Minority- and Women-Owned Business Enterprise (MBE/WBE) Guide

ALL RECIPIENTS MUST COMPLY – NO ONE IS EXEMPT
I. Introduction

This document is designed to assist all recipients of Coastal Bend Bays & Estuaries Program (CBBEP) pass-through project funds in meeting federal Minority-owned Business Enterprise and Women-Owned Business Enterprise (MBE/WBE) Participation Requirements. All CBBEP contractors must comply; no one is exempt.

By accepting assistance from the Coastal Bend Bays & Estuaries Program (CBBEP), all recipients agree to make a “good faith” effort to contract with MBEs and WBEs. Additionally, the affirmative steps requires documentation of those outreach efforts and reporting to CBBEP along with submittals of requests for payment.

II. Definitions

A bona fide minority- or women-owned business enterprise (MBE/WBE) is:

an independent business concern that is at least 51% owned, controlled, and operated by minority group member(s) (see definition of minority group member) or a woman or women. Ownership and control can be measured by:

- Contract work performance responsibility.
- Management responsibility.
- At least 51% share of profits and risk.
- Other data (such as voting rights) that may clarify ownership or control.

"Control" means exercising the power to make policy decisions.

"Operate" means being actively involved in the day-to-day management of the business.

Determination of whether a business is at least 51% owned by a woman or women shall be made without regard to community property laws. An otherwise qualified WBE which is 51% owned by a married woman in a community property state will not be disqualified because her husband has a 50% interest in her share. Similarly, a business that is 51% owned by a married man and 49% by an unmarried woman does not become a qualified WBE by virtue of the wife’s 50% interest in the husband’s share of the business.

A joint venture is a business enterprise formed by a combination of firms under a joint venture agreement. To qualify as a bona fide MBE/WBE, the minority-owned or women-owned and controlled firms in the joint venture must:

- Satisfy all requirements for bona fide MBE/WBE participation in their own rights.
- Share a clearly defined percentage of the ownership, management responsibilities, risks, and profits of the joint venture. Only this percentage of ownership will be credited towards the MBE/WBE goal.

A minority group member is a citizen of the United States and one of the following:

- Native American consists of American Indian, Eskimo, Aleut, and native Hawaiian. To qualify, the person must meet one of the following criteria:
1. Are at least one-fourth Native American descent (as evidenced by registration with the Bureau of Indian Affairs).
2. Characteristic appearance and features.
3. Characteristic name.
4. Recognition in the community as a Native American.
5. Membership in a tribe, band, or group of Native Americans (recognized by the Federal Government), as evidenced by a tribal enrollment number or similar indication.

- **Black American** consists of individuals having origins in any of the black racial groups of Africa.

- **Asian-Pacific American** consists of individuals having origins in any of the original peoples of the Far East, Southeast Asia, and the Indian subcontinent. This area includes China, Japan, Korea, the Philippines, Vietnam, Samoa, Guam, U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan. The Indian subcontinent takes in the countries of India, Pakistan, Bangladesh, Sri Lanka, Sikkim, and Bhutan.

- **Hispanic American** consists of individuals with origins from Puerto Rico, Mexico, Cuba, or South or Central America. Only those persons from Central and South American countries who are of Spanish origin, descent, or culture should be included in this category. Persons from Brazil, Guyana, Surinam or Trinidad, for example, would be classified according to their race and would not necessarily be included in the Hispanic category. In addition, this category does not include persons from Portugal, who should be classified according to race.

In cases where a firm is owned and controlled by a minority woman or women, the percentage may be credited towards MBE participation or as WBE participation, or allocated, but may not be credited fully to both.

**Contractor** – Prime or Secondary contractor are the agencies being awarded funding to complete a project. The Prime contractor, (CBBEP), is the recipient directly from the federal or state agency. The Secondary contractor is one at any level directly subsequent to the prime. The Prime and Secondary contractors are administratively and technically responsible for the work being done under the project.

**III. "Good Faith" Effort Process**

As the recipient of state and federal funds, all CBBEP contractors must demonstrate that efforts are made to attract MBEs/WBEs on any purchases or contract agreements. The documented process to attract MBEs and WBEs is defined generally as the "good faith" effort. This effort requires CBBEP and their contractor(s) to take the affirmative steps listed below to assure that MBEs and WBEs are used whenever possible as sources of supplies, construction, equipment, and services.

**Note:** Reporting to CBBEP is not required on efforts made to attract MBEs/WBEs. However, documentation should be maintained by the contractor and be provided at the request of CBBEP or federal/state agencies providing the pass-through funding.

The MBE/WBE Good Faith requirements will be deemed satisfied when the contractor can demonstrate that they have:
STEP 1: Included qualified MBEs and WBEs on solicitation lists. Solicitation should be as broad as possible. See below for available sources.

STEP 2: Solicited available MBEs and WBEs whenever they are potential sources.

STEP 3: Consulted the U.S. Small Business Administration (SBA) and the U.S. Department of Commerce (USDOC). This assistance is provided at no cost. These agencies provide several services, including Internet access to databases of MBEs and WBEs. For additional assistance, the contractor should also telephone the local offices of both agencies in their area (SBA: Minority Enterprise Development Offices and Commerce: MBDA Regional Centers). See Item V. MBE/WBE Resources for more information.

The Internet web sites include names, addresses, and phone or fax numbers of local SBA and MBDA centers. The phone numbers listed below will connect you to the two offices if you do not find them on the Internet. Do not write to these sources.

