“Disadvantaged Business Enterprise (DBE) Certification 101”

Presented by:
Adriana Mena, DBE Certification Specialist
DBE Overview

What is a DBE?

I. Ownership
   • An independent business that is at least 51 percent owned by a socially or economically disadvantaged individual(s)
     • Socially disadvantaged individual(s) include:
       • Women, Native Americans, African Americans, Hispanic Americans, Asian-Pacific Americans and Subcontinent Asian Americans

II. Personal Net Worth (PNW)
   • Majority owner’s personal net worth must not exceed $1.32 million

III. Control
   • The majority owner must control the management and daily operations

IV. Size
   • A for-profit business must meet the Small Business Administration’s (SBA) size standard and not exceed $28.48 million in gross annual receipts over a five-year average
Different agencies recognize different certifications

I. DBE Certification:
   - United States Department of Transportation (US DOT) assisted contracts for highway, transit, and airport projects
   - Complies with Federal Regulation 49 CFR Part 26

II. M/WBE Certification:
   - Overseen and managed by state and local government contracting authorities
Firms with DBE Certification through one of these agencies are recognized by all the others.

The Illinois Unified Certification Program (IL UCP) directory provides a reference source of certified DBE firms. The Directory lists firms in alphabetical order, including the NAICS* codes and specialties. It provides a reference source to assist bidders/proposers in meeting DBE contract goals.

*North American Industry Classification System (NAICS) Codes – classification of the specialties or services that a firm seeks to perform.
Advantages of DBE Certification

I. Company listed in the IL UCP DBE vendor directory

II. An opportunity to participate on federally funded or assisted projects as prime contractors or subcontractors

III. An identifier that can be used as a marketing tool for your business
Determination Eligibility

1. The certification application, Personal Net Worth (PNW) statement and supporting documents are analyzed.

2. A site visit is conducted to verify the firm’s business, which includes a tour of the facility and photographs.

3. A final determination is made on whether the firm is eligible for DBE certification and the firm is notified via email.

The DBE Program complies with the US DOT 49 CFR, Part 26, Subpart D, which provides the certification guidelines and procedures.

Process takes 60 to 90 days upon receipt of all required documentation.

*Due to COVID 19, some processes have been temporarily modified.
DBE Certification Application

Pursuant to the requirements of the federal regulation 49 CFR part 26, all recipients of US DOT financial assistance must implement a "one-stop" certification process for Disadvantaged Business Enterprises (DBEs). As a result of this requirement, five US DOT-funded agencies - the Illinois Department of Transportation (IDOT), City of Chicago, CTA, Metra and Pace - have established the IL UCP.

The IL UCP is based on the concept of reciprocity among the agencies. "One-stop" shopping will be provided to applicants for the DBE program, such that an applicant need only to apply once for DBE certification, and the resulting decision will be honored by all participating agencies in the IL UCP.

As of April 1, 2020, due to temporary modifications in the procedures because of COVID-19, Metra’s Office of Diversity and Business Enterprise (ODBE) is...
DBE Certification Application

Section 1: CERTIFICATION INFORMATION
I am applying for certification as [ ] DBE [ ] ACDBE

(1) Contact person and Title: ____________________________
(2) Legal name of firm: ________________________________
(3) Phone #: ______-______ (4) Other Phone #: ______-______ (5) Fax #: ______-______
(6) E-mail: ____________________________ (7) Firm Websites: ____________________________
(8) Street address of firm (No P.O. Box): ____________________________
City: ____________________________ County/Parish: ____________________________ State: ______ Zip: ______
(9) Mailing address of firm (if different): ____________________________
City: ____________________________ County/Parish: ____________________________ State: ______ Zip: ______

Section 2: GENERAL INFORMATION
A. Business Profile: (1) Give a concise description of the firm’s primary activities and the product(s) or service(s) it provides. If your company offers more than one product/service, list the primary product or service first. Please use additional paper if necessary. This description may be used in our database and the UCP online directory if you are certified as a DBE or ACDBE.

(2) Applicable NAICS Codes for this line of work include: ____________________________
(3) This firm was established on ______/____/______ (4) I/We have owned this firm since: ______/____/______

• Leave no blanks – If it does not apply to you or your firm, mark the section N/A
• Ensure that the contact person is the Majority Owner of the Firm
• List of NAICS Codes can be found at https://www.census.gov/naics/
• As owner of the firm, you are also considered an employee of the firm
• Include the gross receipts of any affiliate firm, if there is none, mark N/A
• Include any supporting documentation for any co-sharing of business resources
DBE Certification Application

Ensure that the initial investment matches your supporting documentation
Include a stated explaining any managerial work or ownership done for another firm
Include a copy of the trust agreement
DBE Certification Application

Section 3: OWNER INFORMATION, Cont’d.

