

INDIANA DEPARTMENT OF ADMINISTRATION

Division of Supplier Diversity (DSD) Program Overview



Creation

Minority Business
Enterprise (MBE)

Women Business
Enterprise (WBE)

Laws and Regulations

- MWBE Statute: **IC 4-13-16.5** defines the development and responsibilities of the Governor's Commission on Minority and Women's Business Enterprises. The statute also defines the development of a division to be the advocate for Minority and Women Businesses in State's procurement and contracting process.
- MWBE Regulations: **25 IAC 5** defines the functional requirements of the Minority and Women Business Enterprises Division.



Creation

Indiana Veteran Owned Small Business (IVOSB)

Laws and Regulations

- IVOSB Statute: **IC 5-22-14-1** defines “small business”; **IC 5-22-14-2** defines “small business set-aside”; **IC 5-22-14-2.5** defines the “veteran” and **IC 5-22-14-3.5** defines the eligibility of IVOSB.
- IVOSB Regulations: **25 IAC 9** gives the roadmap to certify eligible IVOSBs and promote and help them in government contracting. The Department “*shall perform activities and provide educational information to afford IVBE the opportunity to participate in the state's procurement and contracting processes*”.

DSD's Mission/Vision

- The Division was established in 1983 and is currently housed within the Indiana Department of Administration (IDOA).
- Promote, monitor, and enforce the standards for certification of Minority and Women Business Enterprises.
- November 2018 – IVOSB is added to DSD's mission.
- Provide equal opportunity to Minority, Women and Veteran Business Enterprises in the state's procurement and contracting process.

