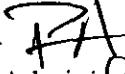
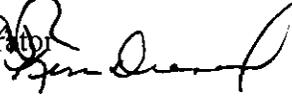


Board of County Commissioners

Budget Discussion Item

Date: June 27, 2007

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator 
Alan Rosenzweig, Assistant County Administrator 
Kim Dressel, Management Services Director 

Subject: Recommended Revisions to Economic Development Programs and Funding

Statement of Issue: This budget discussion item seeks Board approval to eliminate the prerequisite training requirements for small businesses to be certified as a Small Business Enterprise (SBE), terminate the related training services agreement, and to provide FY08 funding for the private venture capital business accelerator fund, Vision 2020, LLC.

Background:

MGT of America recommended that the Board institute a Small Business Enterprise component as part of the County's continued focus of narrowly tailoring its efforts promoting Minority and Women Business Enterprises and to encourage the growth and development of local small businesses. The SBE program was approved by the Board and implemented into policy on June 13, 2006. The Purchasing, Minority, Women and Small Business Enterprise Policy No. 96-1 requires small business owners to either successfully complete business courses through the Small Business Development Center (SBDC) at Florida A&M University (FAMU) or to be exempted from taking those courses based on conclusions derived from SBDC's needs assessment.

The Board entered into an Agreement with the SBDC at FAMU (Attachment #1) for the following services: (1) conducting Small Business Needs Assessments to determine business strengths and weaknesses; (2) conducting small business training workshops; and (3) certifying small businesses as eligible to participate in the County's SBE program upon completion of the training or granting of the waiver from training. The 26-month Agreement is in effect July 1, 2006 through September 30, 2008 for a total cost not to exceed \$168,000. Of that amount, up to \$150,000 is payable at unit cost rates for classroom instruction, individualized technical counseling and class materials. The cost was based on the anticipated service level of 300 Leon County small business owners completing six to eight weeks of SBDC-provided training (estimated at an annual cost of \$75,000 for approximately 150 businesses each year). While businesses throughout the Labor Market Area (Leon, Gadsden, Jefferson and Wakulla counties) are eligible for certification as a Minority, Woman or Small Business Enterprise (MBE, WBE or SBE), only those located in Leon County are eligible to have services provided under the Agreement paid for by Leon County. The Agreement further stipulates that Leon County would purchase computers and software for small business owners' use, as well as meeting room space for large orientations and training, at a total cost not to exceed \$18,000 (the computers and software would remain the property of Leon County). To date, this \$168,000 has not been spent.

Businesses seeking certification as a SBE submit an application to the Minority, Women and Small Business Enterprise (MWSBE) Division. Upon the MWSBE Division's approval of the eligibility application, the small business representative is required to contact SBDC at FAMU to begin the required training process. Training is designed to enhance the business owner's skills, abilities and knowledge to successfully manage a business, allowing the business to compete effectively and to grow. Training requirements concentrate on business management practices, including business planning, bookkeeping, financing, taxes and licenses, human resources development, marketing and advertising, information technology and business monitoring.

Upon receipt of a certificate of completion or a waiver from the SBDC at FAMU, the County will issue a SBE certificate. Consistent with Policy No. 96-1, only certified SBEs may compete for procurement opportunities reserved for exclusive competition among SBEs.

Analysis:

Participation in the SBE program has been extremely low, as small business representatives have been reluctant to go through the SBDC training. Efforts to get small businesses certified have included 300 mail-outs to MBEs and WBEs on two occasions and 2,734 mail-outs to relevant small businesses identified from the Leon County Tax Collector's Office.

To date, 46 business applications have been approved by the MWSBE Division for referral to SBDC and only one business has completed the SBDC needs assessment and certification process (that business was exempted from training based upon its needs assessment). Businesses question the need for training, feel the training takes too long and they do not have time for training while operating a business. Efforts to address such concerns have resulted in numerous meetings with SBDC to discuss ways to revise and accelerate the training process, which resulted in an abbreviated needs assessment.

