women Business Development

### CERTIFICATION APPLICATION



Office of Minority & Women Business Development  
City-County Building  
200 E. Washington Street, Suite 1701  
Indianapolis, IN 46204

Phone (317) 327-5262



<https://www.facebook.com/OMWBD>

<https://twitter.com/OMWBD>

<http://www.indy.gov/OMWBD>

## **CITY OF INDIANAPOLIS**

### **OFFICE OF MINORITY AND WOMEN BUSINESS DEVELOPMENT**

#### **CERTIFICATION INSTRUCTIONS**

The City of Indianapolis (City), Office of Minority & Women Business Development (OMWBD) issues City certifications. In general, a certification attests that there is an actual, or potential, business in operation and that the business is owned and controlled, at least 51%, by listed minority, female or person with a disability. The City certifications are issued as Minority Business Enterprise (MBE), or Woman Business Enterprise (WBE), Veterans Business Enterprise (VBE), or a Disability Owned Business Enterprise (DOBE).

Participation in our Certification program is necessary for competing for City projects as a MBE/WBE/VBE/DOBE. City certifications are regulated by the City's MBE/WBE/VBE/DOBE Business Utilization Plan.

The application must be complete. All questions must be answered or marked "N/A" if they do not apply to the applicant firm. It must be signed by the qualifying owner(s) and be notarized. All pertinent additional documentation from the "Document Request" section of the application must be submitted. Firms applying for certification must submit personal income taxes and business tax returns. W-2, W-3, 1099, and 1096 forms from the applicant business to its owners must be submitted for any type of certification.

Once received, certification applications are reviewed for completeness. If the application is incomplete, OMWBD will provide the applicant with notice of what items are missing and a date by which those items must be received. In some cases, we may return the entire application packet for correction. If the application is complete, it is scheduled for an onsite review.

Certification Standards are attached. These standards are the ones for D/MBE and D/WBE (federal) certification (49 CFR, part 26). The standard for MBE, WBE, VBE, and DOBE (City) certifications are essentially the same except the federal economic and business size standards are not included in the City standards.

On site review is required by the City for any type of certification. The City will conduct or cause to be conducted, an onsite review of certification applicants (headquarters) located in the following Indiana counties:

1. Marion
2. Hamilton
3. Boone
4. Madison
5. Hancock
6. Hendricks
7. Shelby
8. Morgan
9. Johnson

\*Any other State of Indiana County must have an onsite conducted by Indiana Department of Transportation (INDOT) or Indiana Department of Administration (IDOA)

## INSTRUCTIONS FOR COMPLETING THIS APPLICATION

This booklet is designed to assist in completing the Certification Application. Please refer to the question number and the number corresponding to it in this booklet. **Questions that do not apply to your firm should be marked (N/A) in the space provided. All questions must be answered and the requested documents submitted to the department along with the application.** Failure to do this will delay the processing of the application. Failure to answer all questions and/or submit all documentation will result in your application being returned to you.

If you have additional information that is not requested in the application but will help prove that your firm is eligible, please attach this information to your application.

Please return the completed application and all requested documentation to the address below (by hand or mail delivery only):

### Office of Minority & Women Business Development

City of Indianapolis, Office of Mayor  
City County Building  
200 E. Washington Street, Suite 1701  
Indianapolis, IN 46204

Phone: (317) 327 – 5262

**Question 1:** Name of firm (D/B/A, if appropriate). Also attach a copy of your assumed business name certificate.

**Question 2:** Main address of firm (Principal Place of Business). This should be the address of the main or corporate office. P.O. Box numbers alone are not acceptable. Additional offices should be listed on a separate document. (Indiana Domiciled/Headquarters)

**Question 3:** Person who the Office can contact for answers about the application.

**Question 4:** Main business telephone including area code, fax number and email.

**Question 5 (A):** Place an "X" in the space in front of the type of firm that is applying for certification. Provide copies of the original and all amended partnership agreements obtained from the appropriate governmental agency. Also provide copies of all stock certificates issued, including all canceled certificates. **(B):** The average number of full-time employees hired during the year on W-2. **(B)** Qualifying owner who physically manages the Indiana Office.

**Question 6 (A):** Date the **firm** was established. **(B):** Date when current owners purchased the majority ownership. **(C):** Answer as indicated.

**Question 7:** If space is insufficient to identify previous firm names used, attach a separate sheet which includes all business names previously used by any owner, partner or stockholder.

**Question 8 (A):** Provide information requested. **(B):** If certified as SBA 8a, attach a copy of the certification. **(C):** If firm is certified by other governmental agencies, attach a copy of the certification. **(E):** Answer question as indicated.

**Question 9:** The detailed **work resume** should include the various jobs or positions of each owner in the past and to date, the general description of his or her duties and responsibilities, the dates of employment or ownership, and the prior year's annual salary (W-2s, 1099s, and official payroll schedules are acceptable proof). Where applicable, former education should be included. **(A):** After completing the personal information requested on each owner, place an "X" in the boxes that apply to that individual. You should attach copies of one of the following documents which will prove membership in the ethnic group marked by the "X" and state their salary from this firm:

(MBE Ethnicity documents)

- Membership letter or certificate of an ethnic organization
- Tribal certificate (proof of enrollment)
- Bureau of Indian Affairs card
- Birth certificate
- Passport or Naturalization Certificate
- Armed services discharge papers
- Baptismal certificate
- Voter registration card
- Any other government documentation that provides evidence of your ethnicity

## INSTRUCTIONS FOR COMPLETING THIS APPLICATION (*continued*)

**Question 10 (A through I):** List individuals responsible for the management areas indicated. If an area is managed jointly or more than one person manages an area, please indicate such. Work resumes must be included. Be sure to include work resumes for your field superintendents.

**Question 11 (A):** Provide the information as requested. **(B):** Full-time or part-time based on owners presence at the firm's headquarters in Indiana.

**Question 12 (A):** Provide information as requested. If a service is provided by more than one individual or company, please indicate. This would include any firm or person who provides any type of management or technical services who is not an employee of the firm. If additional space is needed, attach a separate sheet. **(B):** Provide information as requested. **(C):** Provide information as requested. **(D):** Provide information requested on those firms which have extended your firm credit, or signed letters from them indicating their willingness to extend your firm credit. **(E):** Provide information as requested.

**Question 13:** Provide a separate listing of owned equipment and a separate listing of leased equipment. Copies of state registration cards and titles must be provided for all cars, trucks and other vehicles that require state registration or licensing. Copies of documentation of ownership for I equipment owned must be attached. A copy of the current executed leases for automotive equipment must be attached. A copy of the current leases for office space, storage space, parking space and any other spaces must be attached.

**Question 14 (A):** Provide information as requested. Provide a copy of the signed Corporate Bank Resolution(s) and/or bank account signature card(s). **(B):** Provide a signed statement from your bonding agent that verifies your bonding limits. **(C):** Provide information as requested. **(D):** Provide information as requested.