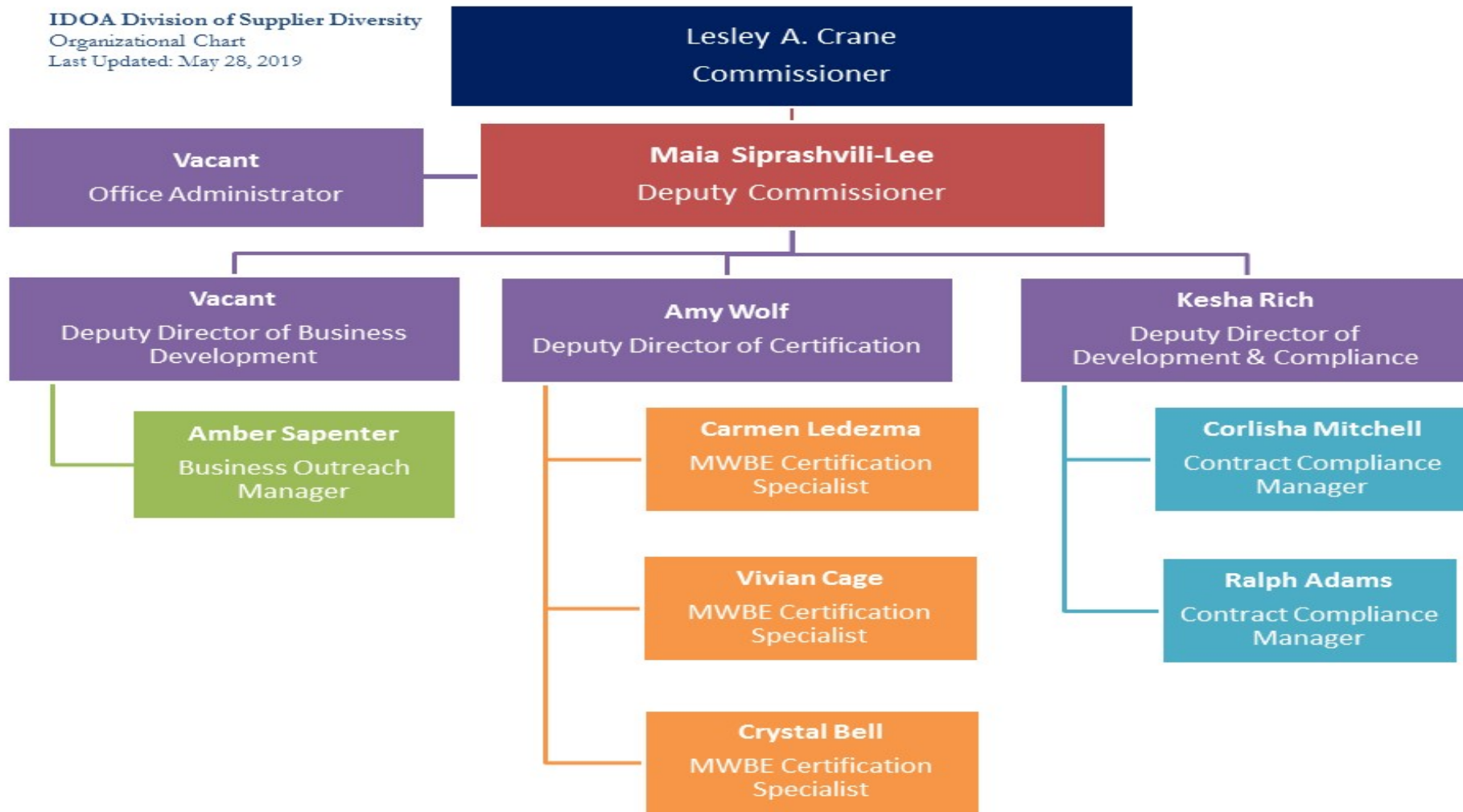


M/W/VBE Participation Goals

Construction	Supplies	Professional Services	Weighted Average Goal
Minority 7%	Minority 4%	Minority 8%	Minority 6%
Women 5%	Women 9%	Women 8%	Women 7%
Veteran 3%	Veteran 3%	Veteran 3%	Veteran 3%

DSD Org Chart

IDOA Division of Supplier Diversity
Organizational Chart
Last Updated: May 28, 2019



DSD's 3 Main Functions

Function 1

MBE/WBE/
IVOSB
Certification

Function 2

Business
Outreach

Function 3

Contract
Compliance

Benefits of Certification – MBE/WBE

Function 1

Certification

Certification gives MBE/WBEs 3 years where:

- Certification opens doors once closed to MBE/WBEs.
- Certified MBE/WBEs qualify for subcontracting opportunities on state contracts.
- Certified MBE/WBEs qualify as an MBE/WBE for purchasing by casinos and state universities, as well as other public and private organizations.
- Certified MBE/WBEs receive notification of state business opportunities.

Benefits of Certification - IVOSB

Function 1

Certification

Certification provides IVOSBs:

- Ability to be counted for participation as an IVOSB on state contracts.
- There is a 3% set-aside for IVOSBs.
- Certified IVOSBs receive notification of state business opportunities.

Eligibility Requirements – MBE/WBE

Function 1

Certification

- Basic requirements for the business owner are:
 - *Ownership*
 - *Control*
 - *U.S. Citizenship*

- For the business itself: it must show that it is a functional business “with a reasonable chance of success in the public sector.”
 - *Must show what work it has performed/goods sold*
 - *Must demonstrate proof of payment*
 - *Must be financially stable*

Ownership – MBE/WBE

Function 1

Certification

- ❑ Must demonstrate that the business is at least 51% or more owned by qualifying minority* or woman. The term is “Qualifying Member”(QM).
- ❑ *Minority groups include: African American, American Indians, Hispanics and Asian Americans or as defined by 13 CFR 124.103.
- ❑ Documentation of how the ownership interest was gained is required. What was the initial investment and what evidence of it can be shown?

Control – MBE/WBE

Function 1

Certification

- Does the QM control the business?
- Does the QM control the business enterprise by making day to day and long term decisions? Do they have final hiring/firing and financial decisions?
- Does the QM control the board of directors? Are they the highest ranking officer of the corporation?

Citizenship – MBE/WBE

Function 1

Certification

- Either born in the U.S. or a naturalized citizen.
- The program does not accept permanent residents.
- Proof of citizenship is often from a passport and naturalization certificate.

Eligibility Requirements - IVOSB

Function 1

Certification

- Basic requirements for the business owner are:
 - *Ownership*
 - *Control*
 - *U.S. veteran or on active duty*

- Can be either certified by the US VA's OSDDBU, or seek certification directly by the State.
 - *Federally certified firms expire in 3 years*
 - *State certified firms expire in 2 years*

Firms Already Federally Certified - IVOSB

Function 1

Certification

- For recognition of Federal Certification – must provide:
 - Copy of VA OSDBU certification letter

- To be listed in the directory of certified firms:
 - Application form
 - ID
 - DD214 or NGB-22
 - W9

Non-Federally Certified Firms - IVOSB

Function 1

Certification

- For State Certification - must provide:
 - Application form
 - ID
 - DD214 or NGB-22
 - W9

- NOTE: Non-Indiana based firms have additional requirements!

