

Supplier Diversity



SBE/MBE Certification Meeting



Melody A. Currey, Commissioner
DEPARTMENT OF ADMINISTRATIVE SERVICES



Meeting Agenda

Community GROWN.

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► Presentation

The First part of our program will be a presentation to demonstrate how to submit your application to get your company certified.

► Workshop

For the second part of our program we will be holding a workshop. We will have computers setup for use to fill out and submit the application for certification right there and then!

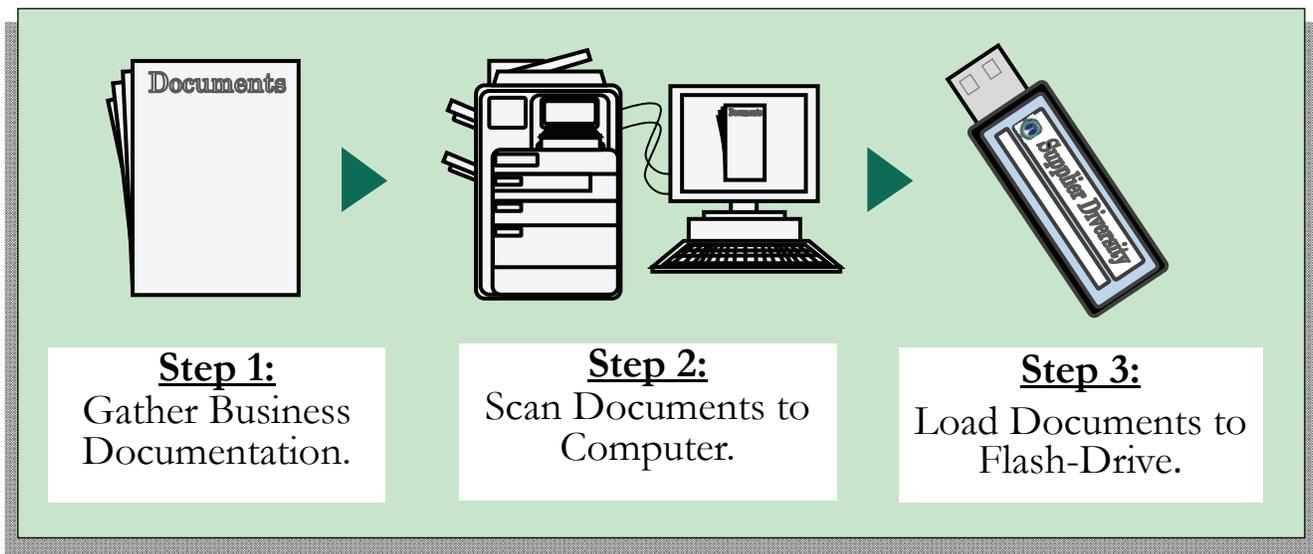
(If you wish to participate in the workshop you must meet the requirements below)

► Workshop Requirements

The Department of Administrative Services is proud to make the transition to a paperless organization. So, for that reason, and for your own security, it is required that all documentation be scanned and loaded onto a flash-drive ahead of time. Please bring the flash-drive to the Certification workshop.

List of required documents can be found on pages 2—3.

Follow these steps ahead of time to participate in the Certification Workshop.





Document Checklist

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Corporate:

- By-Laws & Any Amendments
- Certificate of Incorporation
- Fiscal Year Federal Tax Returns
- Organization & First Annual Reports
- Sales & Use Tax Permit
- Stock Certificate and Stock Ledger

Sole Proprietorship:

- Fiscal Year Federal Tax Returns
- Trade Name Certificate

Limited Liability Partnership:

- Certificate of Limited Liability Partnership
- Fiscal Year Federal Tax Returns
- Limited Liability Partnership Agreement
- Trade Name Certificate

Limited Liability Company (LLC):

- Articles of Organization
- Fiscal Year Federal Tax Returns
- Operating Agreement and Any Amendments
- Sales & Use Tax Forms

General Partnership:

- General Partnership Agreements & Amendments
- Fiscal Year Federal Tax Returns

Non-Profit Organization:

- Articles of Organization
(If applicable)
- By-Laws & Any Amendments
(If applicable)
- Certificate of Incorporation
(If applicable)
- Fiscal Year Federal Tax Returns
- Minutes of Most Recent Year's annual Meeting. (If applicable)
- Organization & First Annual Reports
(If applicable)
- Sales & Use Tax Permit
- Stock Certificate and Stock Ledger
(If applicable)
- Current Resumes
- List of All Members of the Board of Directors/Trustees.