**Question 15:** Submit copies of required information. Be sure to identify the individual's name or firm that the license is issued to. If trucking is an area identified, and Interstate or Intrastate Authority is required. Provide a copy of the Authority.

**Question 16:** Provide information as requested. You must provide a copy of all denial and decertification letters received.

**Question 17 (A):** Provide information on the work that your firm has completed in the past three years or for the length of time the firm has been in business. **(B):** Provide information on the projects your firm is currently working on.

**Question 18:** Provide the names and signatures of all partners and those who have authority to execute contracts.

**Question 19 (A through E):** If you are a supplier, provide the information requested. If not, mark N/A.

**Question 20 (A):** List what types of goods and/or services your firm provides in detail. (B) Provide your firm's NAICS codes for these services. (*optional*)

**Question 21:** Companies that are incorporated and are applying for certification must be registered with the State of Indiana Secretary of State's office, which can be reached at (317) 232-6576.

**Questions 22 thru 25:** Answer as indicated.

**Affidavit:** The Affidavit must be signed by the President, Chief Executive Officer, or person who is the highest qualifying member owner of the firm and the Corporate Seal affixed to it. The Affidavit must also be notarized. False statements might subject your firm to rejection of application, decertification, or denial of future certification.

## VENDOR REGISTRATION

*Please read before completing the enclosed materials. You must use the same Federal Identification number as stated on question # 8a (Page 6)*

### OBTAINING YOUR VENDOR REGISTRATION

**You can now register with the City of Indianapolis Marion County at:**

**[www.INDY.GOV/PURCH](http://www.INDY.GOV/PURCH)**

**In City's effort to serve you better, City's Vendor Registration form is now online. You may now complete the form, attach documents, select your commodities, and print a copy for your personal records all online.**

For questions, please contact City of Indianapolis/Marion County Purchasing

#### **Office of Finance and Management**

Purchasing Division Suite 1522  
200 E. Washington St.  
Indianapolis, IN 46204

**Hours:** 8:00-5:00 (M-F)

**Phone:** (317) 327-4900

**[www.INDY.GOV/PURCH](http://www.INDY.GOV/PURCH)**

**To receive email notifications of bidding opportunities from the Purchasing Division, please subscribe to the City's mailing list at:** [www.indy.gov/Newsletter/page/home.aspx](http://www.indy.gov/Newsletter/page/home.aspx)

### APPLICATION COMPLETION TIP SHEET

The following are often omitted from a firm's M/W/VBE & DOBE certification application, but **are** required before an application can be processed. Please remember to include these with your application:

1. Copies of **W-2s** for the previous year, along with the personal income tax return for the same time period. If filing a joint tax return, you must submit W-2s for all parties.
2. Responses to **all** questions on the application for certification. Questions that are not applicable should be marked **N/A** and include an explanation.
3. A list of all company equipment and equipment leases (includes office equipment).
4. **Corporations:** Annual salaries of all owners, officers, managers, and directors for the previous year.
5. Office **lease(s)** or **deed(s)** for all property occupied by the applicant firm. If the firm is not home-based and does not own or lease any property, explain why on page one of the checklist.
6. **Taxes** and **balance sheets** for all years of operation **if** the firm has been in business for **two years or less**.
7. **Out-of-state applicants:** The City of Indianapolis only certifies firm domiciled within the jurisdictional limits of the State of Indiana, a firm must have their principal place of business within the State of Indiana (**Headquarters**) for at least one fiscal year.

The parent company must also meet the City of Indianapolis certification standards to certify a branch office or subsidiary.

City of Indianapolis does not accept certifications/on-sites from national programs, non-profits or paid certification programs.

## APPLICATION FOR CERTIFICATION

*NOTE: If after filing this application, and prior to the expiration of your certification, there is any change in the ownership and/or management of this firm, you must submit a new Application for Certification to your home state.*

<input type="checkbox"/> New Application <input type="checkbox"/> Expired Application <input type="checkbox"/> Change in Ownership		Which program are you interested in? <input type="checkbox"/> Minority Business Enterprise (MBE) <input type="checkbox"/> Women Business Enterprise (WBE) <input type="checkbox"/> Disability- owned Business Enterprise (DOBE) <input type="checkbox"/> Veteran Business Enterprise (VBE)			<b>City of Indianapolis</b>								
1. Authorized name of firm (including D/B/A)													
2. Street address of firm (P.O. Box number alone is not acceptable)			City	County	State <b>Indiana</b>	ZIP code							
Mailing address of firm			City	County	State <b>Indiana</b>	ZIP code							
3. Name of contact person					4A. Business telephone number ( )								
4B. Facsimile	4C. E-mail address			4D. Business website address									
5A. Type of firm <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Corporation <input type="checkbox"/> Other: _____ If firm is a partnership, copies of all partnership agreements and the assumed name certificate must be attached ( <i>if applicable</i> ).  If firm is a corporation, Articles of Incorporation, copies of stock certificates ( <i>both sides</i> ), Shareholders' Agreement, all minutes of the shareholders' meetings and Board of Directors' meetings, the Corporate Bylaws and Bylaws Amendments, the Corporate Bank Resolution and/or Bank Signature Cards must be attached. See the attached Certification Documentation Checklist for more detail.													
B. What is the number of the firm's annual full-time work force (W-2)?				C. How many hours per week are the qualifying principle(s) physically present at the firm Principal place of business (Headquarters): _____									
6A. Date business was established ( <i>month, day year</i> )		B. Date current owner(s) purchased the majority ownership of the firm ( <i>month, day, year</i> )		C. Has your firm applied for reorganization under Chapter 11, and/or liquidation under Chapter 7, within the last 3 years? <input type="checkbox"/> Yes <input type="checkbox"/> No									
7. Has your company applied for certification in the past? <i>If so, list the name(s) that have been used previously.</i> <input type="checkbox"/> Yes <input type="checkbox"/> No													
8. Identification Numbers and Certification:													
A. Federal Identification number		B. Are you an SBA 8a certified business? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If Yes, attach a copy of Certification.</i>		C. Is this firm currently certified as a MBE, WBE, VBE, or DOBE with any other entity? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If Yes, attach a copy of Certification.</i>									
D. Is the company domiciled in the state of Indiana (Headquarters)? <input type="checkbox"/> Yes <input type="checkbox"/> No (if "No" Contact OMWBD before submitting)				E. Have you had an on-site visit within the last 3 years? <input type="checkbox"/> Yes <input type="checkbox"/> No									
9. Ownership ( <i>Work experience resumes of each person must be attached.</i> )													
A. Identify all individuals or holding companies and list their cash, equipment and/or real estate investment in the firm; and attach the documentation of the source of these investments. ( <i>If additional space is required, submit an attached sheet.</i> )													
Name				Home telephone number ( )									
Home address ( <i>street and number</i> )			City	State	ZIP code								
Sex <input type="checkbox"/> Male <input type="checkbox"/> Female		Ethnic group <input type="checkbox"/> African American <input type="checkbox"/> Multi-Racial <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian Pacific <input type="checkbox"/> Native American <input type="checkbox"/> Asian Indian <input type="checkbox"/> Caucasian <input type="checkbox"/> Other ( <i>explain</i> )  Salary: \$ _____		Initial investment to acquire ownership interest in firm:									
Number of years owned:				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Type</th> <th style="width: 50%;">Dollar Value</th> </tr> <tr> <td>Dollars</td> <td>\$</td> </tr> <tr> <td>Real Estate</td> <td>\$</td> </tr> <tr> <td>Equipment</td> <td>\$</td> </tr> </table>		Type	Dollar Value	Dollars	\$	Real Estate	\$	Equipment	\$
Type	Dollar Value												
Dollars	\$												
Real Estate	\$												
Equipment	\$												
Percentage owned %													
U.S. citizen (permanent resident) <input type="checkbox"/> Yes <input type="checkbox"/> No													
Name				Home telephone number ( )									
Home address ( <i>street and number</i> )			City	State:									
Sex <input type="checkbox"/> Male <input type="checkbox"/> Female		Ethnic group <input type="checkbox"/> African American <input type="checkbox"/> Multi-Racial <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian Pacific <input type="checkbox"/> Native American <input type="checkbox"/> Asian Indian <input type="checkbox"/> Caucasian <input type="checkbox"/> Other ( <i>explain</i> )  Salary: \$ _____		Initial investment to acquire ownership interest in firm:									
Number of years owned:				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Type</th> <th style="width: 50%;">Dollar Value</th> </tr> <tr> <td>Dollars</td> <td>\$</td> </tr> <tr> <td>Real Estate</td> <td>\$</td> </tr> <tr> <td>Equipment</td> <td>\$</td> </tr> </table>		Type	Dollar Value	Dollars	\$	Real Estate	\$	Equipment	\$
Type	Dollar Value												
Dollars	\$												
Real Estate	\$												
Equipment	\$												
Percentage owned %													
U.S. citizen (permanent resident) <input type="checkbox"/> Yes <input type="checkbox"/> No													

