

U.S. Environmental Protection Agency
Office of Small Business Programs Disadvantaged Business Enterprise Program
DBE Certification Process & Finding Certified Firms

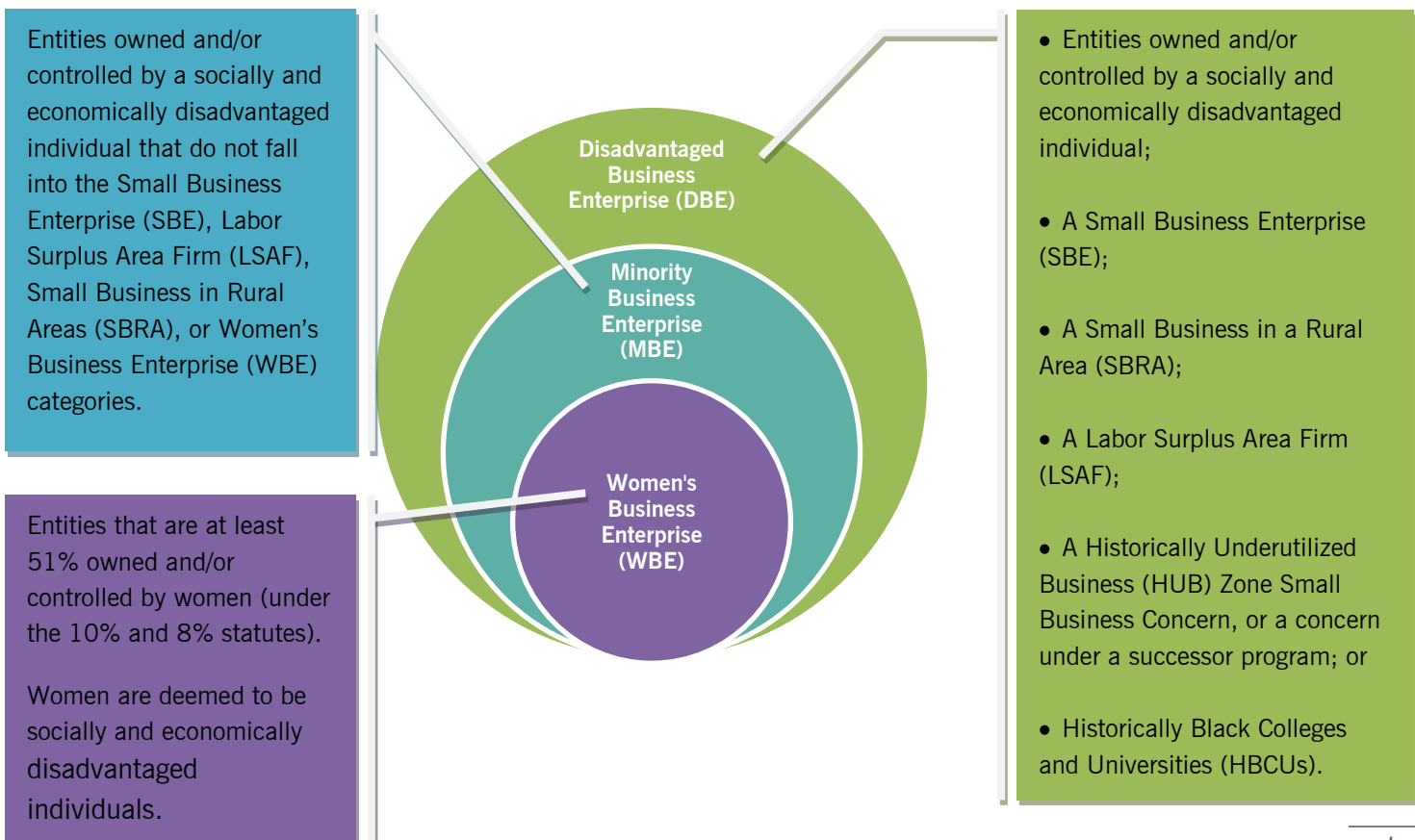
The Disadvantaged Business Enterprise (DBE) Program is an outreach, education and goaling program designed to increase and encourage the utilization and participation of DBEs in procurements funded by EPA assistance agreements. The Office of Small Business Programs' (OSBP) Procurement Opportunities Support Team (POST) establishes policy and provides procedural guidance for the DBE Program. The DBE Program requirements apply to all procurements for equipment, supplies, construction and services under all EPA grants, cooperative agreements and Interagency Agreements (IAs).

