

HOW TO BECOME CERTIFIED

DPS Workshop Series | Hosted by: Jackie Umbles

The Department of Procurement Services is committed to Communications and Outreach, which is key to keeping citizens informed of bid opportunities, new programs, and innovations.

Also, ensure that you download a copy of our most recent **Consolidated Buying Plan**. This is a 15-month forecast including hundreds of upcoming opportunities for 12 city agencies. To download, go to: www.chicago.gov/dps.

We encourage you to follow us on our website www.chicago.gov/dps for the latest news, updates, and our calendar of events. Go online, www.chicago.gov/DPS and click on the letter icon and sign-up for our **Email Newsletter: DPS Alerts** full of news that you can use.

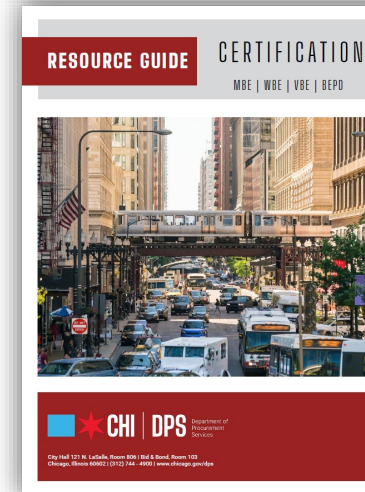
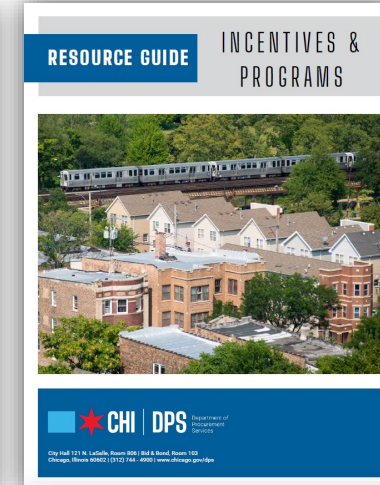
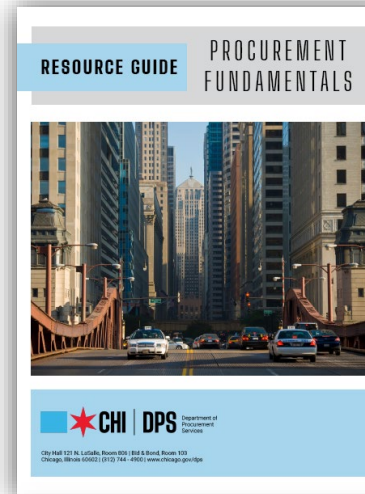
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- NOTE: Legal advertisements for the City of Chicago Department of Procurement Services (DPS) appear in the Chicago Tribune. Information about DPS contracting opportunities will be available at www.chicago.gov/bids.

Welcome

RESOURCE GUIDES

- DPS has published a four-volume set of Resource Guides, expanding on the guiding principle of transparency.
- The Resource Guides were divided into key areas of the procurement process:
 - Contract Administration
 - Incentives and Programs
 - Certification
 - Compliance
- Download now at www.chicago.gov/dpsguides



Today's Workshop

- Everyone is muted upon entry for the presentation portion of the workshop
- We ask that you hold your questions to the end of the presentation. You can use the chat feature to type out your question and the speaker will answer the questions at the end of the presentation.
- To Send a Question: **Use only the Q & A panel to ask your question. Do not use the chat panel**
 - Use the **Q & A panel** on the right side of your screen.
 - In the Send to or To drop-down list, select the recipient of the message.
 - Enter your message in the chat text box, then press Enter on your keyboard.

Note: If you join a meeting, session, or event in progress, you can see only the Q & A that participants send after you join.

HOW TO BECOME CERTIFIED

Today's Workshop | Presented by: Sonia Larkin

- Benefits of Certification
- Who Qualifies for Certification
- Certification Requirements
- The Application Process
- Required Information/Documents
- After Applications are Submitted

**OUR
GOALS AT
A GLANCE**

DEPARTMENT OVERVIEW

DPS is the contracting authority for the procurement of goods and services for the City of Chicago. We work together as a team and with our customers to guarantee an open, fair, and timely process by establishing, communicating and enforcing superior business practices.

- MBE – Minority-Owned Business Enterprise
- WBE – Women Owned Business Enterprise
- VBE – Veteran-Owned Business Enterprise
- BEPD – Business Enterprise for People with Disabilities
- DBE – Disadvantaged Business Enterprise
- ACDBE – Airport Concessions Disadvantaged Business Enterprise

City of Chicago Certification Programs

Benefits of Certification

The Benefits

- Provides visibility – Once Certified your firm is listed in a directory which is accessible to the general public and all Prime Contractors.
- There are minority, women, and disadvantaged business participation goals on City of Chicago projects and sister agencies.
- There are businesses in the private sector that seek out certified firms for products and/or services.

