

POLICY & PROCEDURE FOR COUNTY-LOCATED BUSINESS CERTIFICATION

POLICY: All businesses that intend to compete for contracts through Prince George’s County Government’s Procurement process and receive preferences as a Prince George’s County-located business must be certified by the Office of Central Services’ Supplier Development & Diversity Division (SDDD) prior to receiving any of the bid or proposal preference points or percentages referenced in CB-67-2014 – Local Economic Opportunity.

PURPOSE: To promulgate regulations outlining the process and procedure for certifying “County-located businesses” and prescribing the requirements and assistance afforded to certified County-located businesses.

SCOPE: This procedure applies to all businesses that are certified by SDDD to take advantage of the County-located businesses bid and proposal preference points or percentages in the Prince George’s County Government Procurement process.

DEFINITIONS: The words defined in this Section shall have the meanings set forth whenever they appear in this Section unless the context in which they are used clearly requires a different meaning or different definition is prescribed for a particular provision. Any terms that are not explicitly defined below shall be governed by the definitions section of Subtitle 10A of the Prince George’s County Code.

- A. **Certified County-based minority business enterprise participation** means the percentage of total contract dollars paid to County-based businesses certified as minority business enterprises by the Supplier Development and Diversity Division.
- B. **Certified County-located business participation** means the percentage of total contract dollars paid to businesses certified as County-located businesses.
- C. **Certified minority business enterprise participation** means the percentage of total contract dollars paid to businesses certified as minority business enterprises by the Supplier Development and Diversity Division.
- D. **Certified sheltered workshop** means an agency that is:
 - i. Organized under the laws of the United States or the State of Maryland;
 - ii. Certified as a sheltered workshop by the Wage and Hour Division of the United States Department of Labor;

- iii. Accredited by the Division of Vocational Rehabilitation of the Maryland Department of Education;
 - iv. Operated in the interest of individuals who have a mental or physical disability, including blindness, that constitutes a substantial handicap to employment and prevents the individual from engaging in normal competitive employment; and
 - v. The net income of which does not inure wholly or partially to the benefit of any shareholder or other non-disabled individual.
- E. **County-based minority business enterprise** means a business that is both:
- i. a minority business enterprise as certified by the Supplier Development and Diversity Division; and
 - ii. a County-based business.
- F. **County-based small business** means a business that meets the requirements of Section 10A-161(b) and whose application for certification as a County-based small business is approved by the Purchasing Agent.
- G. **County-located business** means a business, subject to certification by the Prince George's County Office of Central Services in accordance with Section 10A-174, that:
- i. has a County Office, but is not a County-based business; and either:
 - 1. has at least five (5) FTE ("full time equivalent") employees in the County Office for the full duration of the County Office's lease; or
 - 2. has at least three (3) FTE employees in the County Office, with at least two (2) of the FTE employees being County Residents, for the full duration of the County Office's lease; or
 - 3. if such business has an ownership interest in the building containing the County Office, has at least three (3) FTE employees in the County Office for the full duration of the businesses ownership interest in the building.
- H. **County or The County** means Prince George's County, Maryland.
- I. **County agency** means any department, office, division, administrative unit, or agency of Prince George's County government or any other entity created or authorized to be created, whether expressed or implied, by the Charter or the Code, including any council, board, bureau, commission, institution, tribunal, government corporation, public authority, or other instrumentality thereof or thereunder.