Recipients of EPA financial assistance agreements are required to seek, and encouraged to utilize small, minority and women-owned businesses for their procurement needs under the financial assistance agreement. This is done through the inclusion of terms and conditions in the financial assistance agreement. The key functional components of the DBE Program are as follows:

- Fair Share Objectives
- Six Good Faith Efforts and Contract Administration Requirements
- MBE/WBE Reporting
- DBE Certification

Pursuant to 40 CFR 33.201, in order for a prime contractor or subcontractor to be counted toward a financial assistance award recipient's MBE/WBE accomplishments, it must be certified.

What are DBEs, MBEs and WBEs? (40 CFR 33.103, 33.202-33.203)



Socially Disadvantaged (15 U.S.C. 637(a)(5))

Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities.

Economically Disadvantaged (15 U.S.C. 637(a)(6))

Economically disadvantaged individuals are socially disadvantaged individuals whose 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 disadvantaged.

Getting EPA DBE Certified

EPA accepts certifications from the following entities:

- The Small Business Administration (SBA) (both SBA 8(a) Program certifications and SBA Small Disadvantaged Business (SDB) Program self-certifications);
- The Department of Transportation's (DOT) state implemented DBE Certification Program (with U.S. citizenship);
- Tribal, State and local governments, as long as their standards for certification meet or exceed our own; and
- Independent private organization certifications as long as their standards for certification meet or exceed our own.

If a firm holds a certification from one or more of the entities listed above, it is considered acceptable for establishing MBE or WBE status under EPA's DBE Program and an application for EPA certification is not needed.

EPA will **ONLY** consider certification applications from entities that **submit proof of an unsuccessful attempt to be certified** by SBA or DOT, or a Tribal, State, or local government, or by an independent private organization.

Entities EPA will Consider Certifying

1. Disabled American-owned firms;
2. Private and voluntary organizations controlled by individuals who are socially and economically disadvantaged;
3. Women-owned and minority owned-businesses who cannot get certified under DOT or SBA size criteria (EPA does not have size criteria) or by a state government, local government, Indian tribal government or independent private organization;
4. Businesses owned or controlled by socially and economically disadvantaged individuals (note—SBA and DOT require an entity to be owned and controlled by socially and economically disadvantaged individuals. However, the statutory authority for EPA's DBE Program requires ownership or control); and
5. Women-owned business enterprises.

EPA Certification Requirements

1. An entity must first attempt to be certified by SBA or DOT, or a Tribal, State, or local government, or by an independent private organization, and be unsuccessful in that attempt.
2. An entity must establish that it is at least 51% owned and/or controlled by socially and economically disadvantaged individuals who are of good character and are citizens of the United States.
3. An individual claiming economic disadvantaged status must have an initial and continued personal net worth of less than \$750,000.

