

2022 Annual Airport Rental Car Supplier Diversity
Outreach Day
Norfolk International Airport

DBE – ACDBE – SWaM Certification

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Virginia Certification Programs

Taking advantage of business certification programs can provide a gateway to benefits and opportunities that help grow your business. Gain access to business leads, sub-contracting opportunities, and special business training designed to give you access to contracts and improve your ability to succeed in government contracting.

SBSD Certification Division

The Certification Division is responsible for the administration of Virginia's business certification programs. Its mission is to ensure only bona fide Small, Woman-owned, and Minority-owned Businesses (SWaM), Disadvantaged Business Enterprises (DBE), and Employment Services Organizations (ESO) are certified to participate in Virginia's specialized procurement and contracting opportunities. The Division has two units:
SWaM Certification and DBE Certification.

The Division provides certifications for SWaM, DBE, ESO, and Service Disabled Veteran-owned businesses (SDV).

<https://www.sbsd.virginia.gov/certification-division/>

Certification Programs

CERTIFIED

SWaM Small,
Women and
Minority-Owned

Supplier Diversity Strengthens the Commonwealth

by the Virginia Department of Small Business & Supplier Diversity



What is SWaM?

Program Overview

The SWaM Program is the Commonwealth's small business program that was created to enhance procurement opportunities for **S**mall, **W**omen-, **a**nd **M**inority-owned businesses participating in state-funded projects.

On August 10, 2006, Governor Timothy Kaine signed Executive Order No. 33 (2006) focusing on enhancing business opportunities for small, women- and minority-owned ("SWaM") businesses. Governor Kaine set forth a 40% goal of purchases from SWaM businesses for the Commonwealth.

On July 22, 2014, Governor Terence McAuliffe signed Executive Order No. 20, replacing Executive Order No. 33, which set a new target goal of 42% of purchases from SWaM businesses for the Commonwealth. It also created the Micro business program.

On July 3, 2019, Governor Ralph S. Northam , signed into effect Executive Order Number 35, for the purpose of "Advancing Equity for Virginia's Small, Women, and Minority Owned (SWaM) and Service Disabled Veteran-Owned Businesses."

SWaM Designations

Small Business

At least 51% owned and controlled by one or more individuals who are U.S. citizens or legal resident aliens and, **together with its affiliates**, has 250 or fewer employees, **or** average annual gross receipts of \$10 million or less averaged over the previous 3 years

Women-owned

At least 51% owned and controlled by one or more women who are U.S. citizens or legal resident aliens

Minority-owned

At least 51% owned and controlled by one or more minorities who are U.S. citizens or legal resident aliens



Additional SWaM Designations

Micro Business

A certified Small Business under the SWaM Program; Required to have no more than twenty-five (25) employees and no more than \$3 million in average annual revenue over the three-year period prior to its certification

Service-Disabled Veteran

At least 51% owned and controlled by one or more service disabled veterans

ESO

An organization that provides community-based employment services to individuals with disabilities that is an approved Commission on Accreditation of Rehabilitation Facilities (CARF) accredited vendor of the Department for Aging and Rehabilitative Services

Benefits of SWaM Certification

Contracts are set aside specifically for certified SWaM businesses

Purchases under \$10,000 are set aside for micro businesses

Purchases up to \$100,000 for goods and nonprofessional services and up to \$50,000 for professional services are set aside for certified small businesses

42% of the Commonwealth's spend should be with certified small businesses

3% of the Commonwealth's spend should be with certified SDV businesses



Disadvantaged Business Enterprise (DBE) Program

The [Disadvantaged Business Enterprise Program \(DBE\)](#) is a legislatively mandated USDOT program that applies to Federal-aid highway dollars expended on federally-assisted contracts issued by USDOT recipients such as State Transportation Agencies (STAs). The U.S. Congress established the DBE program in 1982 to:

- Ensure nondiscrimination in the award and administration of DOT-assisted contracts;
- Help remove barriers to the participation of DBEs in DOT-assisted contracts, and
- Assist the development of firms that can compete successfully in the marketplace outside of the DBE program.

- Ensure nondiscrimination in transportation contracting (e.g. highway, transit and aviation)
- Create a level playing field where DBEs can compete fairly for DOT-assisted contracts;
- **Ensure only firms that fully meet eligibility standards are permitted to participate as DBEs;**
- Assist in development of firms to compete successfully in the marketplace outside the DBE program
- Certification is a **tool** to help your business grow...