The progress of the SBE program is hindered by businesses' reluctance to complete the small business training. Policy No. 96-1 stipulates in part that, "...Procurement opportunities may be reserved for exclusive competition among SBEs when: (i) at least three SBEs, with Certification in the relevant area, are available to compete for the procurement opportunity." MWSBE staff reviewed other cities' and counties' SBE programs to solicit ideas and found:

- Hillsborough County, which has MWBE and SBE programs, was the most interesting and comparable to Leon County: it does not have an up-front training, but requires eight hours of training prior to recertification. SBEs are immediately eligible to compete for procurement opportunities reserved for small businesses. SBE certification is valid for two years. Before the SBE can be recertified, a firm's principal must show evidence of having completed a minimum of eight hours of business-related training, which Hillsborough County does not pay for. Hillsborough County experienced some of the same reluctance of small businesses' participation in training. The Hillsborough County's Minority,

Women and Small Business Enterprise Newsletter states, "Some business owners have commented that they have been self-employed for a number of years and see no reason why they should have to take business training."

- Alachua County has a SBE program and no training is required for certification or recertification.
- Marion, Escambia, St. Lucie and Manatee counties were also contacted, but no significant information could be used to benchmark with Leon County's SBE program.

In light of the difficulties that Leon County is having with the required SBE training component and the similar issues experienced by Hillsborough County, staff recommends the elimination of the SBE training requirement. If the Board supports this concept, staff recommends:

- (1) Revising Policy No. 96-1, as detailed in Attachment #2, to eliminate the training component (changes are to Section 16(J) Certification Criteria and Section 16(M) Small Business Enterprise (SBE). To reduce the length of the attachments and provide for continuity, Section 16(J) through 16(M) is attached, with recommended revisions in legislative format (a copy of the full policy is at <http://www.leoncountyfl.gov/bcc/policy/pdf/12-02.pdf>); and
- (2) Terminating the Agreement with the SBDC at FAMU. The Agreement provides that, "Either party may terminate this Agreement with or without cause, by giving the non-terminating party thirty (30) days prior written notice of termination."

Fiscal Impact: On April 11, 2006, the Board approved the allocation of \$300,000, reflecting approximately two year's funding for the creation of a Leon County SBE Program. If the Board terminates the SBDC at FAMU Agreement with 30-days notice and funding for the OPS position were ended September 30, 2007, the remaining amount from the \$300,000 would be approximately \$263,606. These funds are therefore available for other economic development activities.

Business Accelerator, Vision 2020, LLC: As part of a March 28, 2006 workshop on economic development, the Board approved funding for the SBDC at FAMU Agreement and authorized future funding of a "business accelerator program." These actions were ratified on April 11, 2006. During a January 23, 2007 workshop, the Business Accelerator Oversight Committee presented an in-depth overview of the private venture capital business accelerator fund, Vision 2020. During the workshop, the Board approved an economic development grant in the amount of \$725,000 to Vision 2020 to capitalize initial start-up and operation of the fund, and directed staff to include \$300,000 in line item funding for the Board's consideration during the FY08 budget cycle. This \$300,000 in funding will be provided through: (1) the \$85,704 that was transferred from the County's contract with Klehr, Harrison, Harvey, Branzburg and Ellers, LLP (Klehr Harrison) to Vision 2020, LLC pursuant to action taken by the Board on February 27, 2007; and (2) \$210,000 would be allocated as a result of the elimination of prerequisite

training prior to SBE certification, and the resulting termination of the SBDC at FAMU Agreement, is the funding source for the FY08 Vision 2020, LLC funding.

Options:

1. Revise Policy No. 96-1 to eliminate training requirements for SBE Certification, as detailed in Attachment #2.
2. Terminate the SBDC at FAMU Agreement by issuing a 30-day notice.
3. Direct staff to provide \$210,000 in the FY08 budget for Vision 2020, LLC and authorize the County Administrator to execute documents to incorporate the additional funds in Vision 2020, LLC's economic development grant.
4. Do not revise Policy No. 96-1.
5. Do not terminate the Agreement with the SBDC at FAMU for SBE training and referral services.
6. Do not direct staff to provide \$210,000 in the FY08 budget for Vision 2020, LLC.
7. Board direction.

Recommendation:

Options #1, #2, and #3.