- J. **County funds** means any monies received by the County or appropriated or approved by the Council or to which the County may at any time have legal or equitable title.
- K. **County Office** means a place of operation of a business physically located within the County that;
- i. has a lease in which the business is obligated for at least three (3) years; or
 - ii. has a lease in which the business is obligated for a least one (1) year and the place of operation is at least three thousand (3,000) square feet in size; or
 - iii. has an ownership interest in such place of operation.
- L. **County resident** means a person whose domicile is located in Prince George's County, Maryland, as determined by standards set forth by the Purchasing Agent; and who either;
- i. Filed a Maryland State Income Tax Return that establishes a Prince George's County domicile for the most recent full calendar year;
 - ii. Is claimed as a dependent on a Maryland State Income Tax Return that establishes a Prince George's County domicile for the most recent full calendar year filed by the person's parent, legal guardian, or spouse; or
 - iii. Was not required to file a Federal or Maryland State Income Tax Return for the most recent calendar year because the person was not legally liable for income tax pursuant to Section 10-809, Tax General Article, Annotated Code of Maryland, but was legally domiciled in Prince George's County for the most recent full calendar year, and signs an attestation under oath to this effect on a form provided by the Purchasing Agent.
 - iv. The County Executive, the County Executive's designee, and the Purchasing Agent are authorized to verify a person's County residency status pursuant to this definition in relation to Division 7 of Subtitle 10A of the Prince George's County Code.

COUNTY-BASED BUSINESS ASSISTANCE

On any procurement for which a County agency or the County government secures competitive bids or proposals, including, but not limited to, competitive bids secured pursuant to Section 10A-112, competitive proposals pursuant to Section 10A-113, or small purchases pursuant to Section 10A-115 of the Prince George's County Code, the Purchasing Agent shall:

1. Apply a bid or proposal preference of seven percent (7%) to any County-located business that submits an approved certification as set forth in Section 10A-174 of the Prince George's County Code.
2. For bids or proposals that are not made entirely by County-located businesses, apply a bid or proposal preference at an increasing rate of seven tenths of one percent (0.7%) for every ten percent (10%) increment of certified County-located business participation. Bids or proposals with one hundred percent (100%) certified County-located business participation shall receive the maximum seven percent (7%) bid preference.
3. Award bids or proposals the greater of the preference points or percentages allowed for a business under either this Section or Section 10A-136 of the Prince George's County Code, as applicable. The preferences allowed under this Section and Section 10A-136 of the Prince George's County Code shall not be applied cumulatively for the same business.

The Purchasing Agent may determine not to apply a bid or proposal preference under this Section if the Purchasing Agent certifies that such a preference would result in the loss of Federal or State funds, subject to the approval of the County Executive. The Purchasing Agent shall transmit a copy of any such determination to the County Council no later than thirty (30) calendar days following the date of the procurement award.

The requirements of Section 10A-160 of the Prince George's County Code shall apply to the procurement of vendors retained by a County agency or the County government to assist in the financing and sale of County government debt. The requirements of this Section shall also apply to the procurement of brokerage firms, investment banking firms, investment management firms, consultants, and other vendors retained to manage or invest funds controlled or administered by a County agency or the County government. The application of this Division 7 of the Prince George's County Code is subject to the requirements and restrictions of Federal and State law. A business may opt not to receive a County-located business preference pursuant to Division 7 of the Prince George's County Code.

SDDD's CERTIFICATION APPLICATION PROCESS

Applications for Prince George's County-located Business Certification will be received and reviewed by Business Analysts in SDDD. The Prince George's County-located business application and affidavit of certification may be obtained from the following sources:

- A. Office of Central Services – Supplier Development & Diversity Division (SDDD)-
1400 McCormick Drive, #281, Largo, MD 20774**
- B. Submitting a request via email to jobsfirstact@co.pg.md.us**

C. Online via Prism database:

<http://pro.prismcompliance.com/CustomCertApp/ApplicationStart.aspx?i=HJO6R2ZtRg21Y%2bFRfE2wq86Y7kTB2BfB>

1.0 APPLICATION SUBMISSION

1.1 Online Applications can be completed and submitted on-line at:

<http://pro.prismcompliance.com/CustomCertApp/ApplicationStart.aspx?i=HJO6R2ZtRg21Y%2bFRfE2wq86Y7kTB2BfB>

1.2 Paper Applications may be submitted directly to SDDD:

- 1400 McCormick Drive, Suite 281, Largo, MD 20774

1.3 Affidavit of Certification for online/paper applications:

- Must be mailed to 1400 McCormick Drive, Suite 281, Largo, MD 20774
- Note: **Affidavit must be original and notarized**