Virginia Unified Certification Program (VaUCP)

1. Two certifying agencies in the state – VDSBSD and Metropolitan Washington Airport Authority
2. Agreement among USDOT recipients in the state to provide one stop for certification for the following participants:
 - -Highway
 - -Aviation
 - -Transit

United States Code of Federal Regulations

- 13 CFR Part 121 Small Business Size Standards
- 49 CFR Part 26 DBE Certification
- 49 CFR Part 23 Airport Concession/ACDBE

Airport Concession is a for profit business located at an airport and engaged in the sale of consumer goods or services to the public under an agreement with a sponsor, another concessionaire, or the owner of the airport terminal.

Basic Eligibility Criteria

- For-profit entity
- Social & Economic Disadvantage
- Small Business Size Limits
- 51% Ownership
- Independence
- Operational & Managerial Control

Social Disadvantage

Group Membership

Presumed socially disadvantaged groups include:

- Black Americans
- Hispanic Americans
- Native Americans
- Asian-Pacific Americans
- Subcontinent Asian Americans
- Women

Economic Disadvantage

Personal Net Worth (PNW) = \$1.32 million or less

- excludes equity in primary residence
- exclude ownership interest in applicant business

**** Must be both socially and economically disadvantaged**

DBE/ACDBE Size Standards

The Department of Transportation issued a final rule on December 14, 2020, applicable to the Disadvantaged Business Enterprises (DBE) program regarding an annual inflationary adjustment to the business size standard (business size limit/gross receipts cap) for businesses participating in the DBE program under 49 CFR part 26 and pursuant to the Infrastructure Investment and Jobs Act of 2021.

DBE/ACDBE Size Standards

Must be an existing small business as defined by US SBA standards (13 CFR Part 121)

- NAICS Codes
- Segmented by industry

DBE - Average gross receipts over previous three years cannot exceed \$28.48 million for FHWA and FTA-assisted contracts. (Does not apply to FAA-assisted projects) See 49 CFR 26.65(b), 2021 Final Rule, DBE Guidance on Gross Receipts (2020)

ACDBE - \$56.42 million (Average annual gross receipts over the firm's 3 previous fiscal years)

Car rental companies: \$75.23 million (Average annual gross receipts over the firm's three previous fiscal years). (see 49 CFR Part 23)

Previous three years of business/corporate tax returns are required!

Pertinent ACDBE Regulations

§ 23.3 What do the terms used in this part mean?

Concession means one or more of the types of for-profit businesses listed in paragraph (1) or (2) of this definition:

(1) A business, located on an airport subject to this part, that is engaged in the sale of consumer goods or services to the public under an agreement with the recipient, another concessionaire, or the owner or lessee of a terminal, if other than the recipient.

2) A business conducting one or more of the following covered activities, even if it does not maintain an office, store, or other business location on an airport subject to this part, as long as the activities take place on the airport: Management contracts and subcontracts, a web-based or other electronic business in a terminal or which passengers can access at the terminal, an advertising business that provides advertising displays or messages to the public on the airport, or a business that provides goods and services to concessionaires.

Pertinent ACDBE Regulations

§ 23.37 Are firms certified under 49 CFR part 26 eligible to participate as ACDBEs?

(a) You must presume that a firm that is certified as a DBE under part 26 is eligible to participate as an ACDBE. By meeting the size, disadvantage (including personal net worth), ownership and control standards of part 26, the firm will have also met the eligibility standards for part 23.

(b) However, before certifying such a firm, you must ensure that the disadvantaged owners of a DBE certified under part 26 are able to control the firm with respect to its activity in the concessions program. In addition, you are not required to certify a part 26 DBE as a part 23 ACDBE if the firm does not do work relevant to the airport's concessions program.

Pertinent ACDBE Regulations

§ 23.39 What other certification requirements apply in the case of ACDBEs?

- (a)(4) Determine the work history of the firm, including any concession contracts or other contracts it may have received;
 - (a)(5) Obtain or compile a list of the licenses of the firm and its key personnel to perform the concession contracts or other contracts it wishes to receive;
 - (a)(6) Obtain a statement from the firm of the type(s) of concession(s) it prefers to operate or the type(s) of other contract(s) it prefers to perform.
- (h) Car rental companies and private terminal owners or lessees are not authorized to certify firms as ACDBEs. As a car rental company or private terminal owner or lessee, you must obtain ACDBE participation from firms which a recipient or UCPs have certified as ACDBEs.