Firms Seeking State Certification - IVOSB

Function 1

Certification

- Non-Indiana based must meet one of 3 criteria:
 - Majority of its payroll goes to IN residents
 - Employs Indiana residents as a majority of its employees
 - Makes a significant capital investment in Indiana
- Applicant must state which criteria it meets and provide documentation to be certified.
- The veteran does not have to live in Indiana.



Certification Process



Application Submitted



Applications are received by the Division & date stamped
Applications are checked to see if required documentation is provided; if not it is sent back



Completed applications are logged into the repository



The Division assigns the application to a Division team member for review

Application Review



The application and the documentation are examined; any additional documentation is requested as necessary

Any necessary applicant interviews and/or site visits are conducted



The Certification Recommendation Report is submitted

Certification Recommendation



Business Eligible

The Division reviews the Recommendation Report

Question & Discussion Period

Certification Letter signed and mailed

System is updated to indicate certification



Business Ineligible

The Division meets to discuss the report

The Division meets with IDOA legal counsel

Preliminary denial is prepared and sent to the applicant

Applicant chooses one of the following options
- Withdraw Application (applicant can reapply any time)

- Take No Action (letter of denial is sent)

- Provide Additional Information
(If additional information does not demonstrate certification eligibility, a letter of denial is sent)

Applicant may appeal the denial, in which case a hearing before an administrative law judge is held



Connecting MBE/WBEs and IVOSBs to the Opportunities

Function 2

Business Outreach

- ❑ Division offers an assortment of networking opportunities throughout the year for our certified minority and women businesses.
- ❑ The goal of the MBE/WBE and IVOSB Business Outreach team is to provide small business owners with tools they need to help their business succeed.
- ❑ The networking opportunities allow those small businesses to connect with decision-makers at local and large corporations they would not normally have the opportunity to connect with.

Community Engagement at a Glance

Function 2

Business Outreach

- ❑ The Division attends outreach events and hosts business conferences each year throughout the State of Indiana.
- ❑ Outreach Schedule at a glance:
 - *June 27th, Hobart, IN*
 - *July 16th, Indianapolis, IN*
 - *August 15th, Indianapolis, IN*
- ❑ Programming and agendas of these conferences vary, based on the region/ongoing projects.

Before Contract

Function 3

Contract Compliance

- Promote the utilization of M/W and IVOSB through presenting information at pre-proposal meetings.
- Post bid opportunities on the Division of Supplier Diversity website.
- Assist primary contractors in search of subcontractors to include in subcontractor participation plan.
- <http://www.in.gov/idoa/mwbe/2743.htm>

This list is updated every 24 hours.