2.0 AGENCY REVIEW PROCEDURE

After a complete Prince George's County-located business certification (CLBC) Application, along with all supporting documentation, has been submitted by an applicant, SDDD will:

- 2.1 Record receipt of the CLBC with inclusive supportive documentation;
- 2.2 Review the CLBC Application and supporting documentation to determine whether the applicant meets the certification criteria for the Prince George's County-located business Certification;
- 2.3 Verify information in an on-site interview at the offices of the applicant (if the applicant has not been certified by an approved certifying agency);
- 2.4 Compile an investigative summary of facts related to certification eligibility criteria;
- 2.5 Recommend approval or denial for County-located business Certification to the Acting/Executive Director of the SDDD.

3.0 ADMINISTRATIVE CLOSURE

An application for certification may be administratively closed for the following reasons:

- 3.1 An applicant fails to complete the Affidavit of Certification or to submit the required documentation by a specified date.
- 3.2 The business refuses to permit SDDD inquiries of bonding companies, banking institutions, credit agencies, contractors, clients, or other appropriate private agencies or persons to ascertain the history of the firm's financial responsibility and qualifications.

- 3.3 The business refuses to provide documents and/or information requested by SDDD, including, but not limited to, the following:
 - A complete Disclosure Affidavit and supporting documents;
 - An interview by a SDDD Staff Member;
 - A site visit by SDDD Staff Members.
- 3.4 Other reasons as appropriate (to include, but not be limited to, death of applicant, sale of business after application, etc.).
- 3.5 When an application for certification is closed for any of the reasons stated above, an applicant **may not reapply to SDDD sooner than three (3) months from the date of the letter administratively closing the application.**

4.0 SITE VISIT/INVESTIGATIVE PROCESS

- 4.1 A firm requesting certification is evaluated for particular areas of work identified by North American Industrial Classification Systems (NAICS).
- 4.2 Regarding home based business Site Visits, Business Analysts will work as a team and never go to a home-based business alone.
- 4.3 Alternative verification methods include: photographs of the home-based business or use of Skype for a virtual tour.

5.0 COMMUNICATIONS

- 5.1 Notice of Decision – Prince George’s County-located business-owners who are certified or denied certification will receive notification within ninety (90) days of the SDDD review or receipt of supplemental information subsequent to the SDDD review.
- 5.2 Certification Granted – Notification of certification will include a certification number on an official certificate from SDDD.
- 5.3 Certification Denied – Applicants denied certification may either appeal the decision in writing to the Purchasing Agent for further consideration, or reapply for the CLBC no sooner than three (3) months from the date of the decision by SDDD or the Purchasing Agent, if an appeal is filed and the denial is upheld.

6.0 RECORDS MANAGEMENT AND RETENTION

- 6.1 Paper applications will be located in SDDD.
- 6.2 Electronically filed applications will be stored in the Early Morning Software (EMS) Database.
- 6.3 A copy of all applications approved by the Purchasing Agent for certification as a Prince George’s County-located business will be expeditiously transmitted to the County Auditor, upon request.

- 6.4 It is the policy of the SDDD to retain its records in accordance with the following provisions:
- Necessary to conduct the business of the Division;
 - Required to be retained by legislation, statute or government regulation; and/or;
 - Relevant to pending or foreseeable investigations or fall under the requirements of the County Law or SDDD Policies. In maintenance of this policy, SDDD has adopted a records retention policy, which shall be strictly observed by Senior Management and the County Council Compliance Officer.
- 6.5 Schedule for retention of Customer/Client Files:
- Records for active vendors will be maintained and housed securely in SDDD's File room for a period of four (4) years. Information older than four (4) years old will be destroyed/archived in accordance with the records retention policy.
 - Records for inactive vendors will be maintained for four (4) years and at such time, the records will be moved from SDDD's File Room to the County archival warehouse for processing and storage.
- 6.6 Records that have been submitted and not processed for lack of further information and/or contact with the vendor, will be destroyed via shredding to ensure no documentation is misplaced and/or not securely handled as appropriately required.