<b>9A. Ownership (continued)</b>				
Name			Home telephone number (      )	
Home address (street and number)		City	State	ZIP code
Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Ethnic group <input type="checkbox"/> African American <input type="checkbox"/> Multi-Racial <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian Pacific <input type="checkbox"/> Native American <input type="checkbox"/> Asian Indian <input type="checkbox"/> Caucasian <input type="checkbox"/> Other (explain)		Initial investment to acquire ownership interest in firm:	
Number of years owned:			<b>Type</b>	<b>Dollar Value</b>
Percentage owned			Dollars	\$
U.S. citizen (permanent resident) <input type="checkbox"/> Yes <input type="checkbox"/> No			Real Estate	\$
			Equipment	\$
Name			Home telephone number (      )	
Home address (street and number)		City	State	ZIP code
Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Ethnic group <input type="checkbox"/> African American <input type="checkbox"/> Multi-Racial <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian Pacific <input type="checkbox"/> Native American <input type="checkbox"/> Asian Indian <input type="checkbox"/> Caucasian <input type="checkbox"/> Other (explain)		Initial investment to acquire ownership interest in firm:	
Number of years owned:			<b>Type</b>	<b>Dollar Value</b>
Percentage owned			Dollars	\$
U.S. citizen (permanent resident) <input type="checkbox"/> Yes <input type="checkbox"/> No			Real Estate	\$
			Equipment	\$
<b>B. Identify officers (work experience resumes of each person must be attached). If additional space is required, submit an attached sheet.</b>				
<b>Name</b>	<b>Title</b>	<b>Ethnicity</b>	<b>Sex</b>	<b>Date Appointed (month, day, year)</b>
<b>C. Identify current Board of Directors (work experience resumes of each person must be attached). If additional space is required, submit an attached sheet.</b>				
<b>Name</b>	<b>Title</b>	<b>Ethnicity</b>	<b>Sex</b>	<b>Date Appointed (month, day, year)</b>
<b>10. Indicate a management personnel who controls the firm in the following areas. (Attach work experience resumes, including dates of employment at each company, for each person). If more than two persons, please attach a separate sheet.</b>				
<b>A. Financial Decision: (responsibility for check signing, acquisition of lines of credit, surety bonding, supplies, etc.)</b>				
<b>Name</b>	<b>Title</b>	<b>Ethnicity</b>	<b>Sex</b>	
<b>B. Estimating: (cost estimates, bid preparation or negotiations)</b>				
<b>Name</b>	<b>Title</b>	<b>Ethnicity</b>	<b>Sex</b>	
<b>C. Hiring/firing of management personnel:</b>				
<b>Name</b>	<b>Title</b>	<b>Ethnicity</b>	<b>Sex</b>	

D. Field/Production Operations Supervisor: <i>(site supervision/scheduling, project management services)</i>			
Name	Title	Ethnicity	Sex

E. List all field supervisors:			
Name	Title	Ethnicity	Sex

F. Contract signature authority: <i>(contract execution, bid submission)</i>			
Name	Title	Ethnicity	Sex

G. Office management:			
Name	Title	Ethnicity	Sex

H. Marketing/Sales:			
Name	Title	Ethnicity	Sex

I. Purchasing of major equipment:			
Name	Title	Ethnicity	Sex

11A. Do any of the people listed in questions 9 and 10 perform a management or supervisory function for any other business?: ☐ Yes ☐ No

If Yes, identify the person, their title, business and the person's function.

B. Is the business full time or part time?

C. Do any of the persons listed in questions 9 and 10 own or work for other firms which have a business relationship with yours? *(Relationships (Relationships include interest, shared office space, financial investments, equipment leases or personnel sharing.)* ☐ Yes ☐ No

If Yes, identify the firm, the person and the business relationship.