During Contract

Function 3

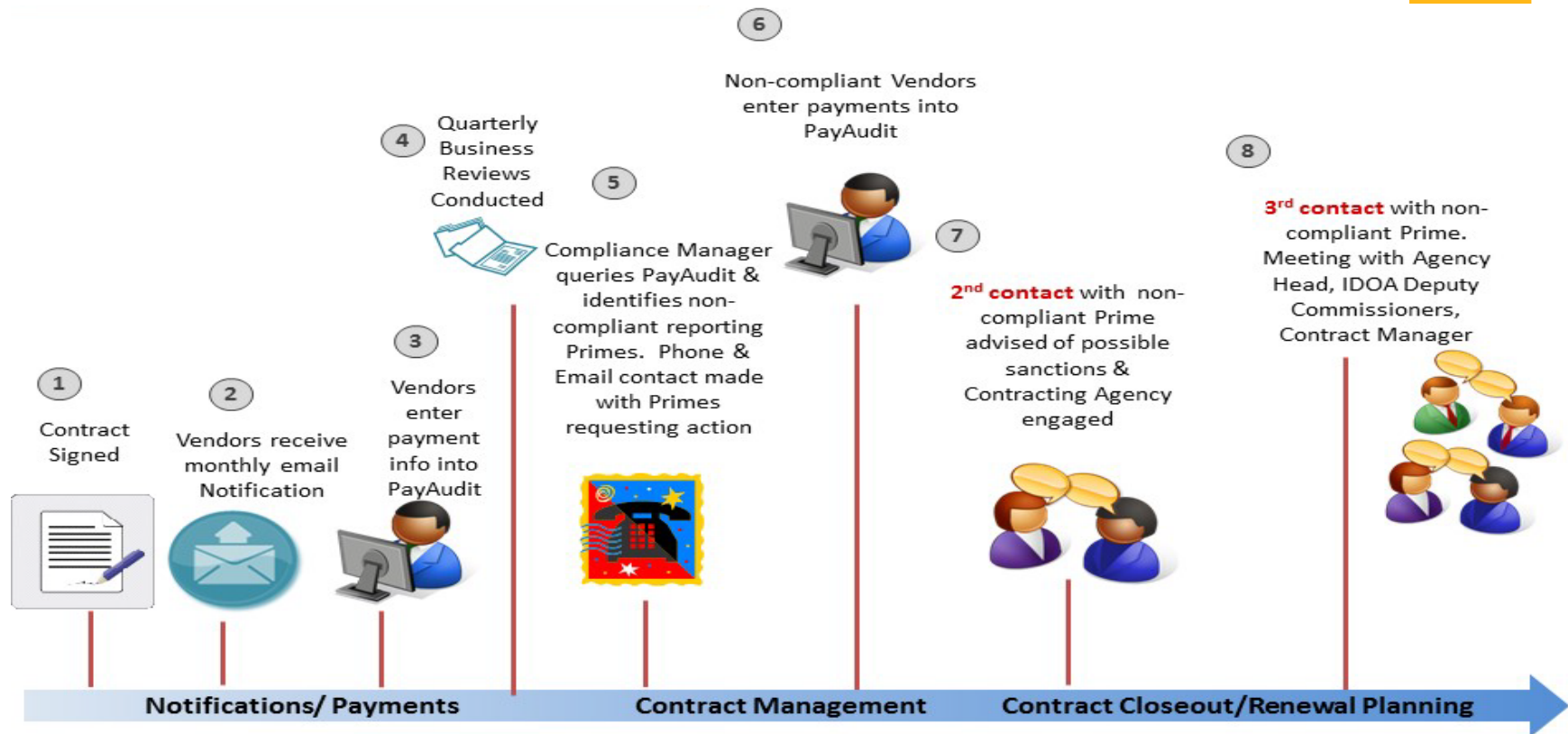
Contract Compliance

- Monitor M/W and IVOSB utilization on contracts through the Pay Audit System and/or other reporting tools.
- Act as the liaison between the prime and subcontractor when compliance issues arise.
- Ensure subcontractor commitments are met.
- Serve as final approval authority on requests to change subcontractor participation plan.

Contract Compliance Process

Function 3

Contract Compliance



Contract Compliance Process

Function 3

Contract Compliance



Tips for Prime Contractors on State Contracts



Pre-Award Phase

- **Prime** contractors are expected to meet M/W and IVOSB participation goals through subcontracting IDOA certified M/W and IVOSB.
- **Use** the Division of Supplier Diversity's website⁺ to advertise bid opportunities. However, do not make this the only solicitation method used.
- **Research** the scope of services provided by potential subcontractors and ensure it aligns with proposal needs.
- **Subcontractors** certified as both M/W and/or IVOSB can only count towards one goal.



Award Phase

- **Notify** subcontractors, the Division of Supplier Diversity, and contracting agency of any changes that may have occurred during the contract negotiation phase.
- **Establish** performance goals and set clear deliverables mutually.
- **Provide** a tentative timeframe for M/W and IVOSB utilization.
- **Identify** project points of contact and provide to subcontractor(s) and contracting agency.



Post-Award Phase

- **Submit** to the Division of Supplier Diversity subcontractor agreements within 30 days of contract effective date.
- **Report** payments made to subcontractors through the Pay Audit System on a monthly basis.
- **Maintain** open communication with subcontractors.
- **Contact** the Division of Supplier Diversity with any questions or concerns.

Tips for Subcontractors on State Contracts



Pre-Award Phase

- **Understand** your capacity and the feasibility of adequately performing services as outlined in the solicitation.
- **Review** the UNSPSC codes listed on your certification letter to ensure your firm can provide the services requested.
- **Submit** signed letters of commitment on company letterhead which include the subcontracted amount, percentage, and work being performed.
- **Visit** the Division of Supplier Diversity website⁺ for additional subcontracting opportunities.



Award Phase

- **Review** Award Recommendation notices on IDOA Procurement website⁺⁺.
- **Communicate** with prime contractor if you are unable to perform scope of work since proposal submission.
- **Establish** performance goals and set clear deliverables mutually.
- **Provide** key points of contact to prime contractor.



Post-Award Phase

- **Track** your recertification dates and renewal requirements and provide required documentation timely to the Division of Supplier Diversity.
- **Report** payments received from prime contractor through the Pay Audit on a monthly basis.
- **Maintain** open communication with prime contractor.
- **Contact** the Division of Supplier Diversity with any questions or concerns.

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