



MINORITY-OWNED BUSINESS
ENTERPRISE (MBE)
and
WOMEN-OWNED BUSINESS
ENTERPRISE (WBE)
PROGRAM

**Version
Number**
1.0

**Date
Updated**
04/06/22

**Edited
By**

Summary of Changes
Effective date

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1. POLICY

1.1. It is the policy of the Cuyahoga Metropolitan Housing Authority (CMHA) to provide minority-owned business enterprises (MBEs) and women-owned business enterprises (WBEs) access to economic opportunities, particularly in the areas of construction, technical, and professional services, as well as CMHA's procurement of equipment, supplies, and other needed services.

1.2. In furtherance of this policy, CMHA will use its best efforts to secure 20% participation by MBEs and 10% by WBEs in all of CMHA's contracting and procurement expenditures.

1.3. Through this MBE and WBE Program, CMHA will encourage MBE and WBE participation in CMHA procurement by, among other things:

1.3.1. Providing guidance on doing business with CMHA;

1.3.2. Notifying registered MBEs and WBEs of contracting and/or procurement opportunities available through CMHA or prime contractors; and

1.3.3. Connecting MBEs and WBEs with management, technical, and other business resources or assistance from CMHA or collaborating organizations.

2. DEFINITIONS

2.1. Administrative Officer means the Chief of Diversity, Equity, and Inclusion of the Cuyahoga Metropolitan Housing Authority or their designee.

2.2. African or Black means a person having origin in any one of the Black racial groups of Sub-Saharan Africa or the Caribbean.

2.3. Asian means a person whose origin is from the Asian Pacific region, including: Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, Malaysia, Indonesia, the Philippines, Thailand, Tibet, Samoa, Guam, the U.S. Trust Territories of the Pacific, or the Northern Marianas, or a person whose origin is from the Indian subcontinent, including: India, Pakistan, Bangladesh, Nepal, and Sri Lanka.

2.4. CEO means the Chief Executive Officer of the Cuyahoga Metropolitan Housing Authority or their designee.

2.5. CMHA means the Cuyahoga Metropolitan Housing Authority.

2.6. Contractor means the individual or business entity that has contracted with CMHA for the provision of goods and/or services.

2.7. Covered Area means the geographic area of Cuyahoga, Lake, Geauga, Summit, Medina, and Lorain counties.

2.8. Hispanic means a person of Spanish or Portuguese culture with origins in Mexico, Puerto Rico, Cuba, Caribbean, Central America, or South America, regardless of race.

2.9. MBE means a Minority-owned business enterprise that is at least 51% owned and controlled by one or more Minority persons. Those Minority owners must enjoy the customary incidents of ownership, share in the risks and profits commensurate with their ownership interest, and be able to exercise final authority over all aspects of daily operations.

2.10. MBE/WBE Directory means CMHA's online directory that lists all MBEs and WBEs that have self-certified their qualifications as an MBE or WBE.

2.11. MBE/WBE Program Coordinator means the Coordinator of this Program.

2.12. Minority means a citizen or lawful, permanent resident of the United States who is a member of one or more of the following groups: African/Black, Hispanic, Native American, or Asian.

2.13. Native American means a person who is a member of the original peoples of North America, including American Indians, Eskimos, Aleuts, or Native Hawaiians and is regarded as such by the community of which the person claims to be a part. For non-native Hawaiians, the Native American must be a documented member of a North American Tribe, band, or otherwise organized group of native people who are indigenous to the continental United States and proof can be provided through a Certificate of Degree of Indian or Alaska Native Blood.

2.14. Program means this CMHA Minority-Owned Business Enterprises and Women-Owned Business Enterprises Program.

2.15. Respondent means the individual or entity responding to a CMHA invitation to bid, request for proposal, request for qualifications, or other solicitation method by which CMHA procures goods and services.

2.16. Response means the bid, proposal, qualifications, or other information submitted by a Respondent in response to a CMHA solicitation for the procurement of goods and services.

2.17. WBE means a business that is at least 51% owned and controlled by one or more women who are all citizens or lawful, permanent residents of the United States. Those women owners must enjoy the customary incidents of ownership, share in the risks and profits commensurate with their ownership interest, and be able to exercise final authority over all aspects of daily operations.

3. MBE AND WBE TARGETS

3.1. CMHA will strive to spend at least 20% of its expenditures for goods and services with MBEs and at least 10% with WBEs. As such, Contractors that use subcontractors must also use their best efforts to ensure that at least 20% of the CMHA contract price is paid to MBEs and at least 10% is paid to WBEs.

3.2. If a Contractor is an MBE or WBE and self performs all of the work required by CMHA (i.e., provides all materials and does all the work without subcontracting to any other entities), then 100% of the expenditure will be deemed to have met the relevant MBE or WBE target.

