# MANUAL OF PROCEDURE

PROCEDURE NUMBER:	6550	<b>PAGE</b> 1 of 5
PROCEDURE TITLE:	Small Local Business Enterprises Initiative Incentives	
STATUTORY REFERENCE:	FLORIDA STATUTES §1001.64, §287. §288.703 (1) AND §287.094	055, §287.057,
BASED ON POLICY:	VI-4 Small Local Business Enterprises Init	iative
EFFECTIVE DATE:	2/17/2010	
LAST REVISION DATE:	September 6, 2024	
LAST REVIEW DATE:	September 6, 2024	

#### Purpose

The College is uniquely positioned to initiate and develop partnerships with businesses as a catalyst for revitalization of our community. A critical component of community revitalization includes economic growth and development of small and local businesses. These businesses provide goods, services, employment, and careers for the College graduates.

It is the purpose of the Small Local Business Enterprises (SLBE) Initiative to encourage economic development in the community we serve and to support successful expansion of these businesses in the marketplace. The College is committed to increasing its utilization of services provided by small local businesses in Miami-Dade County by awarding race and gender-neutral incentives for responsive and responsible bids submitted for the College's procurement consideration.

The SLBE Initiative will provide assistance to qualified small local businesses on the following types of contracts on a case-by-case basis: Architecture /Engineering, Construction, Goods and Services and Professional Services. The application of incentives is at the sole discretion of the College.

A business must be both a "local business" and a "small business" as defined in this Procedure, to benefit from this initiative.

"Local" means a vendor incorporated in the State of Florida with its principal place of business located in Miami-Dade County.

The College will recognize a "small business" as:

- a) A business that has been certified by the State of Florida Office of Supplier Development;
- b) A firm certified by the Miami-Dade County Department of Small Business Development; Or
- c) By other Miami-Dade County entities with similar certification standards.

The College may utilize Mandatory Subcontracting, Preference Points, and Sheltered Markets, industry standard procurement incentives, to encourage qualified small local businesses to contract with the College. The College, in its discretion and based on the nature of the service to be provided, may either award preference points, require mandatory subcontracting or designate sheltered market contracts for certified Small Local Business Enterprises.

# I. <u>Mandatory Subcontracting</u>

The College may set mandatory subcontracting goals for bids based on the availability of SLBE contractors for Architecture and /Engineering, Construction, Goods and Services, and Professional Services.

The contract must meet the guidelines of the Purchasing Department authorized approved limits. In order for a project to qualify for this Incentive, there must be at least three qualified SLBE firms available and able to perform the services needed. Application of this incentive is at the sole discretion of the College.

The College will establish subcontracting goals prior to solicitation. When a subcontracting goal has been set, bidders shall provide work to one or more certified SLBEs that will be utilized as subcontractors in order to meet this goal.

The maximum goal applied to any solicitation will be 25% of the bid. At the time of submittal, the bidder shall identify all SLBEs that will be utilized as subcontractors by using the College's Small Local Business Enterprise Subcontracting Certification Form. This form must be signed by both the Subcontractor(s) and the bidder and shall reflect the parties' intent to establish a business relationship as well as the type of work and percentage of work that the SLBE subcontractor will perform. Failure to submit any of the information required shall result in the bid being deemed non-responsive.

If the contractor is a certified SLBE and performs 100% of the project work, the SLBE contractor does not have to subcontract any of the work. Prime contractors must notify the College when the need to replace a SLBE subcontractor arises.

a. Substitution of SLBE Subcontractors

A prime contractor may replace a SLBE subcontractor who fails to meet the terms of their agreement.

The subcontractor must be replaced with another subcontractor who equally qualifies under the SLBE Initiative requirements. When a SLBE substitution is requested, the Director of Purchasing will require a letter from the prime contractor explaining why substitution is needed. The prime contractor shall attach a revised participation plan to the letter, along with a Miami Dade College SLBE Subcontractor Agreement form signed by both the prime and SLBE subcontractor. The Director of Purchasing will issue a determination on these requests and notify the prime contractor. The College must approve all SLBE substitutions.

A SLBE subcontractor may not:

- 1) Subcontract work back to the prime contractor or any other entity;
- 2) Enter a sub-contract agreement with the intent of collecting or paying a broker's fee or commission;
- 3) Enter into an agreement with a prime contractor and not perform any of the direct labor or service activities specified in the contract.