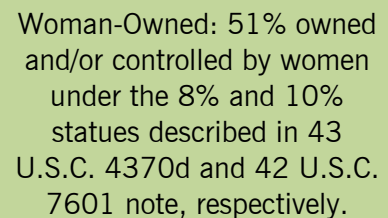
MBE/WBE Reporting

Firms That Count Toward EPA MBE Goals

- ✓ SBA SDB
- ✓ DOT DBE (with U.S. citizenship)
- ✓ SBA 8(a)
- ✓ Firm certified by an entity that meets EPA requirements
- ✓ SBE with EPA accepted DBE certification
- ✓ HubZone firm with EPA accepted DBE certification
- ✓ SBRA with EPA accepted DBE certification
- ✓ LSAF with EPA accepted DBE certification

Firms That Count Toward EPA WBE Goals

- ✓ Woman-Owned SBA SDB
- ✓ Woman-Owned DOT DBE (with U.S. citizenship)
- ✓ Woman-Owned SBA 8(a)
- ✓ SBA WOSB
- ✓ Woman-Owned firm certified by an entity that meets EPA requirements
- ✓ Woman-Owned SBE with EPA accepted DBE certification
- ✓ Woman-Owned HubZone firm with EPA accepted DBE certification
- ✓ Woman-Owned SBRA with EPA accepted DBE certification
- ✓ Woman-Owned LSAF with EPA accepted DBE certification



Woman-Owned: 51% owned and/or controlled by women under the 8% and 10% statues described in 43 U.S.C. 4370d and 42 U.S.C. 7601 note, respectively.

Finding Certified MBEs and WBEs

Although OSBP does not maintain a list of EPA certified firms, there are several resources available to the public to locate firms that are considered EPA DBE certified.

1. State DOT DBE Directories
2. Central Contractor Registration (CCR)
3. SBA Dynamic Small Business Search

Using State DOT DBE Directories to Find Certified WBEs and MBEs

Each state DOT maintains its own list of certified DBE firms. Since the DOT DBE certification (with U.S. citizenship) is considered acceptable under the EPA DBE Program, firms found using the following search criteria can count toward EPA MBE/WBE fair share objectives as long as it is 51% owned and/or controlled by a U.S. Citizen.

1. Visit www.osdbu.dot.gov/DBEProgram/StateDOTDBESites.cfm to find the directory for the state in which you are searching for certified firms.
2. As each state directory is different, follow the directions to locate firms based on your criteria (i.e. firms that offer a specific product/service, woman-owned firms, etc).
3. Women owned firms in the state DOT directories can count toward EPA's WBE fair share objectives. All other firms can count toward EPA's MBE fair share objectives.
4. Confirm that the firm is 51% owned and/or controlled by a U.S. Citizen before counting it toward EPA MBE/WBE fair share objectives.

Using CCR to Find Certified DBEs

CCR can be used to search for SBA SDBs. Since the SBA SDB certification is considered acceptable under the EPA DBE Program, firms found using the following search criteria can count toward EPA MBE/WBE fair share objectives.

1. Access the CCR search page at www.bpn.gov/CCRSearch/Search.aspx
2. Enter a NAICS code to locate firms in a specific industry. If you do not know the NAICS code for the product or service for which you wish to acquire, visit the NAICS website at www.census.gov/eos/www/naics/ to search for a specific code using keywords. It is not necessary to check the "small business (by NAICS code)" box.
3. Identify the State, City and/or Zip Code in which you wish to search.
 - a. To find certified DBEs, check the following socio-economic factor:
 - ✓ **"SBA Certified Small Disadvantaged Business"**
 - Checking this box will include SDB firms that were certified under the former SBA SDB program and firms self-certified under SBA's current SDB program
 - This search will result in both WBEs and MBEs
 - b. To find WBEs exclusively, check the following socio-economic factors:
 - ✓ **"SBA Certified Small Disadvantaged Business"**
 - ✓ **"Woman Owned Business"**
4. Make sure the radio button for **"List only active vendors"** is selected.
5. Press the **"Search"** button to generate results.

In order to identify MBEs exclusively, both searches (a) and (b) must be performed independently. The number of firms from search (b) can then be subtracted from search (a) to find the number of MBE firms that can count toward EPA fair share objectives.

$$(\text{Search (a) results}) - (\text{Search (b) results}) = \text{MBE Firms}$$

The SBA maintains a separate database that is limited to small business firms. This database can be useful in locating MBEs and WBEs.