- The City of Chicago has a Target Market program which provides exclusive bidding to certified minority and women owned business enterprises. This allows certified businesses to take 100% of the contract because there are no subcontractor goals associated with the project.

The Benefits

Qualifying Groups

- African Americans
- Hispanic
- Asian
- Asian-Indian
- Women
- Veterans
- Persons with Disabilities
- Other Individuals who can prove social and economic disadvantages

VBE – Veteran-Owned Business Enterprise

“Veteran” means a person who has served in the United States armed forces and was discharged or separated under honorable conditions.

- DD214 or DD215 needed as supporting evidence. (Required)
- If vendor does not have their DD214 or DD215, the applicant should contact the Veterans Administration (VA).

Veteran-Owned Business Enterprises

Certification Requirements

What's Required

- Local Business: principal place of business should be in the counties of Cook, DuPage, Kane, Lake, McHenry or Will (Applies to MBE/WBE/VBE/BEPD)
- DBE/ACDBE – Can be located anywhere in Illinois
- Must be 51% owned, controlled, and managed by a minority, woman, veteran and/or person(s) with a disability. For DBE/ACDBE, owner must be socially or economically disadvantaged individuals

Business Size Standard

- MBE/WBE/VBE: Gross Receipts must not exceed \$43,229,869.51 averaged over 3 years for non-construction firms. Construction firms are subject to SBA* size standards averaged over 7 years.
- DBE: The firm's 5-year average annual gross receipts must not exceed the SBA size limit for the firm's primary line of business or the three-year average maximum of \$28.48 million for Federal Highway Administration/Federal Transit Administration (FHWA/FTA) assisted contracts. Federal Aviation Administration (FAA) assisted contracts must not exceed the SBA* size limit for the firm's primary line of business.
- ACDBE: Not to exceed \$56.42M averaged over 3 years for most firms – some exceptions do exist.

*Ref: <https://www.sba.gov/document/support--table-size-standards>

What's Required

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Personal Net Worth Standard

- **MBE/WBE/VBE:** The threshold only applies to construction companies. The PNW is currently \$2,491,482.51. This is evaluated annually by the City of Chicago.
- **DBE/ACDBE:** The threshold applies to all people seeking certification and is currently at \$1,320,000. This is adjusted periodically by the U.S. Department of Transportation.
- The calculation of personal net worth excludes business ownership, equity in any real estate and fixtures/furnishings, value in pensions/401(k) or other retirement savings or investment programs.

- Sole Proprietor – Typically owned by only one person, has no legal existence apart from the person him/herself
 - Owner must submit Assumed Name Certificate if operating in name other than owner
- General Partnership – Two or more people go into business together without any formalities
 - Partnership Agreement required

Business Formations that Qualify

Business Formations that Qualify

Corporations

- A corporation is treated as an entity that is separate from its shareholders. It allows others to invest in the business without being liable for the debts of that business.
- The firm must be in Good Standing with the State
- Must have Articles of Incorporation
- Must have a Certificate of Incorporation
- Must have By-laws of Corporation
- Must have copies of all stock certificates (front/back)
- Must have Meeting Minutes

Limited Partnership

- The limited partners are more like stakeholders in a corporation. They are not liable for the debts beyond their own ownership.
- Assumed Name Certification or Certificate of Limited Partnership

Limited Liability Company (LLC)

- Partnerships that have a Managing Member/Partner
- Must have an Operating Agreement
- Must have Articles of Organization

**Business
Formations
that
Qualify**

Suppliers Distributors Brokers

Suppliers

- A supplier must be a regular dealer which is a firm that owns, operates or maintains a store, warehouse or other establishment in which materials, supplies, articles or equipment are bought, kept in stock and regularly sold or leased to the public in the usual course of business.

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Distributors

- Firms operating as a Distributor are identified as having a direct relationship with a manufacturer to distribute its goods and products within a specified territory, or region. The goods and/or products are not available or sold to the general public.

Brokers

- Firms acting as a Broker are not eligible for certification as an MBE/WBE/VBE/BEPC but can be eligible for certification as a DBE.
- A person or entity that fills orders by purchasing or receiving supplies from a third-party supplier rather than out of its own existing inventory and provides no substantial service other than acting as a conduit between his or her supplier and his or her customer is considered a broker.