#### b. Request for Waiver

Bidders unable to meet the SLBE subcontracting requirement may request a full or partial waiver. The bidder must demonstrate a "Good Faith Effort" to satisfy SLBE Initiative requirements, such as: documentation of timely advertisements in appropriate trade publications and publications of wide general circulation; timely posting of SLBE subcontract opportunities on the MDC web site; solicitations of bids from all qualified SLBE firms listed in Purchasing's directory of certified SLBE firms; and documentation of correspondence from qualified SLBE firms indicating their unavailability to perform SLBE contracts. All waivers must be in writing and approval is subject solely to the College's discretion.

### II. Preference Point System

The College may award points for Architecture and Engineering (Professional Design), and Construction Services contracts based on an evaluation criteria of ten (10) total points (maximum). Contractors who are certified SLBEs and contractors utilizing certified SLBE subcontractors will be granted points in this process. Certified SLBE contractors bidding as prime contractors will receive the maximum number of points.

Table A, represents the number of points awarded for each proposed contract based on the percentage of work assigned to SLBE subcontractors by prime contractors. SLBE Project Participation percentages reflect the amount of the total contract value assigned to SLBE subcontractors.

Points may be awarded, as follows, based on a 100 - point scale or an alternately proportionate scale being used by the College:

TABLE A	
SLBE Project Participation	Award Points
Certified SLBE Prime Contractor	10
41% - 49%	8
31% - 40%	6
21% - 30%	4
11% - 20%	2
Less Than 10%	0

### a. Substitution of SLBE Subcontractors

A prime contractor may replace a SLBE subcontractor who fails to meet the terms of their agreement.

The subcontractor must be replaced with another subcontractor who equally qualifies under the SLBE Initiative requirements. When a SLBE substitution is requested, the Director Purchasing will require a letter from the prime contractor explaining why substitution is needed. The prime contractor shall attach a revised participation plan to the letter, along with a Miami Dade College SLBE Subcontractor Agreement form signed by both the prime and SLBE subcontractor. The Director of Purchasing will issue a determination on these requests and notify the prime contractor. The College must approve all SLBE substitutions. A SLBE subcontractor may not:

- 1) Subcontract work back to the prime contractor or any other entity;
- 2) Enter a sub-contract agreement with the intent of collecting or paying a broker's fee or commission;
- 3) Enter into an agreement with a prime contractor and not perform any of the direct labor or service activities specified in the contract.

### III. Sheltered Market Incentive

The College may set aside specific contracts with a value up to \$1 million, for competition, exclusively for SLBEs in Architecture and Engineering, Construction, Goods and Services, and Professional Services.

In order for a project to qualify for this Incentive, there must be at least three qualified SLBE firms available and able to perform the services needed. These contracts will be identified prior to solicitation.

Contracts designated as Sheltered Market for which the College receives no bids may be removed from the Sheltered Market Program.

All bids received under Sheltered Market Program must meet the definition of responsible and responsive bidders.

### **IV.** Failure to Perform Contract Requirements

- 1. Failure to satisfy contract requirements under any of these incentives may result in suspension from work with the College for a period of up to one year for failure to fulfill the SLBE Initiative requirements.
- 2. Any individual or entity that engages in fraud, misrepresentation, or other wrongful conduct, whether by act or omission related to its participation in or eligibility to participate in the College's Small Local Business Enterprises Initiative or in the performance of its obligation as an eligible local small business enterprise under a College contract, shall be in violation of this Initiative. This determination shall be solely at the decision of the College.

# V. Evaluation of the Initiative

The College shall evaluate the success of the SLBE Initiative using any of the incentives outlined in this procedure, annually.

# **Definitions**

Certification refers to the procedures and necessary documentation required to determine that a contractor, consultant, or vendor is a Local Business Enterprise, Small Business Enterprise as defined by the State of Florida Office of Supplier Development, the Miami-Dade County Government Department of Small Business Development or by other Miami Dade County entities with similar certification standards. Contractor means a separate and distinguishable business entity with whom the College has entered into a legally binding agreement for performance of work.

"Local" means a vendor incorporated in the State of Florida with its principal place of business located in Miami-Dade County.

Responsible means a business that is capable in all aspects of fully performing the contract requirements and which has the integrity and reliability that will assure good faith performance.

Responsive means a business' bid or proposal that conforms in all material respects to the invitation to bid or request for proposal.

Solicitation means Request for Qualification(RFQ), Request for Proposal(RFP), Invitation to Negotiate(ITN), Invitation to Bid(ITB), or a Request for Quote.

Subcontractor means any entity providing goods and/or services to a prime contractor for profit, if such goods and/or services are procured or used in fulfillment of the prime contractor's obligations arising from a contract with the College.

09/06/2024 DATE PRESIDENT