Additional Documents

(If Applicable)

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- Beneficial Interest Document for Majority Owner(s)
- Company Changes
- Franchise Document
- License, Permits and/or Public Utility Control Lease
- Minority Affiliation Documents
- Sales & Use Tax Permit
- Shared Resources
- Affiliate Company's Tax Return
- Authority to do Business in Connecticut
- Broker Agreement
- Construction Manager Process Document
- Disability Documentation
- Indirect Affiliate Document
- Distribution Process Document
- Retail Dealer Process Document
- Wholesale Dealer Document



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Benefits of Being Certified

- ▶ Marketing Opportunity: Display this certification in your marketing materials. This may provide opportunities for your business and it identifies your company as certified in your home state.
- ▶ Getting Set-Aside Access to Certain Government Contracts: This is a huge benefit of the certification. State statute mandates that a percentage of all agencies/municipalities' available budget be set aside for certified Connecticut Small/Minority Business Enterprises.
- ▶ More Contracting Opportunities: Corporate and private contracting opportunities may open up for your business. For example, some Request For Proposals (RFPs) have additional weighted values if your company is certified.
- ▶ Networking Opportunities: Your company will be informed and invited to many statewide events, allowing you the opportunity to further market your business and meet potential customers.



Frequently Asked Questions

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What does it cost to be a part of the program?

- \$0. The program is free.

How long is the certification period?

- Companies are issued a 2 year certificate.

How does a company recertify?

- As a courtesy, the Department of Administrative Services notifies certified companies via email approximately ninety (90), sixty (60), and thirty (30) days prior to the expiration date found on the certificate prompting you to apply for re-certification.

What State agencies participate in the Supplier Diversity Program?

- All state agencies with a budget of more than \$10,000 are required to set aside a percentage of contracts for certified small or minority business enterprises.

Is there a directory of companies certified through the Office of Supplier Diversity?

- Yes, a complete electronic listing is available by visiting our website.

- <http://www.biznet.ct.gov/SupplierDiversity/SDSearch.aspx>

Is the SBE/MBE Certification the same as the prequalification Certificate?

- No. These are two separate programs each with different goals and requirements.



What qualifies a business as a “Small Business Enterprise?”

- Your principal place of business must be in Connecticut.
- Gross revenues must not exceed \$15,000,000 during its most recently completed fiscal year.
- The company must be “Independent.” - See Descriptions Pages 8-11.

What qualifies a business as a “Minority-Owned Business (MBE)?”

- The company must meet the above-stated SBE criteria. In addition they must have at least 51% ownership of one or more persons who:
 - 1.) Exercises operational authority over daily affairs of the business.
 - 2.) Has the power to direct the management and policies and receive the beneficial interests of the business.
 - 3.) Possesses managerial and technical competence and experience directly related to the principal activities of the enterprise.
 - 4.) Is a member of a “Minority,” as that term is defined in C.G.S. 32-9n(a), or who is an individual with a disability.

Connecticut CGS 32-9n(a) law states that “minority” means:

- Black Americans, including all persons having origins in any of the Black African racial groups not of Hispanic origin.
- Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.
- All Persons having origins in the Iberian Peninsula, Including Portugal, Regardless of race.
- Women
- Asian Pacific Americans and Pacific Islanders or
- American Indians and persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.



Contact List

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Meg Yetishefsky—Supplier Diversity Program Manager—860-713-5228

Meg.Yetishefsky@ct.gov

Lori Coleman—Processing Technician—860-713-5090

Lori.Coleman@ct.gov

Cher Donnelly—Processing Technician—860-713-5184

Cher.Donnelly@ct.gov

Stanley Kenton—Accounts Examiner—860-713-5241

Stanley.Kenton@ct.gov

Nicola Murray—Processing Technician— 860-713-5151

Nicola.Murray@ct.gov

Kevin Nodwell—Processing Technician—860-713-5087

Kevin.Nodwell@ct.gov

Supplier Diversity Website:

<http://das.ct.gov/cr1.aspx?page=34>



Descriptions

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Affiliate Company's Tax Return: A company is considered an affiliate of the applying company if an individual (or the company itself) owns 20% or more of the applying company and 20% or more of another company. If this is the case, the Federal Tax Return for the affiliate company(ies) must be submitted with this application. (To be eligible for the Supplier Diversity Program, the combined total gross receipts for all companies cannot exceed \$15,000,000.)