12. Identify persons or firms who provide the following services:

A. External management or technical/computer service*(if any)*

Name of firm	Name of person
Address <i>(number and street, city, state, and ZIP code)</i>	Telephone number (       )

B. Accountant *(if any)*

Name of firm	Name of person
Address <i>(number and street, city, state, and ZIP code)</i>	Telephone number (       )

C. Attorney*(if any)*

Name of firm	Name of person
Address <i>(number and street, city, state, and ZIP code)</i>	Telephone number (       )

<b>12D. Principal Suppliers:</b>			
Name of firm		Name of person	
Address (number and street, city, state, and ZIP code)		Telephone number (      )	
Materials or equipment supplied			
Name of firm		Name of person	
Address (number and street, city, state, and ZIP code)		Telephone number (      )	
Materials or equipment supplied			
<b>E. Identify those union(s), business or professional association(s) in which the owner(s) or management personnel have membership(if any):</b>			
Name of union, business or professional association			
Address (number and street, city, state, and ZIP code)		Telephone number (      )	
Name of union, business or professional association			
Address (number and street, city, state, and ZIP code)		Telephone number (      )	
Name of union, business or professional association			
Address (number and street, city, state, and ZIP code)		Telephone number (      )	
13. Attach a list of construction equipment and/or vehicles in your possession or under your control ( <i>indicate separately</i> ) and a list of office equipment, office space ( <i>owned or leased</i> ) and storage space ( <i>owned or leased</i> ), including signed leasing agreements.			
<b>14. Financial Information:</b>			
<b>A. Provide the following banking information:</b>			
Name of bank		Who is on the bank signatory card for this company:	
Address of bank (number and street, city, state, and ZIP code)			
<b>B. If you have insurance and/or bonding capacity, identify the agent or broker and the bonding limit:</b>			
Name of agent or broker		Bonding or insurance limit \$	
Address of agent or broker (number and street, city, state, and ZIP code)		Telephone number (      )	
<b>C. Provide copies of year-end balance sheet and profit and loss (<i>income</i>) statements for the last three (3) years, or if a new business, provide a current balance sheet, a projected profit and loss statement for the next twelve (12) month period and a projected balance sheet for the end of that period.</b>			
<b>D. Identify all sources, amount and purposes of money loaned to the firm, including name of person securing the loan, if other than owner. Provide copies of all loan agreements.</b>			
<b>Name of Source</b>	<b>Address of Source</b>		<b>Amount</b>
			\$
			\$
			\$
<b>15. Current licenses (e.g. contractor, engineer, architect, ICC, etc.)(Qualifying M/W/V/DOBE owner(s) must possess the Licenses &amp; Certificates required- if any in this trade)</b>			
<b>Name of Individual or Firm</b>	<b>Name of License</b>	<b>Date of License (month, day, year)</b>	<b>Number</b>

16. Has this firm or any of its owners, directors, officers or management personnel been denied or decertified as a DBE, MBE, WBE, VBE, or DOBE before by any agency in any state? ☐ Yes ☐ No *If Yes, indicate the state, the name of the agency and the date.*

State	Name of agency	Date (month, day year)
-------	----------------	------------------------

Provide a copy of the denial or decertification letter(s).

17A. Specify the **gross** receipts of the firm for the last three (3) years. \*A Firm must prove viability for (2) years in there trade.

Year ending:	Total receipts = \$
Year ending:	Total receipts = \$
Year ending:	Total receipts = \$

B. List the three (3) largest contracts completed in the past three (3) years:

Name of owner/contractor	Name/location of project
Name of owner/contractor	Name/location of project
Name of owner/contractor	Name/location of project

C. List three (3) active jobs this firm is currently working on:

Name of prime contractor and project number	Location of project	Date project began (month, day, year)	Anticipated completion date (month, day, year)
Name of prime contractor and project number	Location of project	Date project began (month, day, year)	Anticipated completion date (month, day, year)
Name of prime contractor and project number	Location of project	Date project began (month, day, year)	Anticipated completion date (month, day, year)

#### ALL PARTNERS AND PERSONS AUTHORIZED TO EXECUTE CONTRACTS

18. All partners must sign. The following persons are duly authorized to execute contracts and related documents on behalf of:

Name of company:

NAME AND TITLE	AUTHORIZED SIGNATURE

19. As a supplier, please address the following:

A. How large of an inventory do you maintain (if any)?

B. Do you own the inventory(if any)?

C. Where do you maintain your inventory(if any)?

D. From where/whom do you purchase your inventory(if any)?

E. What type of delivery system do you use(if any)?

20A. List type of work firm has performed or desires to perform under certification. <i>(Be very thorough.)</i>	B. Provide your firm's NAICS codes for these services. <i>(optional)</i>
21. Is your business registered with the Indiana Secretary of State? (attach copy) <input type="checkbox"/> Yes <input type="checkbox"/> No	Have you registered your business with the <b>City of Indianapolis Purchasing Division?</b> <i>(required see page 5 if "No")</i> <div style="text-align: right;"><input type="checkbox"/> Yes    <input type="checkbox"/> No</div>
22. Additional credentials or accreditations for qualification:	
23. Your firms structure and local zoning (please include any zoning classification, approval, or decision letter issued by a city agency):  <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Residential (in-home)</span> <span><input type="checkbox"/> Office (suite)</span> <span><input type="checkbox"/> Commercial (online)</span> <span><input type="checkbox"/> Commercial</span> <span><input type="checkbox"/> Industrial</span> <span><input type="checkbox"/> Warehouse</span> <span><input type="checkbox"/> Showroom</span> </div> <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Mobile</span> <span><input type="checkbox"/> Other _____</span> </div>	
24. Indicate the trade in which your business is engaged.  <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Construction</span> <span><input type="checkbox"/> Retail</span> <span><input type="checkbox"/> Supplier/Distributor (Regular Dealer)</span> <span><input type="checkbox"/> Manufacturer</span> <span><input type="checkbox"/> Service</span> <span><input type="checkbox"/> Broker(Manufacture Representative)</span> </div> <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Other: _____</span> <span><i>(Please indicate)</i></span> </div>	
25. Does any principal in your firm, or the spouse of any principal, owe any money to the firm or each other? <input type="checkbox"/> Yes <input type="checkbox"/> No	

AFFIDAVIT OF CERTIFICATION	
<p>The undersigned swears or affirms that the foregoing statements are true and correct and include all material information necessary to identify and explain the operations of _____ as well as the ownership thereof.</p> <p style="text-align: center;"><i>(name of firm)</i></p> <p>Any misrepresentation will be grounds for terminating any contract which may be awarded, to initiate action under federal, state, or local laws concerning false statements, or the denial of certification.</p> <p>The Affidavit must be signed by the President, Chief Executive Officer, or the highest qualifying member/owner of the firm:</p>	
Signature of owner, officer or partner	Date Signed <i>(Month, day, year)</i>

NOTARY CERTIFICATE	
STATE OF _____  COUNTY OF _____  Subscribed and sworn to before me this _____ day of _____, 20_____	
Signature of Notary Public	Printed or typed name of Notary Public
County of residence	Date commission expires

# CHECKLIST

The following information (**copies**) must be attached to your application. Missing Failure to submit all appropriate documentation or incomplete information will delay the processing of your application.

