

Certification Policy

A. Definitions

Affidavit: An application for certification.

Agency: North Central Texas Regional Certification Agency.

Certification: The process by which a business enterprise is initially determined by the Agency to be a bona-fide minority or woman owned business.

Control: The primary power to direct the management of a business enterprise.

Minority Business Enterprise means a small business concern:

1. Which is at least 51% owned by one or more minority individuals, or in the case of a publicly owned business, of which 51% of the stock is owned by one or more minority individuals and,
2. Whose management and daily business operations are controlled by one or more minority individuals who own it.
 - Black Americans (persons having origins in any of the black racial tribes of Africa)
 - Hispanic American (persons of Mexican, Puerto Rican, Cuban, Central/S. America)
 - Native American (persons who are American Indians, Eskimos, Aleuts/Hawaiians)
 - Asian Pacific Americans (persons whose origins are from Japan, China, Guam)

Owned and controlled: As used in this definition, means a business which is:

1. A sole proprietorship legitimately owned by a individual who is minority/female.
2. A partnership or joint venture controlled by minority individuals and/or female, and in which at least 51% of the beneficial ownership interests legitimately are held by minority and/or females.
3. A corporation or other entity controlled by minority and/or female, and in which at least 51% of the voting interests and 51% of the beneficial ownership interests are legitimately held by minority and/or female.

In addition, these persons must control the management and operation of the business on a day-to-day basis.

Woman-Owned Business Enterprises (WBE): A business concern;

- Which is at least 51% owned by one or more socially and economically disadvantaged individuals, or in the case of a publicly owned business, of which 51% of the stock is owned by one or more socially and economically disadvantaged individuals and,

C. Eligibility Standards

The following standard will be used by NCTRCA in determining whether a firm is owned and controlled by one or more minority individuals and/or female and is therefore eligible to be certified as a M/WBE.

Bona fide minority group membership shall be established on the basis of the individual's claim that he or she is a member of a minority group and is so regarded by that particular minority community.

An eligible minority women business enterprise shall be an independent business. The minority and/or women owners shall also, possess the power to direct or cause the direction of the management and policies of the firm and to make the day-to-day as well as major decisions on matters of management, policy, and operations.

If the owners of the firms who are not minority or woman are disproportionately responsible for the operation of the firm, then the firm is not controlled by minority and/or woman and shall not be considered a M/WBE.

A joint venture is eligible if the M/WBE partner of the joint venture meets the standards for an eligible M/WBE, and the M/WBE partner is responsible for a clearly defined portion of the work to be performed holds at least 51% of the ownership, control management responsibilities, risks and profits of the joint venture.

D. Special Considerations:

Under the following circumstances, a business seeking to participate as a certified M/WBE with NCTRCA will be automatically certified:

1. If the potential M/WBE contractor has been determined by the Small Business Administration to be owned and controlled by a socially and economically disadvantaged individual under Section 8 (a) of the Small Business Act, as amended.

2. M/WBEs so determined by the Small Business Act under Section 8 (a) of the Small Business Act must provide documentation to support this fact.
3. If a potential M/WBE contractor states in writing that it has submitted the same information to or has been certified by a Federal or any other certifying agency that uses essentially the same definition and ownership and control criteria as NCTRCA. The potential M/WBE vendor shall obtain the information and certification (if any) from the other agency and submit it to NCTRCA or cause the other agency to submit it.

Once certified, a M/WBE shall update its submission annually by submitting a new affidavit or certifying in writing that the affidavit on file is still accurate. If in ownership or control of the firm has changed, the M/WBE will submit a new affidavit.

E. Appeal of Certification

NCTRCA will notify applicants of determinations on M/WBE status. If a business which believes that it has been wrongly denied certification as a M/WBE will be granted reconsideration of its application for M/WBE status by NCTRCA staff upon written request of the M/WBE applicant

The M/WBE applicants shall present a written statement of its position and copies of all information it wishes to introduce as evidence to the NCTRCA staff. Following the exchange of information as described above, NCTRCA will conduct a hearing at which time all information to be considered shall be entered into the record. Oral arguments of the M/WBE applicants will be heard by the NCTRCA Board and NCTRCA staff will ask such questions and conduct such discussion as may be appropriate.

Within 30 days of the conclusion of the hearing, NCTRCA shall issue a statement of findings of fact and a conclusion as to certification of the M/WBE applicant and so notify the M/WBE applicant.

Certification Procedures

A. The following procedures will be utilized by the Agency in making certification decisions

1. The Agency must ensure that only eligible firms are certified as M/WBEs.
 2. Require potential M/WBE must complete and submit an appropriate application form along with required attachments.
 3. In determining whether to certify a firm as eligible to participate as a certified M/WBE, the burden of proof is placed on the Agency to prove a M/WBE vendor is not of a minority and/or woman group regarded by particular minority community.
 4. Ensure the applicant attests to the accuracy and truthfulness of the information on the application form:
 - Proof of US Citizenship, Permanent Residency Status or proof of ethnicity
 - Resume of all Owners
 - Assumed Name Certificate and/or business ownership documents
 - Proof of Capital Investment, Equipment and/or Real Estate contributions
 - Copy of licenses and/or permits (from all owners)
- A. Review and process, the application and the attachments, within 30 business days
- B. Make an independent certification decision, based on the application.
- C. Once the Agency has certified a M/WBE vendor, the vendor will remain certified for a period of at least 3 years.
- D. Once certified, the M/WBE vendor is responsible for updating its submission annually by submitting a new affidavit or certifying in writing that the affidavit on file is still accurate, and ownership and control of the firm has changed, the M/WBE vendor will submit a new affidavit.
- E. The certified M/WBE vendor, can expect to receive its certification certificate, within 7 – 10 business days, after the certification decision has been made.
- F. A reminder notice will be mailed to vendors, 30 days prior to the annual affidavit submitted.
- G. After one year of inactivity, all files will be archived; if a vendor desires to become certified again, it must go through the entire process.