Affiliate

- Affiliate businesses must be considered together in determining whether a firm meets the small business size criteria
- Provide tax information for all affiliate firms
- The UCP will consider appropriate factors including (but not limited to):
 - Common ownership / Common management
 - Contractual relationships

Remember to report any affiliate firms and immediate family member businesses on the application and submit associated tax information!

Benefits of SWaM/DBE/ Certification

- Listed in Statewide UCP Directory
- Technical/ Management Review and assistance
- Certification support
- One on one counseling to DBE/SWaM vendors
- Facilitate connections between DBE firms and federally funded projects, prime contractors and appropriate federal agencies.

Applying for SWaM and DBE/ACDBE Certification

SWaM

<https://www.sbsd.virginia.gov/>

<https://www.sbsd.virginia.gov/certification-division/>

<https://www.sbsd.virginia.gov/wp-content/uploads/2018/08/SWaM-Documents-Required.pdf>

<https://certification-app.sbsd.virginia.gov/boLogin>

DBE/ACDBE

<https://www.sbsd.virginia.gov/certification-division/dbe/>

<https://www.sbsd.virginia.gov/certification-division/dbe/new-dbe-interstate-applicant/>

<https://www.sbsd.virginia.gov/wp-content/uploads/2020/04/DBE-Document-Checklist.pdf>

<https://certification-app.sbsd.virginia.gov/boLogin>

Certification Steps



The Department of Small Business and Supplier Diversity has created a certification application portal that will allow your business to certify with the Commonwealth through a completely automated process.

WWW.SBSD.VIRGINIA.GOV

Business Owners should gather required information for certification prior to beginning the certification process.

Marketing your Certification

- Use the Certification Mark on your website, digital banners, and other downloadable materials. Be sure to include an electronic copy of your certificate on your website for fast and easy download by customers and suppliers.
- Display the Certification Mark on Social Media
- A tweet here and a post there... Use every platform you have to spread the word.
- Social media is a great place to start because your message can be easily read and shared by your clients. It's a simple way to share such important news.
- Keep your profile up-to-date.

Marketing your Certification

- While DBE/ACDBE and SWaM certification is a value add, government and corporate buyers also evaluate potential suppliers based on their experience providing goods and services to their prime suppliers, their broad geographic coverage, their capacity for growth, and many other requirements in addition to the certifications that they hold.
- Certification will NOT result in instant contracts. DBEs and SWaMs must do their due diligence in getting involved with the organizations network and proactively expand their own business platform.
- The certified DBEs/SWaMs that are most successful do not wait for contracts to fall into their laps and they do not lead with “I’m a DBE/SWaM owned business” when meeting with contractor/buyers. The most successful view certification as a tool in their tool chest, along with price, quality, and on-time delivery. Instead, they actively pursue business opportunities and impress prime contractors and buyers with their demonstrated industry knowledge, experience, professionalism, and capacity.

Marketing your Certification

- Active participation
- Market Research. Identifying and targeting businesses which you would like to do business is a great first step. Register for their Supplier Diversity databases through their websites, understand what they're buying, and then reach out to their Supplier Diversity professionals with an introductory email detailing that you are registered in their database, your goods and services, a brief (one page) marketing piece about your company, and experience; this will help position your company for success.
- Attend outreach meetings, conferences, trainings, workshops; and visit various events calendars to view upcoming opportunities to network.

Disadvantaged Business Enterprise (DBE) Outreach and Transportation Business Development Division

DBE Outreach and Technical Assistance

The Division provides specialized management and technical assistance to DBE firms participating in projects funded by the US Department of Transportation and other federal sectors. The primary purpose of the specialized assistance is to provide training, assistance, and services to DBEs certified in the DBE program to increase their activity in the program, and to facilitate the firms' development into viable, self-sufficient organizations capable of competing for, and performing on Federally- assisted highway projects.

Disadvantaged Business Enterprise (DBE) Outreach and Transportation Business Development Division

The Division provides the following assistance

- Management and Technical Assistance
- DBE/SWaM Certification assistance and support
- Technical/ Management Review and assistance
- One on one counseling to DBE/SWaM vendors
- Facilitate connections between DBE firms and federally funded projects, prime contractors and appropriate federal agencies.

Disadvantaged Business Enterprise (DBE) Outreach and Transportation Business Development Division

If you need assistance in applying for the DBE/ACDBE or SWaM certification or management and technical assistance, please contact our regional offices for appointments with the DBE Transportation Business Development Specialists.

<https://www.sbsd.virginia.gov/certification-division/dbe/dbe-technical-assistance/>

Questions

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