## ALL

- ☐ Work experience resumes that include places of ownership/employment and corresponding dates of all owners and key employees;
- ☐ Birth certificate of owners;
- ☐ Ethnic documentation, passport, naturalization certification of owners, tribal cards; (for MBE applicants)
- ☐ State issued identification card or driver's license;
- ☐ Entire copy of personal tax returns for the last 3 years, if applicable; (if no corporate taxes are filed)
- ☐ Documented proof of contributions used to acquire ownership for each owner (e.g. both sides of cancelled checks);
- ☐ Signed secure loan agreement and security agreements, if any;
- ☐ Description of real estate and proof of ownership listed;
- ☐ List of equipment leased and signed lease agreements;
- ☐ List of construction equipment and/or vehicles owned and titles/proof of ownership;
- ☐ Signed lease(s) for office/storage space;
- ☐ End of Year Balance Sheets and Income Statements for the past 3 years (or life of firm if less than 3 years). A new business must provide a current Balance Sheet;
- ☐ Relevant professional license(s);
- ☐ DBE/MBE/WBE/VBE/DOBE, SBA 8 (a) or SDB certifications or denials and de-certifications;
- ☐ Bank Authorization and Signatory cards;
- ☐ Business Plan (optional);
- ☐ Schedule of salaries paid to all officers, managers, owners or directors of the firm (W-2s);
- ☐ Registration is required of your company with the City's Purchasing Division at [www.indy.gov/purch](http://www.indy.gov/purch) as a vendor with the credentials as stated in question #8a above.

## Sole Proprietorship

- ☐ Assumed name, fictitious name or other registration certificate from appropriate governmental agency.

## Partnership or Joint Venture

- ☐ Original and any amended Partnership or Joint Venture Agreements;
- ☐ Assumed name, fictitious name, doing business as (D/B/A), or other registration certificate from appropriate governmental agency, if applicable;
- ☐ Partnership tax returns for the last 3 years (Personal taxes can be requested);
- ☐ Organizational Chart (*if multiple owners*);

## Corporation

- ☐ Official Articles of Incorporation (signed by the state official);
- ☐ Both sides of all Corporate Stock Certificates and Stock Transfer Ledger;
- ☐ Minutes of all stockholders and Board of Directors meetings;
- ☐ Shareholders' Agreement;
- ☐ Corporate By-laws and any amendments;
- ☐ Entire copy of corporate tax returns for the last 3 years (Personal taxes can be requested);
- ☐ Organizational Chart (*if multiple owners*);

## LLC

- ☐ Entire copy of corporate tax returns for the last 3 years (Personal taxes can be requested);
- ☐ Membership Certificate;
- ☐ Certificate of Organization;
- ☐ Organizational Chart (*if multiple owners*);

## Disability Owned Business Enterprise (DOBE)

- ☐ Completed Affidavit of Disability Application, City of Indianapolis;

## Veteran Business Enterprise (VBE)

- ☐ DD-214 (honorable discharge);

\*Additional documents may be requested

## **CERTIFICATION STANDARDS:**

The City of Indianapolis & Marion County shall utilize 49 CFR Part 26, as amended to exclude size standard, as a guide for MBE/WBE/VBE/DOBE (also known as "XBE") certification. For additional criteria information on city-county certification please read our

[Consolidated City of Indianapolis and Marion County MBE/WBE/VBE/DOBE Utilization Plan in Indianapolis Government.](#)

### **Part 26 – PARTICIPATION BY DISADVANTAGED BUSINESS ENTERPRISES IN DEPARTMENT OF TRANSPORTATION FINANCIAL ASSISTANCE PROGRAMS**

#### **Subpart D – Certification Standards**

##### **§ 26.61 How are burdens of proof allocated in the certification process?**

- (a) In determining whether to certify a firm as eligible to participate as a DBE, you must apply the standards of this subpart.
  - (b) The firm seeking certification has the burden of demonstrating to you, by a preponderance of the evidence, that it meets the requirements of this subpart concerning group membership or individual disadvantage, business size, ownership, and control.
  - (c) You must rebuttably presume that members of the designated groups identified in § 26.67(a) are socially and economically disadvantaged. This means they do not have the burden of proving to you that they are socially and economically disadvantaged. In order to obtain the benefit of the rebuttable presumption, individuals must submit a signed, notarized statement that they are a member of one of the groups in § 26.67(a). Applicants do have the obligation to provide you information concerning their economic disadvantage (see § 26.67).
  - (d) Individuals who are not presumed to be socially and economically disadvantaged, and individuals concerning whom the presumption of disadvantage has been rebutted, have the burden of proving to you, by a preponderance of the evidence, that they are socially and economically disadvantaged. (See Appendix E of this part.)
  - (e) You must make determinations concerning whether individuals and firms have met their burden of demonstrating group membership, ownership, control, and social and economic disadvantage (where disadvantage must be demonstrated on an individual basis) by considering all the facts in the record, viewed as a whole.
- 

##### **§ 26.63 What rules govern group membership determinations?**

- (a)(1) If, after reviewing the signed notarized statement of membership in a presumptively disadvantaged group (see § 26.61(c)), you have a well-founded reason to question the individual's claim of membership in that group, you must require the individual to present additional evidence that he or she is a member of the group.
  - (2) You must provide the individual a written explanation of your reasons for questioning his or her group membership and a written request for additional evidence as outlined in paragraph (b) of this section.
  - (3) In implementing this section, you must take special care to ensure that you do not impose a disproportionate burden on members of any particular designated group. Imposing a disproportionate burden on members of a particular group could violate § 26.7(b) and/or Title VI of the Civil Rights Act of 1964 and 49 CFR part 21.
  - (b) In making such a determination, you must consider whether the person has held himself out to be a member of the group over a long period of time prior to application for certification and whether the person is regarded as a member of the group by the relevant community. You may require the applicant to produce appropriate documentation of group membership.
  - (1) If you determine that an individual claiming to be a member of a group presumed to be disadvantaged is not a member of a designated disadvantaged group, the individual must demonstrate social and economic disadvantage on an individual basis.
  - (2) Your decisions concerning membership in a designated group are subject to the certification appeals procedure of § 26.89.
- 

##### **§ 26.69 What rules govern determinations of ownership?**

- (a) In determining whether the socially and economically disadvantaged participants in a firm own the firm, you must consider all the facts in the record, viewed as a whole.
- (b) To be an eligible DBE, a firm must be at least 51 percent owned by socially and economically disadvantaged individuals.
- (1) In the case of a corporation, such individuals must own at least 51 percent of the each class of voting stock outstanding and 51 percent of the aggregate of all stock outstanding.
- (2) In the case of a partnership, 51 percent of each class of partnership interest must be owned by socially and economically disadvantaged individuals. Such ownership must be reflected in the firm's partnership agreement.
- (3) In the case of a limited liability company, at least 51 percent of each class of member interest must be owned by socially and economically disadvantaged individuals.
- (c) The firm's ownership by socially and economically disadvantaged individuals must be real, substantial, and continuing, going beyond pro forma ownership of the firm as reflected in ownership documents. The disadvantaged owners must enjoy the customary incidents of

ownership, and share in the risks and profits commensurate with their ownership interests, as demonstrated by the substance, not merely the form, of arrangements.