A. Identify all individuals, firms, or holding companies that hold LESS THAN 51% ownership interest in the firm (Attach separate sheets for each additional owner)

1. Full Name: ____________________________  2. Title: ____________________________  3. Home Phone #: ____________________________

4. Home Address (Street and Number): ____________________________  City: ____________________________  State: ____________________________  Zip: ____________________________

5. Gender: ☐ Male  ☐ Female  ☐ Other (specify) ____________________________

6. Ethnic group membership (Check all that apply):

☐ Black  ☐ Hispanic  ☐ Asian Pacific  ☐ Native American  ☐ Subcontinent Asian  ☐ Other (specify) ____________________________

8. Number of years as owner: ____________________________  9. Percentage owned: ____________________________%

Class of stock owned: ____________________________  Date acquired: ____________________________

10. Initial investment to acquire ownership interest in firm

<table>
<thead>
<tr>
<th>Type</th>
<th>Dollar Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Real Estate</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Equipment</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Other</td>
<td>$ ____________</td>
</tr>
</tbody>
</table>

Describe how you acquired your business:

☐ Started business myself

☐ It was a gift from ____________________________

☐ I bought it from ____________________________

☐ I inherited it from ____________________________

☐ Other ____________________________

(Attach documentation substantiating your investment)

B. Additional Owner Information

1. Describe familial relationship to other owners and employees:

2. Does this owner perform a management or supervisory function for any other business?  ☐ Yes  ☐ No

If Yes, identify: Name of Business: ____________________________  Function/Title: ____________________________

3(a). Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.)  ☐ Yes  ☐ No

Identify the name of the business, and the nature of the relationship, and the owner’s function at the firm:

(b) Does this owner work for any other firm, non-profit organization, or engage in any other activity more than 10 hours per week? If Yes, identify this activity:

(c) What is the personal net worth of this disadvantaged owner applying for certification? $ ____________________________

(d) Has any trust been created for the benefit of this disadvantaged owner(s)?  ☐ Yes  ☐ No

(If yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company?  ☐ Yes  ☐ No  If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage the company. (Please attach extra sheets, if needed):

• If no other owners, mark this section N/A
• Ensure to list the other owner’s ethnic group
• If the firm is owned 50/50, each owner needs to fill out an owner information form and Personal Net Worth Statement
If your firm is a corporation, ensure that the Board of Director here, match the number of directors required listed in the firm’s Bylaws.

If the firm is does not have another owner, list n/a in the minority owner section.
This section should be filled out for any managers or key personnel of the firm.

- If the firm only has office equipment, mark n/a here.
- If the firm is located at the owner home, list the information for the home.
• If applicable, provide a copy of any bonding letter
• If applicable, provide copies of any loan agreements for outstanding loans
• Ensure that the firm has all the licenses or permits required by the State or City or Village that the firm is in
DBE Certification Application

I. List the three largest contracts completed by your firm in the past three years, if any:

<table>
<thead>
<tr>
<th>Name of Owner/Contractor</th>
<th>Name/Location of Project</th>
<th>Type of Work Performed</th>
<th>Dollar Value of Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
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<td>3.</td>
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</tr>
</tbody>
</table>

J. List the three largest active jobs on which your firm is currently working:

<table>
<thead>
<tr>
<th>Name of Prime Contractor and Project Number</th>
<th>Location of Project</th>
<th>Type of Work</th>
<th>Project Start Date</th>
<th>Anticipated Completion Date</th>
<th>Dollar Value of Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
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- Provide a copy of the three largest active contracts the firm is currently working on
- If the firm is not currently working on a project, provide a signed statement explaining the reason
If your firm is wishing to receive ACDBE certification, you will have to apply to the City of Chicago.

If your firm is not wishing to apply for ACDBE certification, mark n/a on this page.
DBE Certification Application

I, [full name printed], swear or affirm under penalty of law that I am [role] of the applicant firm and that I have read and understood all of the questions in this application and that all of the following information and statements submitted in this application and its attachments and supporting documents are true and correct to the best of my knowledge, and that all responses to the questions are full and complete, omitting no material information. The responses include all material information necessary to fully and accurately identify and explain the operations, capabilities and pertinent history of the named firm as well as the ownership, control, and affiliations thereof.

I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by necessity, deem appropriate, determine the accuracy and truth of the statements in the application, and I authorize such agency to contact any entity named in the application, and the named firm’s bonding companies, banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm’s eligibility.