3.3. Regardless of whether the Contractor is an MBE or WBE, if a Contractor subcontracts any portion of the work or goods, then the Contractor must ensure that at least 20% of the total contract price is spent with MBEs and 10% is spent with WBEs.

3.4. The total dollar value of a particular contract with a business that is recognized by CMHA as both an MBE and a WBE may be counted toward either the MBE target or the WBE target, but not both. The business may choose the target to which the contract value should be applied. But if the business does not indicate a preference, then the Administrative Officer will make the designation.

3.5. Expenditures made toward an MBE or WBE that manufactures goods from raw materials or substantially alters them before resale may be counted toward meeting CMHA's MBE and WBE targets.

3.6. Expenditures made toward an MBE or WBE supplier (non-manufacturer) of goods may be counted toward meeting MBE or WBE goals, provided that the MBE or WBE:

3.6.1. Assumes the actual and contractual responsibility for furnishing the supplies or materials;

3.6.2. Is recognized as a distributor by the industry involved in the contracted supplies and materials;

3.6.3. Owns or leases a warehouse, yard, building, or whatever other facilities are customary in the industry in supplying such supplies or materials; and

3.6.4. Distributes, delivers, and services products primarily with its own staff and/or equipment.

3.7. To ensure this Program has the intended effect of providing access to meaningful opportunities to MBEs and WBEs, Contractors must use MBEs and WBEs in a way that preserves meaningful ownership, control, and performance of the work by the MBE or WBE. Failure to do so may result in CMHA imposing sanctions on that Contractor.

4. SELF-CERTIFICATION, DIRECTORY, AND ELIGIBILITY VERIFICATION

4.1. To be recognized as an MBE or WBE by CMHA, the ownership and control required of the relevant Minority and/or Women owner(s) must be real, substantial, continuing, and not created solely to meet the CMHA MBE/WBE requirements.

4.2. To be recognized by CMHA as an MBE and/or WBE, the business must complete the *MBE/WBE Self-Certification Form* and submit it either electronically (through the online form available here) or by sending it to MBE/WBE@cmha.net.¹

4.3. If the self-certifying business has also been certified by other certifying entities, then the business may attach a copy of those certificate(s) to the *MBE/WBE Self-Certification Form*, and CMHA will identify those certifications in its MBE/WBE Directory. For purposes of this Paragraph, CMHA will only recognize MBE and WBE certifications from the following certifying entities:

State of Ohio

Cuyahoga County

Cities within Cuyahoga County

Northeast Ohio Regional Sewer District

States other than Ohio

U.S. Small Business Administration

U.S. Department of Transportation or other entity whose MBE, WBE, or disadvantaged business enterprise certification policies are governed by 49

¹ Those businesses already possessing valid MBE and/or WBE certificates from CMHA as of this Program's effective date will automatically be included in the MBE/WBE Directory, and the certificates will be honored until their expiry.

C.F.R. Part 26 (e.g., Greater Cleveland Regional Transit Authority or Ohio Department of Transportation)

National Minority Supplier Development Council

Women's Business Enterprise National Council

4.4. CMHA will evaluate the *MBE/WBE Self-Certification Form* for accuracy and completeness. If CMHA recognizes the self-certification, then CMHA will include the business in the MBE/WBE Directory and will notify the business of the same.

4.5. If the *MBE/WBE Self-Certification Form* is deficient or if CMHA is concerned about the accuracy of the information in the *MBE/WBE Self-Certification Form* or the business's eligibility, then an MBE/WBE Program Coordinator will communicate with the business to address the deficiency or concerns.

4.5.1. The business must, within 10 business days of receiving such a communication, respond in writing to the MBE/WBE Program Coordinator by providing all requested documents and information.

4.5.2. If the MBE/WBE Program Coordinator makes subsequent requests for information, then the business will have 10 business days after each such request to provide the requested information.

4.5.3. The business's failure to timely respond or otherwise provide requested information may be grounds for CMHA to refuse the business's inclusion in the MBE/WBE Directory.

4.5.4. CMHA will evaluate any additional information the business provides and will accept or deny the self-certification, as appropriate, within a reasonable period of time.

4.6. The *MBE/WBE Self-Certification Form* and each MBE and WBE's inclusion in the Directory expire after one year from the date the self-certification is entered in the MBE/WBE Directory. To remain on the MBE/WBE Directory, MBEs and WBEs must annually submit a new *MBE/WBE Self-Certification Form*.

4.7. CMHA will purge from the MBE/WBE Directory those businesses whose *MBE/WBE Self-Certifications* have expired.

4.8. MBEs and WBEs are responsible for maintaining the accuracy of all information provided in the *MBE/WBE Self-Certification Form*, particularly current contact information.