(d) All securities that constitute ownership of a firm shall be held directly by disadvantaged persons. Except as provided in this paragraph (d), no securities or assets held in trust, or by any guardian for a minor, are considered as held by disadvantaged persons in determining the ownership of a firm. However, securities or assets held in trust are regarded as held by a disadvantaged individual for purposes of determining ownership of the firm, if--

(1) The beneficial owner of securities or assets held in trust is a disadvantaged individual, and the trustee is the same or another such individual; or

(2) The beneficial owner of a trust is a disadvantaged individual who, rather than the trustee, exercises effective control over the management, policy-making, and daily operational activities of the firm. Assets held in a revocable living trust may be counted only in the situation where the same disadvantaged individual is the sole grantor, beneficiary, and trustee.

(e) The contributions of capital or expertise by the socially and economically disadvantaged owners to acquire their ownership interests must be real and substantial. Examples of insufficient contributions include a promise to contribute capital, an unsecured note payable to the firm or an owner who is not a disadvantaged individual, or mere participation in a firm's activities as an employee. Debt instruments from financial institutions or other organizations that lend funds in the normal course of their business do not render a firm ineligible, even if the debtor's ownership interest is security for the loan.

(f) The following requirements apply to situations in which expertise is relied upon as part of a disadvantaged owner's contribution to acquire ownership:

(1) The owner's expertise must be--

(i) In a specialized field;

(ii) Of outstanding quality;

(iii) In areas critical to the firm's operations;

(iv) Indispensable to the firm's potential success;

(v) Specific to the type of work the firm performs; and

(vi) Documented in the records of the firm. These records must clearly show the contribution of expertise and its value to the firm.

(2) The individual whose expertise is relied upon must have a significant financial investment in the firm.

(g) You must always deem as held by a socially and economically disadvantaged individual, for purposes of determining ownership, all interests in a business or other assets obtained by the individual--

(1) As the result of a final property settlement or court order in a divorce or legal separation, provided that no term or condition of the agreement or divorce decree is inconsistent with this section; or

(2) Through inheritance, or otherwise because of the death of the former owner.

(h)(1) You must presume as not being held by a socially and economically disadvantaged individual, for purposes of determining ownership, all interests in a business or other assets obtained by the individual as the result of a gift, or transfer without adequate consideration, from any non-disadvantaged individual or non-DBE firm who is--

(i) Involved in the same firm for which the individual is seeking certification, or an affiliate of that firm;

(ii) Involved in the same or a similar line of business; or

(iii) Engaged in an ongoing business relationship with the firm, or an affiliate of the firm, for which the individual is seeking certification.

(2) To overcome this presumption and permit the interests or assets to be counted, the disadvantaged individual must demonstrate to you, by clear and convincing evidence, that--

(i) The gift or transfer to the disadvantaged individual was made for reasons other than obtaining certification as a DBE; and

(ii) The disadvantaged individual actually controls the management, policy, and operations of the firm, notwithstanding the continuing participation of a non-disadvantaged individual who provided the gift or transfer.

(i) You must apply the following rules in situations in which marital assets form a basis for ownership of a firm:

(1) When marital assets (other than the assets of the business in question), held jointly or as community property by both spouses, are used to acquire the ownership interest asserted by one spouse, you must deem the ownership interest in the firm to have been acquired by that spouse with his or her own individual resources, provided that the other spouse irrevocably renounces and transfers all rights in the ownership interest in the manner sanctioned by the laws of the state in which either spouse or the firm is domiciled. You do not count a greater portion of joint or community property assets toward ownership than state law would recognize as belonging to the socially and economically disadvantaged owner of the applicant firm.

(2) A copy of the document legally transferring and renouncing the other spouse's rights in the jointly owned or community assets used to acquire an ownership interest in the firm must be included as part of the firm's application for DBE certification.

(j) You may consider the following factors in determining the ownership of a firm. However, you must not regard a contribution of capital as failing to be real and substantial, or find a firm ineligible, solely because--

(1) A socially and economically disadvantaged individual acquired his or her ownership interest as the result of a gift, or transfer without adequate consideration, other than the types set forth in paragraph (h) of this section;

(2) There is a provision for the co-signature of a spouse who is not a socially and economically disadvantaged individual on financing agreements, contracts for the purchase or sale of real or personal property, bank signature cards, or other documents; or

(3) Ownership of the firm in question or its assets is transferred for adequate consideration from a spouse who is not a socially and economically disadvantaged individual to a spouse who is such an individual. In this case, you must give particularly close and careful scrutiny to the ownership and control of a firm to ensure that it is owned and controlled, in substance as well as in form, by a socially and economically disadvantaged individual.

---

## **§ 26.71 What rules govern determinations concerning control?**

(a) In determining whether socially and economically disadvantaged owners control a firm, you must consider all the facts in the record, viewed as a whole.

(b) Only an independent business may be certified as a DBE. An independent business is one the viability of which does not depend on its relationship with another firm or firms.

(1) In determining whether a potential DBE is an independent business, you must scrutinize relationships with non-DBE firms, in such areas as personnel, facilities, equipment, financial and/or bonding support, and other resources.

(2) You must consider whether present or recent employer/employee relationships between the disadvantaged owner(s) of the potential DBE and non-DBE firms or persons associated with non-DBE firms compromise the independence of the potential DBE firm.

(3) You must examine the firm's relationships with prime contractors to determine whether a pattern of exclusive or primary dealings with a prime contractor compromises the independence of the potential DBE firm.

(4) In considering factors related to the independence of a potential DBE firm, you must consider the consistency of relationships between the potential DBE and non-DBE firms with normal industry practice.

(c) A DBE firm must not be subject to any formal or informal restrictions which limit the customary discretion of the socially and economically disadvantaged owners. There can be no restrictions through corporate charter provisions, by-law provisions, contracts or any other formal or informal devices (e.g., cumulative voting rights, voting powers attached to different classes of stock, employment contracts, requirements for concurrence by non-disadvantaged partners, conditions precedent or subsequent, executory agreements, voting trusts, restrictions on or assignments of voting rights) that prevent the socially and economically disadvantaged owners, without the cooperation or vote of any non-disadvantaged individual, from making any business decision of the firm. This paragraph does not preclude a spousal co-signature on documents as provided for in § 26.69(j)(2).

(d) The socially and economically disadvantaged owners must possess the power to direct or cause the direction of the management and policies of the firm and to make day-to-day as well as long-term decisions on matters of management, policy and operations.

(1) A disadvantaged owner must hold the highest officer position in the company (e.g., chief executive officer or president).

(2) In a corporation, disadvantaged owners must control the board of directors.

(3) In a partnership, one or more disadvantaged owners must serve as general partners, with control over all partnership decisions.

(e) Individuals who are not socially and economically disadvantaged may be involved in a DBE firm as owners, managers, employees, stockholders, officers, and/or directors. Such individuals must not, however, possess or exercise the power to control the firm, or be disproportionately responsible for the operation of the firm.