Articles of Organization: This document must be filed with the State of Connecticut Secretary of the State's Office to establish legal recognition as a LIMITED LIABILITY COMPANY (LLC). We will attempt to obtain this information from the Office of the Secretary of the State. If we are unable to verify this filing, we will request further information or clarification from you. You may also verify your company's business filings on the Office of the Secretary of the State's website.

Authority to do Business in Connecticut: Companies that are incorporated in other states must file a form with the Secretary of the State. This form is the authority to do business in the State. The company is considered a foreign corporation. Please file this form with the Secretary of the State. You can reach the Secretary of the State at www.sots.ct.gov. If you have already filed this form, please indicate this in writing with your submission of requested documents.

Beneficial Interest Document for Majority Owner(s): Provide written documentation to support : The eligible principal(s) have the right to and actually receive the level and kind of profit, benefits and customary incidents of ownership, if any, are commensurate with the level and kind of ownership reflected in the ownership documents. The eligible principal(s) must be at risk for, and actually incur losses, if any, of the business enterprise in the manner and to the extent which is commensurate with the level and kind of ownership reflected in the ownership documents. The eligible principal's (s') ownership must be continuing and the certification criteria must be met in substance as well as form.

Please Note: Profits, dividends, salaries, debt repayments, retained earnings and distributions of any kind (including distributions upon liquidation) are included among all of the indicators. This documentation can be in the form of a written narrative.

Broker Agreement: A legal agreement between an agent (someone who negotiates contracts, purchases, or sales in return for a fee or commission) and another individual or company, that outlines in detail each party's responsibilities and obligations. If no broker agreement exists, please send a statement on your company letterhead requesting a waiver of this requirement.

By-Laws & Any Amendments: By-Laws dictate the operating standards and procedures that a corporation will follow throughout its life as a business entity. This document is usually created when the corporation is formed, and outlines company structure as well as authority in the control of the direction and affairs of the corporation. A SIGNED COPY IS REQUIRED ! The bylaws must be signed by current owners.

Certificate of Incorporation: This document confirms the company as a legal entity and is filed with the Office of the Secretary of the State. We will attempt to obtain this information from the Office of the Secretary of the State. If we are unable to verify this filing, we will request further information or clarification from you. You may also verify your company's business filings on the Office of the Secretary of the State's website.

Certificate of Limited Liability Partnership: A legal document (registration) filed with the Secretary of the State's Office when the Limited Liability Partnership is formed that establishes your business as a legal entity within the State of Connecticut. We will attempt to obtain this information from the Office of the Secretary of the State. If we are unable to verify this filing, we will request further information or clarification from you. You may also verify your company's information on the Office of the Secretary of the State's website at www.concord-sots.ct.gov



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Company Changes: Please submit all documents supporting the company's change in ownership or management personnel. Documents include transfer of ownership, dissolution documents, meeting minutes, addendums to by-laws or operating agreements, etc.

Construction Manager Process Document: Explanation of Construction Manager process- Provide a written narrative outlining the specific services the applying company performs as the Construction Manager. (admin, any trade work etc.)

Current Resumes: Provide current resumes of company owner(s).

Disabled Documentation: If you have applied for "Disabled" status, the individual owner must submit a medical certificate/letter from a licensed physician or government agency, indicating the disability meets the definition as indicated in 4a-60g, as amended by P.A. 13-304. Provide a letter from a licensed physician that substantiates that the majority owner "has a physical or mental impairment that substantially limits one or more of the individual's major life activities." The doctor should list the major life activities that are limited and explain how the individual is substantially limited in performing those activities.

Distribution Process Document: Provide written narrative that indicates the specifics of the distribution of materials.

Franchise Document: A legal contract between a franchisor and franchisee that outlines in detail the specific obligations and responsibilities of each party involved in the agreement. The franchise agreement will usually specify the given territory the franchisee retains exclusive control over, royalties or fees that will be paid to the franchisor, standards that must be adhered to, as well as the extent to which the franchisee will be supported by the franchisor. this document will be reviewed to determine if the applying company meets the eligibility requirements related to "independence."

Fiscal Year Federal Tax Returns: The Supplier Diversity Program requires a copy of an entire Federal Tax Return. THIS MUST BE FOR THE MOST RECENT COMPLETED FISCAL YEAR. For a Sole Proprietorship or single-member LLC, only Schedule C is necessary. If an updated tax return is unavailable, we will accept a statement of annual gross receipts on your accountant's letterhead and a copy of your Federal Extension Request, if applicable, until you have completed your income tax return. The letter must indicate the accounting method used. You Are required to send a signed copy of your Federal Tax Return when completed.