4.9. CMHA has sole discretion to refuse, for any grounds whatsoever, an MBE or WBE's *MBE/WBE Self-Certification Form* and to thereby exclude the business from the MBE/WBE Directory.

4.10. If CMHA rejects an MBE or WBE's self-certification, that business may re-apply for inclusion in the MBE/WBE Directory no earlier than 60 days after the rejection.

4.11. Self-certifying MBEs and WBEs are subject to CMHA subsequently verifying that the business meets CMHA's definition of an MBE or WBE. As such, at any time CMHA may require owners to provide additional information demonstrating that the business qualifies as an MBE or WBE.

5. PROCUREMENT PROCESS

5.1. CMHA's invitations to bid, requests for proposals, and all other relevant specifications for contracts will notify all prospective Respondents that:

5.1.1. Each Respondent must comply with this Program;

5.1.2. Each Respondent must describe its affirmative acts toward using MBEs and WBEs, including the estimated dollar values and percentages of the contracts proposed to be awarded to MBEs and WBEs; and

5.1.3. Failure to comply with this Program may result in sanctions, including cancellation of the contract and/or civil penalties.

5.2. A Respondent must ensure that all MBEs and WBEs proposed to be used by that Respondent in the performance of the contract have been recognized by CMHA as MBEs or WBEs by virtue of their inclusion in the MBE/WBE Directory.

5.3. All Responses must include a completed *Schedule A Subcontracting Plan* that identifies the particular MBE and/or WBE contractors or subcontractors the Respondent proposes to use in the performance of the contract, the type of work the MBE/WBEs will perform or services or materials they will provide, and the estimated dollar value of each MBE/WBE's participation.

5.4. If a Response fails to describe how the Respondent will achieve the MBE/WBE targets, an MBE/WBE Program Coordinator might assist the Respondent in securing MBE/WBE participation; however, the Respondent is ultimately responsible for achieving the MBE/WBE targets. CMHA may take a failure to meet those targets into consideration when awarding a contract.

5.5. Where permitted by CMHA's procurement policy, CMHA will give higher consideration to those MBEs and WBEs having their principal place of business within the Covered Area. For purposes of this Paragraph, "principal place of business" is the location from which the business's officers direct, control, and coordinate its activities.

5.6. Upon the notification to a business of a contract award, but prior to the issuance of a "Notice to Proceed" (e.g., upon issuance of the Notice of Intent), that business must submit to CMHA copies of all executed subcontract agreements and/or purchase orders between that business and all MBE/WBE participants or otherwise provide reliable evidence of the business's compliance with the previously-submitted *Schedule A Subcontracting Plan* and with the requirements of this Program.

5.7. The MBE/WBE Program Coordinator will, among other things:

5.6.1. Review all submittals or other information required by this Program to determine whether MBEs and WBEs and complied with all requirements associated with participating in the Program;

5.6.2. Maintain the CMHA Directory;

5.6.3. Periodically verify MBE and WBE eligibility as described in Section 4;

5.6.4. Monitor the general performance and subcontracting practices of Contractors to ensure compliance with this Program;

5.6.5. Investigate complaints concerning alleged non-compliance with this Program and recommending appropriate actions(s); and

5.6.6. Prepare reports to the Administrative Officer and/or CEO detailing whether CMHA has met the Program's targets and any proposed improvements to the Program.

6. NON-COMPLIANCE

6.1. If CMHA concludes that a Respondent or Contractor failed to provide true and accurate information in conjunction with obtaining CMHA's recognition of a business as an MBE or WBE; with obtaining a contract or purchase order involving MBE/WBEs from CMHA; or otherwise failed to achieve the MBE/WBE targets, then the Administrative Officer or CEO may:

6.1.1. Withhold award of a contract until the failure has been cured;

6.1.2. Remove the Respondent or Contractor from the MBE/WBE Directory (permanently or temporarily);

6.1.3. Recommend the withholding of all or part of any payments owed to the Contractor until it fully complies with the applicable provisions of the Program or has otherwise cured the failure;

6.1.4. Recommend issuance of a stop work order until the Contractor fully complies with the applicable provisions of the Program or has otherwise cured the failure;

6.1.5. Recommend that CMHA take such legal action as may be deemed appropriate;

6.1.6. Recommend that CMHA terminate the contract or agreement;
or

6.1.7. Take any other action CMHA deems appropriate.

6.2. Any person with reason to believe a business has provided false or inaccurate information related to CMHA's recognition of the business as an MBE or WBE should complete an *MBE/WBE Complaint*. Upon receipt of a completed MBE/WBE Complaint, the Administrative Officer will conduct an informal investigation and provide the complainant a written explanation of the findings. If the complaint is substantiated, CMHA may – at its discretion – take appropriate action against the offending business, including the remedies described in Paragraph 6.1.