**Suppliers
Distributors
Brokers**

Online Application Process

The Process Online

Submit applications online at:
www.Chicago.mwdbe.com

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- The Application Fee is \$250.
(No Fee for DBE/ACDBE or BEPD)

After Submission

- You will receive an emailed invoice.
We will not review your application until you pay the \$250 application fee.
- You can pay the \$250 at any of the City's Payment Centers. You must bring the invoice when paying at the payment centers.

*** 2nd page of invoice has website address to make an online payment.**

- Contact Information
- Type of Certification You Are Seeking
 - MBE/WBE/VBE/BEPD/DBE/ACDBE
 - BEPD requires Schedule G Form
 - VBE requires DD214 or DD215
- Ownership Information
- Employee Information
- Facility Information
- Financial Information
- Licenses (for applicant and business)

Information Needed

Information Needed

Proof of Eligibility Documents

- Resume(s)
- Evidence of Executed Contracts and/or invoices
- Driver's License and Birth Certificate or Passport
- Proof of Equity Contribution
- Business Bank Account Signatory Card
- Organization Chart
- Equipment List
- Loan Information

Financial Documents

- Federal Business and Individual Tax Returns
 - Three Years for Non-construction Firms
MBE/WBE/VBE/BEPC
 - Seven Years for Construction Firms
MBE/WBE/VBE/BEPC
 - Five Years for DBE/ACDBE Firms
- W-2s/1099s
- Personal Net Worth Statements (construction firms, all new DBE/ACDBE)

**Information
Needed**

After Applications are Submitted

- The process can take approximately 90 days from the day we receive “all” documents.
- Your application is checked to make sure we have all documentation
- Documents are thoroughly audited.
- You may receive a site visit. All construction, supplier, and distributors and all New DBE/ACDBE Applicants will receive a site-visit.

- All Vendors must submit an Annual “No Change Affidavit.”

You must notify the Certification Division of the Department of Procurement Services regarding organization changes, business name changes, and ownership changes within 10 business days of the change. You can report material changes online in the portal via the Expansion application with a follow-up email to

dps.certification@cityofchicago.org

Maintaining Certification

Maintaining Certification

Expansion of Services:

- Submit your request in writing online in the portal via the Expansion application.
- Include the added category NAICS code(s), description and supporting documentation.
- You must include:
 - Required Licenses
 - Copies of past or present contracts
 - Any needed insurance
 - Current resume

Top 10 Reasons Applications are Denied

1. Unsubstantiated or questionable ownership/control.
2. Unclear description of critical functions and who is responsible.
3. Company cannot substantiate where and/or how start-up funds/expansion capital was initiated.
4. Outside secondary employment takes most of the MBE/WBE/VBE/BEPD/DBE Enterprise majority owner's time each day.
5. The company is not located in one of the six county regions (MBE/WBE/VBE/BEPD).
6. Point of Contact did not respond to requests for information in a timely manner.
7. Inconsistencies with the Applicant firm name among various documents.
8. Problems with contracts: missing, incomplete, not signed & executed by qualifying owners, or have no corresponding proof of payments.
9. Required documents are not attached or no explanation is given as to why the documents are not available.
10. The required amount of years of tax returns were not submitted (signed) as required. (For the local programs, 3 years for non-construction and 7 years for construction. For the federal programs, 5 years.



**What you
Need
To Know**

▼ Q & A 🔗 ✕

All (0)

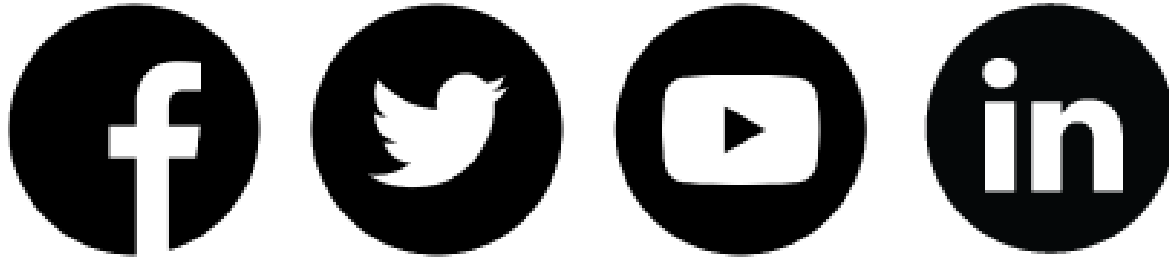
Select a question and then type your answer here.
There's a 512-character limit.

Send Send Privately



QUESTIONS?

Do you have a question? Please use the WebEx Q&A feature as shown.



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