<table>
<thead>
<tr>
<th>NAME AND ADDRESS</th>
<th>TELEPHONE AND WEB SITE</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Small Business Administration</td>
<td>(415) 744-6820 Extension 0 PRO-Net Database:  <a href="http://www.sba.gov/">www.sba.gov/</a></td>
</tr>
<tr>
<td>455 Market Street, Suite 600</td>
<td>Bid Notification:  web.sba.gov subnet/</td>
</tr>
<tr>
<td>San Francisco, CA 94105</td>
<td></td>
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<tr>
<td>RE: Minority Enterprise Development Offices</td>
<td></td>
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<tr>
<td>U.S. Department of Commerce</td>
<td>(415) 744-3001</td>
</tr>
<tr>
<td>211 Main Street, Room 1280</td>
<td></td>
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<tr>
<td>San Francisco, CA 94105</td>
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<tr>
<td>RE: Business Development Centers</td>
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IV. Roles and Responsibilities

CBBEP Contractor

All CBBEP contractors are required to affirmatively attempt to make purchases or contract with MBE/WBEs and to report actual purchases data to CBBEP when submitting a request for payment.

CBBEP contractors should first determine whether MBE/WBE participation and documentation is required. The following four steps will assist contractors in making that determination:

Step 1. Is a purchase or contract for services, supplies, equipment or construction necessary? If the answer is yes, go to the next step. If no, it is not necessary to track MBE/WBE purchases.

Step 2. Will the purchase or contract include state or federal pass-through funding from CBBEP? If the answer is yes, go to the next step. If no, it is not necessary to track MBE/WBE purchases.

Step 3. If it is determined that MBE/WBE participation is required, the CBBEP contractor must:
1. Complete "CBBEP Contractor Participation Reporting Form" to report actual participation during the life of the project.
2. Submit form to CBBEP when submitting a request for payment. Reporting period should be the same as payment request period.

V. MBE/WBE Resources

Below are federal agencies that maintain databases to assist contractors in identifying potential MBE/WBEs.

**FEDERAL:** U.S. Department of Commerce (Must be contacted)
Minority Business Development Agency
211 Main Street, Room 1280
San Francisco, CA 94105
(415) 744-3001
RE: Business Development Centers

Federal Small Business Administration (SBA) (Must be contacted)
PRO-Net is the SBA’s electronic search engine, containing business profiles on nearly 200,000 businesses. (NOTE: The SBA requests Internet contact only.) A list of potential firms downloaded from PRO-Net will verify that the bidder made the required contact with the SBA.
http://pro-net.sba.gov/pro-net/search.html
### MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISES (MBE/WBE)
#### CBBEP Contractor Participation Reporting Form

<table>
<thead>
<tr>
<th>1. All purchases for this contract complete.</th>
<th>2. CONTRACT NUMBER:</th>
<th>3. REPORTING QUARTER (Check one):</th>
<th>4. TOTAL PURCHASES FOR QUARTER, INCLUDING MBE/WBE:</th>
</tr>
</thead>
</table>

5. CONTRACTOR’S NAME AND ADDRESS:  

6. CONTRACTOR’S CONTACT PERSON AND PHONE NUMBER:  

#### MBE/WBE CONTRACTS AND/OR PURCHASES MADE DURING REPORTING QUARTER

<table>
<thead>
<tr>
<th>CATEGORY OF PURCHASE MADE BY CONTRACTOR</th>
<th>BUSINESS ENTERPRISE DOLLAR VALUE OF PROCUREMENT</th>
<th>DATE OF REWARD (M/D/Y)</th>
<th>PRODUCT TYPE CODE</th>
<th>NAME AND ADDRESS OF MBE/WBE CONTRACTOR/SUBCONTRACTOR OR VENDOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBE</td>
<td>WBE</td>
<td>(BELOW)</td>
<td></td>
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### TOTALS $  

8. COMMENTS:  

9. SIGNATURE AND TITLE OF RECIPIENT’S AUTHORIZED REPRESENTATIVE

10. DATE

Return to your respective CBBEP Project Manager.  

Product or service codes:  
1=Agriculture  
2=Minning  
3=Construction  
4=Manufacturing  
5=Transportation  
6=Wholesale Trade  
7=Retail Trade  
8=Finance, Insurance, Real Estate  
9=Services  
a=Business Services  
b=Professional Services  
c=Repair Services  
d=Personal Services  

ORIGINAL SIGNATURE AND DATE REQUIRED
MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISES (MBE/WBE)
Instructions for Completing Form

BOX 1 Check this box only if all procurements (purchases) under this contract have been completed either during the reporting quarter or a prior quarter. If you check this box, you no longer need to send MBE/WBE reports.

BOX 2 Fill in the contract number. If you have more than one active contract, copy the form and prepare multiple reports.

BOX 3 Mark the appropriate quarter. If you are sending data for more than one quarter, copy the form and prepare multiple reports. (Note: reporting the information in the proper quarter is not as important as collecting and reporting all MBE/WBE purchases.)

BOX 4 Enter the total dollar amount of all purchases for this reporting period. If negative, put “0” in space provided.

BOX 5 Enter the contractor name and address.

BOX 6 Enter the contractor contact person’s name and phone number.

BOX 7 Enter details for the MBE or WBE purchases only and be sure to limit them to the same period used for Box 6.

1) Enter category of purchase (supplies, equipment, contractual, etc.);

2) Enter a dollar total for either MBE or WBE and total the two columns at the bottom of the section;

3) Provide an award date;

4) Enter a product type choice from those at the bottom of the page;

5) List the vendor name and address in the right-hand column.

BOX 8 This box is for explanatory information or questions.

BOX 9 Provide an authorized representative signature.

BOX 10 Enter the date of completion.