I agree to submit to government audit, examination and review of books, records, documents and files, in whatever form they exist, of the named firm and its affiliates, inspection of its place(s) of business and equipment, and to permit interviews of its principals, agents, and employees. I understand that refusal to permit such inquiries shall be grounds for denial of certification.

If awarded a contract, subcontract, concession lease or sublease, I agree to promptly and directly provide the prime contractor, if any, and the Department, recipient agency, or federal funding agency on an ongoing basis, current, complete and accurate information regarding (1) work performed on the project; (2) payments; and (3) proposed changes, if any, to the foregoing arrangements.

I agree to provide written notice to the recipient agency or Unified Certification Program of any material change in the information contained in the original application within 30 calendar days of such change (e.g., ownership changes, address/telephone number, personal net worth exceeding $1.32 million, etc.).

I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded, denial or revocation of certification; suspension and debarment, and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.

I certify that I am a socially and economically disadvantaged individual who is an owner of the above-referenced firm seeking certification as a Disadvantaged Business Enterprise or Airport Concession Disadvantaged Business Enterprise. In support of my application, I certify that I am a member of one or more of the following groups, and that I have held myself out as a member of the group(s): [Check all that apply].

- [ ] Female
- [ ] African American
- [ ] Hispanic American
- [ ] Native American
- [ ] Asian-Pacific American
- [ ] Subcontinent Asian American
- [ ] Other (specify)

I certify that I am socially disadvantaged because I have been subjected to racism or ethnic prejudice or cultural bias, or have suffered the effects of discrimination, because of my identity as a member of one or more of the groups identified above, without regard to any individual qualities.

I further certify that my personal net worth does not exceed $1.32 million, and that I am economically disadvantaged because my ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially and economically disadvantaged.

I declare under penalty of perjury that the information provided in this application and supporting documents is true and correct.

Signature [DBE/ACDBE Applicant] (Date)

NOTARY CERTIFICATE

• Make sure this page is signed and notarized
• If the firm is owned 50/50, each owner needs to fill out, sign, and notarize a page
If any of the items requested do not apply to your organization, provide a signed statement listing the items not applicable.

An optional document that will be requested is the year-end balance sheet and income statements for the past 3 years.
Personal Net Worth Statement

- Complete this form to only include what is personally owned by individual applying for DBE certification
- If the assets or liability is co-owned, please make a note and on this page only include your portion
- If an item required additional information, complete each section as listed by the item
- The real estate portion should not include any amounts related to the owner’s primary residence
- Ensure that the Net Worth is calculated (Total Assets – Total Liabilities = Net Worth)
Complete each corresponding section with the information that matches page 1 of the Personal Net Worth Statement.

The primary residence should be listed on section 4, but the amount is not included on page 1.
Personal Net Worth Statement

- Make sure this page is signed and notarized
- If the firm is owned 50/50, each owner needs to fill out, sign, and notarize their own Personal Net Worth Statement
- List any affiliate business(es) owned on section 7
Annual Procurement Plan

The Procurement Plan, updated quarterly, identifies potential contracting opportunities for goods and services anticipated by Metra Departments such as Engineering, Mechanical, Fleet and Facility Management, Finance, Information Systems and Materials and Stores. This document also includes information about vendor registrations and how Metra ensures that small, minority and women-owned businesses have equal opportunity to receive and participate in Metra contracts. Review Metra’s Annual Procurement Plan here.
How To Register As A Vendor

Vendor Registration

Register your business as a Metra vendor to be included for consideration for upcoming solicitations.

A completed Vendor Registration Form is required for your firm to be entered in Metra’s Vendor Database. Upon receipt of this information, we will enter your firm into our vendor database under the appropriate commodity listing(s). These listings are used by our buyers/contracting agents in preparing solicitations.

The process is simple. Just follow the steps below to register:

Step 1: Gather your company’s information
- General company information
- Sales information
- Officer, owner or partner information
- Asset information
- Corporate affiliates
- Business references
- Employee information

Note: Please include the correct NAICS codes relating to the business or services provided to ensure you will receive solicitations from the Procurement Department.

Step 2: Complete the Vendor Registration Form
- Electronic Form
- Printable Forms (PDF)

Step 3: Submit Completed Form to Metra
- Electronic Vendor Registration Form - Click “Submit” at the end of the online form.
- Printable Vendor Registration Forms - Please return the completed forms to the following address:

Metra
Materials Management Department
Attn: Asst. Materials Coordinator
547 W. Jackson Blvd., Ste. 1100, East
Chicago, IL 60661
QUESTIONS

Contact Information
Adriana Mena (amena@metrarr.com)
Michele Sutton (msutton@metrarr.com)