Since the SBA SDB certification is considered acceptable under the EPA DBE Program, SDB firms found using the following search criteria can count toward EPA MBE/WBE fair share objectives.

1. Access the SBA database at http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm
2. Under the *Location Profile* heading, identify the state(s) in which you wish to search (hold down the CTRL button to make multiple selections).
 - a. To find SDBs, select the following radio button:
 - ✓ Small Disadvantaged Business “**Required (active certifications only)**” under the *Government Certifications* heading (since all 8a firms are SDBs, there is no need to check select the 8a certified radio button).
 - The results of this search will include firms that qualify as both MBEs and WBEs.
 - b. To find woman-owned SDBs exclusively, which count toward EPA’s WBE fair share objectives, select the following radio buttons:
 - ✓ Small Disadvantaged Business “**Required (active certifications only)**” under the *Government Certifications* heading (since all 8(a) firms are SDBs, there is no need to check select the 8a certified radio button).
 - ✓ “**Any Women-Owned Small Business**” under the *Ownership and Self-Certifications* heading.
3. Under the *Specific Nature of Business* heading, enter the NAICS code(s) to locate firms in a specific industry. If you do not know the NAICS code for the product or service for which you wish to acquire, visit the NAICS website at www.census.gov/eos/www/naics/ to search for a specific code using keywords.
4. Press the “**Search Using These Criteria**” button to generate results.

In order to identify MBEs exclusively, both searches (a) and (b) must be performed independently. The number of firms from search (b) can then be subtracted from search (a) to find the number of MBE firms that can count toward EPA fair share objectives.

$$\text{(Search (a) results) - (Search (b) results) = MBE Firms}$$

SBA has a Women-Owned Small Business (WOSB) Program that meets EPA criteria. Firms certified under the SBA WOSB Program are considered WBEs and are acceptable under the EPA DBE Program to count toward WBE fair share objectives. Woman-owned firms DO NOT have to be both SBA SDB and WOSB certified to count as an EPA WBE.

To find woman-owned firms under the EPA WOSB Program, use the following search criteria:

1. Under the *Location Profile* heading, identify the state(s) in which you wish to search (hold down the CTRL button to make multiple selections).
2. Select the following radio button:

✓ **“Women-Owned Small Business under the Women-Owned Small Business Program”** under the *Ownership and Self-Certifications* heading.

3. Under the *Specific Nature of Business* heading, enter the NAICS code(s) to locate firms in a specific industry. If you do not know the NAICS code for the product or service for which you wish to acquire, visit the NAICS website at www.census.gov/eos/www/naics/ to search for a specific code using keywords.
4. Press the **“Search Using These Criteria”** button to generate results.

Each EPA Region has a Small Business Coordinator well versed in the EPA DBE Program. For questions specific to your state, please contact the individual listed below. For general EPA DBE Program information, please visit www.epa.gov/osbp or contact Teree Henderson, DBE Program National Coordinator at 202-566-222 or henderson.teree@epa.gov.