(f) The socially and economically disadvantaged owners of the firm may delegate various areas of the management, policymaking, or daily operations of the firm to other participants in the firm, regardless of whether these participants are socially and economically disadvantaged individuals. Such delegations of authority must be revocable, and the socially and economically disadvantaged owners must retain the power to hire and fire any person to whom such authority is delegated. The managerial role of the socially and economically disadvantaged owners in the firm's overall affairs must be such that the recipient can reasonably conclude that the socially and economically disadvantaged owners actually exercise control over the firm's operations, management, and policy.

(g) The socially and economically disadvantaged owners must have an overall understanding of, and managerial and technical competence and experience directly related to, the type of business in which the firm is engaged and the firm's operations. The socially and economically disadvantaged owners are not required to have experience or expertise in every critical area of the firm's operations, or to have greater experience or expertise in a given field than managers or key employees. The socially and economically disadvantaged owners must have the ability to intelligently and critically evaluate information presented by other participants in the firm's activities and to use this information to make independent decisions concerning the firm's daily operations, management, and policymaking. Generally, expertise limited to office management, administration, or bookkeeping functions unrelated to the principal business activities of the firm is insufficient to demonstrate control.

(h) If state or local law requires the persons to have a particular license or other credential in order to own and/or control a certain type of firm, then the socially and economically disadvantaged persons who own and control a potential DBE firm of that type must possess the required license or credential. If state or local law does not require such a person to have such a license or credential to own and/or control a firm, you must not deny certification solely on the ground that the person lacks the license or credential. However, you may take into

account the absence of the license or credential as one factor in determining whether the socially and economically disadvantaged owners actually control the firm.

(i)(1) You may consider differences in remuneration between the socially and economically disadvantaged owners and other participants in the firm in determining whether to certify a firm as a DBE. Such consideration shall be in the context of the duties of the persons involved, normal industry practices, the firm's policy and practice concerning reinvestment of income, and any other explanations for the differences proffered by the firm. You may determine that a firm is controlled by its socially and economically disadvantaged owner although that owner's remuneration is lower than that of some other participants in the firm.

(2) In a case where a non-disadvantaged individual formerly controlled the firm, and a socially and economically disadvantaged individual now controls it, you may consider a difference between the remuneration of the former and current controller of the firm as a factor in determining who controls the firm, particularly when the non-disadvantaged individual remains involved with the firm and continues to receive greater compensation than the disadvantaged individual.

(j) In order to be viewed as controlling a firm, a socially and economically disadvantaged owner cannot engage in outside employment or other business interests that conflict with the management of the firm or prevent the individual from devoting sufficient time and attention to the affairs of the firm to control its activities. For example, absentee ownership of a business and part-time work in a full-time firm are not viewed as constituting control. However, an individual could be viewed as controlling a part-time business that operates only on evenings and/or weekends, if the individual controls it all the time it is operating.

(k)(1) A socially and economically disadvantaged individual may control a firm even though one or more of the individual's immediate family members (who themselves are not socially and economically disadvantaged individuals) participate in the firm as a manager, employee, owner, or in another capacity. Except as otherwise provided in this paragraph, you must make a judgment about the control the socially and economically disadvantaged owner exercises vis-a-vis other persons involved in the business as you do in other situations, without regard to whether or not the other persons are immediate family members.

(2) If you cannot determine that the socially and economically disadvantaged owners--as distinct from the family as a whole--control the firm, then the socially and economically disadvantaged owners have failed to carry their burden of proof concerning control, even though they may participate significantly in the firm's activities.

(l) Where a firm was formerly owned and/or controlled by a non-disadvantaged individual (whether or not an immediate family member), ownership and/or control were transferred to a socially and economically disadvantaged individual, and the non-disadvantaged individual remains involved with the firm in any capacity, the disadvantaged individual now owning the firm must demonstrate to you, by clear and convincing evidence, that:

(1) The transfer of ownership and/or control to the disadvantaged individual was made for reasons other than obtaining certification as a DBE; and

(2) The disadvantaged individual actually controls the management, policy, and operations of the firm, notwithstanding the continuing participation of a non-disadvantaged individual who formerly owned and/or controlled the firm.

(m) In determining whether a firm is controlled by its socially and economically disadvantaged owners, you may consider whether the firm owns equipment necessary to perform its work. However, you must not determine that a firm is not controlled by socially and economically disadvantaged individuals solely because the firm leases, rather than owns, such equipment, where leasing equipment is a normal industry practice and the lease does not involve a relationship with a prime contractor or other party that compromises the independence of the firm.

(n) You must grant certification to a firm only for specific types of work in which the socially and economically disadvantaged owners have the ability to control the firm. To become certified in an additional type of work, the firm need demonstrate to you only that its socially and economically disadvantaged owners are able to control the firm with respect to that type of work. You must not require that the firm be recertified or submit a new application for certification, but you must verify the disadvantaged owner's control of the firm in the additional type of work.

(1) The types of work a firm can perform (whether on initial certification or when a new type of work is added) must be described in terms of the most specific available NAICS code for that type of work. If you choose, you may also, in addition to applying the appropriate NAICS code, apply a descriptor from a classification scheme of equivalent detail and specificity. A correct NAICS code is one that describes, as specifically as possible, the principal goods or services which the firm would provide to DOT recipients. Multiple NAICS codes may be assigned where appropriate. Program participants must rely on, and not depart from, the plain meaning of NAICS code descriptions in determining the scope of a firm's certification. If your Directory does not list types of work for any firm in a manner consistent with this paragraph (a)(1), you must update the Directory entry for that firm to meet the requirements of this paragraph (a)(1) by August 28, 2011.

(2) Firms and recipients must check carefully to make sure that the NAICS codes cited in a certification are kept up-to-date and accurately reflect work which the UCP has determined the firm's owners can control. The firm bears the burden of providing detailed company information the certifying agency needs to make an appropriate NAICS code designation.

(3) If a firm believes that there is not a NAICS code that fully or clearly describes the type(s) of work in which it is seeking to be certified as a DBE, the firm may request that the certifying agency, in its certification documentation, supplement the assigned NAICS code(s) with a clear, specific, and detailed narrative description of the type of work in which the firm is certified. A vague, general, or confusing description is not sufficient for this purpose, and recipients should not rely on such a description in determining whether a firm's participation can be counted toward DBE goals.

(4) A certifier is not precluded from changing a certification classification or description if there is a factual basis in the record. However, certifiers must not make after-the-fact statements about the scope of a certification, not supported by evidence in the record of the certification action.

(o) A business operating under a franchise or license agreement may be certified if it meets the standards in this subpart and the franchiser or licensor is not affiliated with the franchisee or licensee. In determining whether affiliation exists, you should generally not consider the restraints relating to standardized quality, advertising, accounting format, and other provisions imposed on the franchisee or licensee by the

franchise agreement or license, provided that the franchisee or licensee has the right to profit from its efforts and bears the risk of loss commensurate with ownership. Alternatively, even though a franchisee or licensee may not be controlled by virtue of such provisions in the franchise agreement or license, affiliation could arise through other means, such as common management or excessive restrictions on the sale or transfer of the franchise interest or license.

