



MWBE CERTIFICATION PLANNING GUIDE



NEW YORK SMALL BUSINESS DEVELOPMENT CENTER

Funded in part through a cooperative agreement with the U.S. Small Business Administration. All opinions, conclusions or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA.

This publication may not be reproduced in whole or in part without the express written consent of the NY Small Business Development Center.

MWBE CERTIFICATION PLANNING GUIDE

CONTENTS

Acknowledgments	3	GENERAL BUSINESS CONCEPTS	
Introduction	4	Your Business Plan	29
New York State Law	5	Suggested Business Plan Outline	29
MWBE History	5	The Market	34
Definitions	7	Define Your Market	35
MWBE Utilization Goals	8	Pricing	36
Certification	9	Competition	36
Eligibility	9	Advertising	37
Application Options	9	Management	40
Required Documents	10	Duties and Responsibilities	41
Out of State Business	11	Salaries	41
Benefits of Certification	12	Personnel	42
The NYS Contract System Website	13	Financial Plan	43
MWBE Application Process	14	Cash Flow Worksheets	45
First-Time Applicants	14	General Operations	49
Fast Track Process	15	Marketing Plan Format	49
Online Application Tips	16	Overall Promotion Strategy	50
Appeal Process	17	The Four “Ps” of Marketing	51
NYS MWBE Directory	18	Factors Affecting the Marketing Mix	52
Maximize Benefits of Certification	20	Developing a Marketing Plan	53
MWBE Procurement Events	21	Accounting and Record Keeping	56
Marketing Resources	22	What System Should You Use?	56
Other Certification Programs	23	Elements of Bookkeeping	57
Special Programs for Certified MWBEs	24	Keeping Records	62
Additional Resources	26	Appendix A	64
Contacts	28	<i>Summary: Article 15-A of the Executive Law</i>	
		Appendix B	69
		<i>Additional Info on Minority Categories</i>	
		Appendix C	70
		<i>MWBE Application Required Forms</i>	
		Appendix D	75
		<i>Governor’s Press Release - 10/3/13</i>	
		Appendix E	76
		<i>Governor’s Press Release - 10/1/14</i>	
		Appendix F	78
		<i>SUNY Policy and Procedure Documents</i>	
		Appendix G	90
		<i>Discretionary Thresholds: NYS Finance Law</i>	
		Appendix H	91
		<i>Discretionary Purchasing Guidelines</i>	

MWBE CERTIFICATION PLANNING GUIDE

ACKNOWLEDGMENTS

Contributing Authors:

Roxanne Mutchler, Director, SUNY Polytechnic Institute (Utica) Small Business Development Center

Judy Wolf, Government Contracting Coordinator, NY SBDC Procurement Assistance Center

Contributing Editors:

Mary Hoffman, Associate State Director, New York SBDC

Darrin Conroy, Director, New York SBDC Research Network

Design/Layout/Editing:

David Carnevale, Publications Director, New York SBDC



MWBE CERTIFICATION PLANNING GUIDE

INTRODUCTION

The number of women- and minority-owned small businesses is on the rise. According to a 2010 study by the U. S. Department of Commerce Economics and Statistics Administration, the number of women-owned businesses grew by 44% between 1997 and 2007 – twice as fast as male-owned firms and 150% faster than small firms across the country – and the number of Hispanic-owned small businesses countrywide tripled to over two million from 1990 to 2012.

Yet up until recently, women- and minority-owned businesses were lagging behind in the area of government contracting. The U.S. Bureau of the Census reported that the number of women-owned firms in New York State was 594,447 in 2007 -- 30% of all small businesses in the state. Yet a statewide disparity study released in May 2010 revealed that women and minority firms were not receiving contracts and access to capital in proportion to their numbers when compared to all other businesses.

New York State has taken strong steps to address this situation, and today there are unprecedented opportunities available for minority- and women-owned business enterprises (MWBEs) in government contracting.

The world of government contracting can be a confusing one to navigate. Typically companies new to government contracting work their way up from local government contracts to state and then to federal, learning and expanding their capabilities as they go. It is also a highly competitive world. When it comes to winning contracts, every advantage your company can leverage can help tip the scale in your favor. If you qualify for NYS MWBE certification, it can give you an edge in competing for state contracts as well as providing other important benefits.

Regardless of where your company is in the government contracting growth cycle, state-level contracting has never had more opportunities for MWBEs. Why? The New York State Governor has mandated 30% utilization of MWBEs in all state contracting and has several initiatives and resources dedicated to helping make this happen. MWBEs are critical to New York's economy and the Governor has made it a priority of his administration to expand opportunities for businesses like yours.

This MWBE Certification Planning Guide is intended as a resource for eligible companies to utilize in navigating the New York State MWBE certification process. It also provides insights, tips, and guidance to help you make the most of that certification. Every Small Business Development Center (SBDC) in New York State has a procurement advisor available to provide you with one-on-one advisement on the certification process. In addition to state certification, there are other certifications for which minority and women-owned firms may qualify. A procurement advisor can provide further details. To find an SBDC near you, go to <http://www.nysbdc.org/locations.html>.

Obtaining certification opens the door not only to contracting opportunities in which your company acts as the prime vendor and goes into each bid opportunity with an edge (additional points are often awarded to MWBEs and for MWBE utilization), but also a world of subcontracting as you partner with prime contractors who are looking to fulfill the MWBE utilization requirements contained in bid opportunities.

Once achieved, taking advantage of your MWBE certification will certainly require dedication, a good marketing strategy, and effort – but hundreds of other small businesses have reached new heights and opened up lucrative new markets as a result of leveraging their certification. With the help of this guide and your local New York SBDC, you can too!