Region (States)	Name	Phone Number	E-Mail Address
1 (CT, ME, RI, MA, NH, VT)	Larry Wells	(617) 918-1836	wells.larry@epa.gov
2 (NJ, NY, PR, VI)	Michele Junker (grants)	(212) 637-3418*	junker.michele@epa.gov
	Peggy DeLuca (direct procurement)	(212) 637-3369**	deluca.peggy@epa.gov
3 (DE, VA, MD, PA, DC, WV)	Kinshasa “Shasa” Brown- Perry	(215) 814-5404	brown-perry.kinshasa@epa.gov
4 (AL, FL, GA, KY, MS, NC, SC, TN)	Charles Hayes	(404) 562-8377	hayes.charles@epa.gov
5 (IL, IN, MI, MN, OH, WI)	Adrienne Callahan	(312) 353-5556	callahan.adrienne@epa.gov
6 (AR, LA, NM, OK, TX)	Debora Bradford	(214) 665-7406	bradford.debora@epa.gov
7 (MO, NE, IA, KS)	Chester Stovall	(913) 551-7549	stovall.chester@epa.gov
8 (CO, MT, WY, SD, ND, UT)	Marshell Pullman	(303) 312-6499	pullman.marshell@epa.gov
9 (AZ, HI, CA, NV)	Joe Ochab	(415) 972-3761	ochab.joe@epa.gov
10 (AK, ID, OR, WA)	Greg Luchey	(206) 553-2967	luchey.greg@epa.gov
EPA Headquarters	Al Demarcki	(202) 564-5209	demarcki.al@epa.gov
Research Triangle Park, NC	Jerry Dodson	(919) 541-2249	dodson.jerry@epa.gov
Cincinnati	Billy Oden	(513) 487-2126	oden.billy@epa.gov

Frequently Asked Questions

Q: Can an individual that is not a member of the designated groups described in 13 CFR 124.103(b) be considered socially disadvantaged under the EPA DBE program?

A: Yes. An individual that is not a member of the designated groups described in 13 CFR 124.103(b) can be considered socially disadvantaged if he/she can establish individual social disadvantage by a preponderance of the evidence. Evidence of individual social disadvantage must include the elements described in 13 CFR 124.103(2).

Q: Can DBEs certified from any source count toward EPA MBE/ WBE goals?

A: No. Not all DBE certifications meet EPA's requirements. As a rule, DOT certified DBEs (with U.S. citizenship) always count toward EPA MBE/WBE goals. DOT DBE certified firms that are 51% owned and/or controlled by women count toward WBE goals. DOT DBE certified firms that are not 51% owned and/or controlled by women count toward MBE goals.

An entity that holds a non-DOT DBE certification can count toward EPA MBE/WBE goals if it meets the following criteria:

1. The entity must be owned and/or controlled by (1) a socially and economically disadvantaged individual as described in 15 U.S.C. 637(a)(5) and (6), 13 CFR 124.103 and 13 CFR 124.104 and (2) a citizen of the United States; and
2. The entity must be owned and/or controlled by an individual with an initial and continued personal net worth of less than \$750,000.

If the non-DOT DBE certification meets these criteria, the firm can count toward EPA's MBE/WBE goals. Certified firms that are 51% owned and/or controlled by women count toward WBE goals. Certified firms that are not 51% owned and/or controlled by women count toward MBE goals.

Q: Does EPA accept DOT's DBE certification (with U.S. citizenship) even if DOT's personal net worth criteria is greater than \$750,000?

A: Yes.

Q: Does EPA consider SBA's SDB and 8(a) certifications acceptable for establishing MBE/WBE status under EPA's DBE Program?

A: Yes.

Frequently Asked Questions (cont.)

Q: Is an HBCU considered an MBE/WBE under EPA's DBE Program?

A: Although an HBCU qualifies as an entity owned or controlled by socially and economically disadvantaged individuals (40 CFR 33.202), it can only be counted as a MBE/WBE under EPA's DBE Program if it also holds one of the following certifications:

- DOT DBE certification (with U.S. citizenship);
- SBA's SDB or 8(a) certification;
- SBA's Woman Owned Small Business Certification; or
- A DBE certification from a state, local, tribal, or private organization that meets EPA's certification criteria.

Q: Can a HUBZone firm be counted as a MBE/WBE under EPA's DBE Program?

A: Although a HUBZone firm is considered a DBE pursuant to 40 CFR 33.103, it can only be counted as a MBE/WBE under EPA's DBE Program if it also holds one of the following certifications:

- DOT DBE certification (with U.S. citizenship);
- SBA's SDB or 8(a) certification;
- SBA's Woman Owned Small Business Certification; or
- A DBE certification from a state, local, tribal, or private organization that meets EPA's certification criteria.