7.0 DENIAL/DECERTIFICATION

- 7.1 An applicant for Prince George's County-located business Certification shall be denied certification or de-certified if the firm does not meet the standards for certification as a Prince George's County-located business. Reasons for denial/decertification include, but are not limited to the following:
- The applicant fails to inform SDDD of any material change(s), i.e., (residency, percentage of ownership, etc.) within thirty (30) calendar days of the actual change(s), as agreed to in the signed Affidavit of Certification in the CLBC Application.
 - The business, by operation of law, is not eligible to do business in Maryland.
 - The business refuses to permit SDDD inquiries of bonding companies, banking institutions, credit agencies, contractors, clients, or other appropriate private agencies or persons to ascertain the history of the firm's financial responsibility and qualifications.
 - The business refuses to provide documents and/or information requested by SDDD, including but not limited to the following:
 - A complete Disclosure Affidavit and supporting documents

- An interview conducted by a SDDD Staff Member(s)
- A site visit by SDDD Staff Members
- The business or any of its owners, officers and/or directors has made a material misstatement of fact related to eligibility of the business for certification and/or recertification as a Prince George's County-located business or Prince George's County small business
- The business has been debarred by the Federal Government or any jurisdiction in the State of Maryland.

8.0 MATERIAL MISSTATEMENT OF FACT

If a material misstatement of fact is included as a reason for the denial, an applicant may reapply for Prince George's County-located business Certification with the SDDD no sooner than six (6) months from the date of the decision by SDDD if an appeal is filed and the denial is upheld.

9.0 AUDITS

Pursuant to CB-17-2011 (The Jobs First Act), a member of the Prince George's County Council is required to review the approved electronic **and** paper packages submitted by business owners to become a certified County-located business. The reviews will occur quarterly on a date and time agreed upon by both entities at 1400 McCormick Drive, Suite 281, in Largo, Maryland.

10.0 RECERTIFICATION

After a complete Prince George's County-located Business Recertification Application is received, along with supporting documentation from the applicant, SDDD will perform the following:

- 10.1 Record receipt of a complete Recertification Application with required supporting documentation.
- 10.2 Review Recertification Application (within 5 business days) and supporting documentation to determine whether the applicant meets the recertification criteria as a Prince George's County-located business.
- 10.3 Recommend approval or denial for County-located business certification to the Acting/Executive Director of the SDDD.

11.0 EXPANSION OF SERVICES

Vendors who are already certified as a County-located business may request, in writing, an expansion of services or additional NAICS Codes to their certification at any time. A SDDD Business Analyst will respond to the request and conduct an investigation

focusing on the proposed expanded services and/or products. The following information is required for consideration:

11.1 Product and/or service for which an expansion is requested;

11.2 Supporting documentation to include:

- Resume(s) of individual(s) who will be performing the requested service(s), including updated resume(s) of the disadvantaged owner(s).
- List of equipment used to perform the requested service(s), if applicable.
- Copies of contracts, purchase orders or invoices verifying the performance of the requested service(s).
- If none, provide written documentation of the owner(s) ability and/or the company's resources to perform the requested service.

12.0 THE APPEAL PROCESS

Vendors have the option of appealing the decision rendered by the Business Analysts within ten (10) days of receipt of the SDDD certification decision. At such time, the vendor must, in writing, state the date, nature of appeal and specifics regarding the appeal. Upon receiving the appeal in writing:

12.1 Appeal will be logged into SDDD's CLB Database upon receipt.

12.2 Appeal will be reviewed and investigated by SDDD Management and referred to the Purchasing Agent. The vendor will receive a written response to the appeal within ten (10) business days.

12.3 Should the vendor need to escalate the appeal upon receiving a response to the original appeal from the SDDD, the vendor shall have the appeal escalated to the Purchasing Agent and will receive a written response within ten (10) business days from the time of the request for escalation.

12.4 The final stage of the appeal rests with the County Council's Compliance Officer within 90 days.