(p) In order for a partnership to be controlled by socially and economically disadvantaged individuals, any non-disadvantaged partners must not have the power, without the specific written concurrence of the socially and economically disadvantaged partner(s), to contractually bind the partnership or subject the partnership to contract or tort liability.

(q) The socially and economically disadvantaged individuals controlling a firm may use an employee leasing company. The use of such a company does not preclude the socially and economically disadvantaged individuals from controlling their firm if they continue to maintain an employer-employee relationship with the leased employees. This includes being responsible for hiring, firing, training, assigning, and otherwise controlling the on-the-job activities of the employees, as well as ultimate responsibility for wage and tax obligations related to the employees.

---

### **§ 26.73 What are other rules affecting certification?**

(a)(1) Consideration of whether a firm performs a commercially useful function or is a regular dealer pertains solely to counting toward DBE goals the participation of firms that have already been certified as DBEs. Except as provided in paragraph (a)(2) of this section, you must not consider commercially useful function issues in any way in making decisions about whether to certify a firm as a DBE.

(2) You may consider, in making certification decisions, whether a firm has exhibited a pattern of conduct indicating its involvement in attempts to evade or subvert the intent or requirements of the DBE program.

(b)(1) You must evaluate the eligibility of a firm on the basis of present circumstances. You must not refuse to certify a firm based solely on historical information indicating a lack of ownership or control of the firm by socially and economically disadvantaged individuals at some time in the past, if the firm currently meets the ownership and control standards of this part.

(2) You must not refuse to certify a firm solely on the basis that it is a newly formed firm, has not completed projects or contracts at the time of its application, has not yet realized profits from its activities, or has not demonstrated a potential for success. If the firm meets disadvantaged, size, ownership, and control requirements of this Part, the firm is eligible for certification.

(c) DBE firms and firms seeking DBE certification shall cooperate fully with your requests (and DOT requests) for information relevant to the certification process. Failure or refusal to provide such information is a ground for a denial or removal of certification.

(d) Only firms organized for profit may be eligible DBEs. Not-for-profit organizations, even though controlled by socially and economically disadvantaged individuals, are not eligible to be certified as DBEs.

(e) An eligible DBE firm must be owned by individuals who are socially and economically disadvantaged. Except as provided in this paragraph, a firm that is not owned by such individuals, but instead is owned by another firm--even a DBE firm--cannot be an eligible DBE.

(1) If socially and economically disadvantaged individuals own and control a firm through a parent or holding company, established for tax, capitalization or other purposes consistent with industry practice, and the parent or holding company in turn owns and controls an operating subsidiary, you may certify the subsidiary if it otherwise meets all requirements of this subpart. In this situation, the individual owners and controllers of the parent or holding company are deemed to control the subsidiary through the parent or holding company.

(2) You may certify such a subsidiary only if there is cumulatively 51 percent ownership of the subsidiary by socially and economically disadvantaged individuals. The following examples illustrate how this cumulative ownership provision works:

Example 1: Socially and economically disadvantaged individuals own 100 percent of a holding company, which has a wholly-owned subsidiary. The subsidiary may be certified, if it meets all other requirements.

Example 2: Disadvantaged individuals own 100 percent of the holding company, which owns 51 percent of a subsidiary. The subsidiary may be certified, if all other requirements are met.

Example 3: Disadvantaged individuals own 80 percent of the holding company, which in turn owns 70 percent of a subsidiary. In this case, the cumulative ownership of the subsidiary by disadvantaged individuals is 56 percent (80 percent of the 70 percent). This is more than 51 percent, so you may certify the subsidiary, if all other requirements are met.

Example 4: Same as Example 2 or 3, but someone other than the socially and economically disadvantaged owners of the parent or holding company controls the subsidiary. Even though the subsidiary is owned by disadvantaged individuals, through the holding or parent company, you cannot certify it because it fails to meet control requirements.

Example 5: Disadvantaged individuals own 60 percent of the holding company, which in turn owns 51 percent of a subsidiary. In this case, the cumulative ownership of the subsidiary by disadvantaged individuals is about 31 percent. This is less than 51 percent, so you cannot certify the subsidiary.

Example 6: The holding company, in addition to the subsidiary seeking certification, owns several other companies. The combined gross receipts of the holding companies and its subsidiaries are greater than the size standard for the subsidiary seeking certification and/or the gross receipts cap of § 26.65(b). Under the rules concerning affiliation, the subsidiary fails to meet the size standard and cannot be certified.

(f) Recognition of a business as a separate entity for tax or corporate purposes is not necessarily sufficient to demonstrate that a firm is an independent business, owned and controlled by socially and economically disadvantaged individuals.

(g) You must not require a DBE firm to be prequalified as a condition for certification unless the recipient requires all firms that participate in its contracts and subcontracts to be prequalified.

(h) A firm that is owned by an Indian tribe or Native Hawaiian organization, rather than by Indians or Native Hawaiians as individuals, may be eligible for certification. Such a firm must meet the size standards of § 26.35. Such a firm must be controlled by socially and economically disadvantaged individuals, as provided in § 26.71.

(i) The following special rules apply to the certification of firms related to Alaska Native Corporations (ANCs).

(1) Notwithstanding any other provisions of this subpart, a direct or indirect subsidiary corporation, joint venture, or partnership entity of an ANC is eligible for certification as a DBE if it meets all of the following requirements:

(i) The Settlement Common Stock of the underlying ANC and other stock of the ANC held by holders of the Settlement Common Stock and by Natives and descendants of Natives represents a majority of both the total equity of the ANC and the total voting power of the corporation for purposes of electing directors;

(ii) The shares of stock or other units of common ownership interest in the subsidiary, joint venture, or partnership entity held by the ANC and by holders of its Settlement Common Stock represent a majority of both the total equity of the entity and the total voting power of the entity for the purpose of electing directors, the general partner, or principal officers; and

(iii) The subsidiary, joint venture, or partnership entity has been certified by the Small Business Administration under the 8(a) or small disadvantaged business program.

(2) As a recipient to whom an ANC-related entity applies for certification, you do not use the DOT uniform application form (see Appendix F of this part). You must obtain from the firm documentation sufficient to demonstrate that entity meets the requirements of paragraph (i)(1) of this section. You must also obtain sufficient information about the firm to allow you to administer your program (e.g., information that would appear in your DBE Directory).

(3) If an ANC-related firm does not meet all the conditions of paragraph (i)(1) of this section, then it must meet the requirements of paragraph (h) of this section in order to be certified, on the same basis as firms owned by Indian Tribes or Native Hawaiian Organizations.

**For a full version of the Certification Standards see:**

Code of Federal Regulations  
Title 49 - Part 26