General Partnerships Agreements & Amendments: A partnership agreement establishes the structure of the relationship between the partners of the organization. The agreement will usually include the share of profits (or losses) each partner will take, the responsibilities of each partner, what will happen to the business if a partner leaves, as well as other important aspects.

To be "independent," the viability of the SBE must not depend upon another person, as determined by an analysis of the small contractor's relationship with any other person in regards to the provision of personnel, facilities, equipment, other.

"Independent": The viability of the SBE must not depend upon another person, as determined by an analysis of the small contractor's relationship with any other person in regards to the provision of personnel, facilities, equipment, other resources and financial support, including bonding.



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Indirect Affiliate Document: Indirect affiliate means the applying company shared resources with other companies. Provide a detailed explanation of these shared resources. Include how these shared resources are documented and paid for.

Licenses, Permits and/or Public Utility Control Leases: We could not verify this information online. Please send a copy of your current license(s) for the name(s) listed. You may also visit the Connecticut Licensing Information Center at www.ct-clic.com for more information on individual and business licensing requirements, and online.

List of All Members of the Board of Directors/Trustees: provide list of board members, gender ethnicity, term expiration date and total number of years served on the board.

Minority Affiliation Documents: If you have provided this in previous submission, please indicate this in writing. And DO NOT SUBMIT AGAIN. Please provide one of the following:

- Birth certificate (long form) All Birth Certificates that will be provided from Puerto Rico must be issued after July 1 2010.
- Marriage license (long form)
- Other government document that clearly shows minority affiliation
- Tribal membership/license or identification, for individuals of Native American descent
- As Defined by CGS 4a-60g as amended by Public Act 07-04, an individual with a disability means: "Individual with a disability" means an individual (A) having a physical or mental impairment that substantially limits one or more of the major life activities of the individual, or (B) having a record of such impairment. Acceptable Documentation for Proof of Minority Owner: Any **government-issued identification expressly stating the majority owner (s) lineage and/or origins. ** Government-issued document – if no government document is available the company may provide other documents that clearly, expressly state the majority owner (s) lineage and/or origins. Lineage: Race, progeny, family, ascending or descending. Line of descent from an ancestor, hence, family race, stock.

Minutes of Most Recent Year's Annual Meeting: Please provide a copy of the minutes of your most recent annual meeting. If your company does not hold annual meetings, please send a statement on your company letterhead requesting a waiver of this requirement. Annual meetings are considered an important aspect of good business practice for all businesses with more than one owner.

Operating Agreement and Any Amendments: This document outlines the structure of the financial and working relationships of an LLC that has multiple owners. This document is usually created when the LLC is formed, and establishes each owner's percentage of ownership, his or her share of profits (or losses), his or her rights and responsibilities, and what will happen to the business if one of you leaves. A SIGNED COPY MUST BE PROVIDED. THE COPY MUST BE SIGNED BY CURRENT OWNERS if the applying company is a single member LLC, and no operating agreement exists, please send a note on your company letterhead stating that you would like to have this requirement waived.

Organization & First Annual Report: This document establishes the structure of the organization and is filed with the Office of the Secretary of the State. We will attempt to obtain this information from the Office of the Secretary of the State. If we are unable to verify this filing, we will request further information or clarification from you. You may also verify your company's business filings on the Office of the Secretary of the State's website.



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Retail Dealer Process Document: Describe specifically how material is stored and or provided to customers. Describe the dealer relationship.

Sales & Use Tax Permit: Please ensure you have completed the online section related to Sale and Use Tax Permit. If not applicable, please indicate this in the box labeled NA. For information on permits contact the Department of Revenue Services at (800) 382-9463.

Shared Resources: Please provide a narrative that clearly shows how the sharing of resources such as office space, yard space, employees or equipment is facilitated between the applying company and any other companies. Explain how costs such as rent, mortgage, utilities, equipment costs, and employee wages are allocated between the companies for all resources that are shared.

Stock Certificates & Stock Transfer Ledger: Stock Certificates & Stock Transfer Ledger is a legal document that certifies ownership of a specific number of stock shares in a corporation. We require both sides of the stock certificate. If no stocks were issued, a letter on company letterhead must be included that states this.

Trade Name Certificate: Persons doing business under a name other than their own must file a trade name certificate in the Town Clerk's office. Contact your Town Clerk's office to obtain a copy. If you have a DBA(Doing Business As) you must have a Trade Name for this DBA.

Wholesale Dealer Document: Provide detail on how the product is stored and provided to customers. Provide specifics on the wholesale dealers you have contracts with.