Attachments:

1. Agreement Between Leon County and Florida A&M University Board of Trustees – Small Business Development Center at FAMU for SBE training.
2. Recommended Revisions to the Purchasing, Minority, Women and Small Business Enterprise Policy No. 96-1, Sections 16(J) and 16(M).

AGREEMENT

THIS AGREEMENT dated this 10 day of ~~June~~ ^{July} 2006, by and between LEON COUNTY, FLORIDA a charter county and a political subdivision of the State of Florida, hereinafter referred to as the "County" and Florida A & M University Board of Trustees, hereinafter referred to as the "Contractor."

WHEREAS, the County has determined that it would be in the best interest of the citizens of Leon County, Florida, that the County be able to utilize the services of the Florida University system when such services cannot be reasonably provided by the County; and

WHEREAS, the County has determined that it would be better to contract for these services than to hire the necessary personnel to satisfy the needs of the County; and

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES TO BE PROVIDED

The Contractor hereby agrees to provide the services to the County as enumerated below and more fully described in Exhibit A, being incorporated into this Agreement and which is attached hereto, but only to the extent it is not inconsistent with the Agreement. Services provided by the Contractor through its Small Business Development Center (SBDC) shall include but not necessarily be limited to the following:

1. Conduct Small Business Needs Assessments to determine business strengths and weaknesses.
2. Conduct Small Business Training Workshops.
3. Certify Small Business Enterprise(s) as eligible to participate in Leon County's Small Business Enterprise (SBE) program when a Leon County based business owner has either scored 70 or greater on the Needs Assessment Form; or presented transcripts confirming passing grades on comparable training; or scored 75% or greater on the competency exams.

It is anticipated that the Contractor will serve approximately 150 Leon County based Small Business Enterprises per year as referred by Leon County and general public solicitations.

2. WORK

Any work to be performed shall be upon the written request of the County Administrator or his representative, which request shall set forth the commencing date of such work and the time within which such work shall be completed.

The performance of Leon County of any of its obligations under this Agreement shall be subject to and contingent upon the availability of funds lawfully expendable for the purposes of this Agreement for the current and any future periods provided for within the bid specifications.

3. TIME

The Agreement shall be for a period of 27 months, commencing on July 1, 2006, and shall continue until September 30, 2008. After the initial 27-month period, the County reserves the right to enter into a new agreement with the Contractor.

4. CONTRACT SUM

The Contractor agrees that for the performance of the Services as outlined above, it shall be remunerated by the County on a unit cost basis, consistent with Exhibit A, for a total cost not to exceed \$150,000 (estimated at \$75,000 per year) upon completion of the work and acceptance of it as satisfactory to Leon County. The \$150,000 will be used to provide program orientation, feasibility assessment, needs assessment and seminars/training as specified in Exhibit A, to small businesses located in Leon County.

Additionally, the County will purchase on a one-time, non recurring basis computers, monitors, and software, along with meeting space for use by the SBDC and SBE program participants ("One-time Costs") not to exceed the following limits:

- New computers and monitors at a maximum price of \$10,000 total;
- SBDC specialized software for computers at a maximum price of \$3,000 total;
- Meeting rooms at a maximum rental price of \$5,000 total.

All equipment, software and other materials purchased with County funds or donated by the County for use for the SBE program shall remain the property of Leon County. Upon termination of the SBE program, all computer equipment, software and other material purchased with county funds shall be returned immediately to the County for dispensation.

5. PAYMENTS AND REPORTING

The County shall make such payments within thirty (30) days of submission and approval of invoice for services. The Contractor shall submit to the County monthly reports and quarterly invoices which shall detail:

- Services provided to each program participant; documentation of unit costs being invoiced; and documentation that program participants meet the criteria for Eligible for SBDC Unit Prices Payments
- Number of program participants enrolled
- Number of SBE certified
- Relevant dates and times of training events conducted.

The Contractor shall invoice the County for SBE Program participants who meet the criteria for Eligible for SBDC Unit price Payments as certified by Leon County. The County will use the following criteria to determine the preliminary eligibility of an SBE participation in the SBDC training program.

1. Business must be located in Leon County.
2. Majority Owner(s) must be a United States citizen or lawfully admitted permanent resident of the United States.
3. Business must be independent and not an affiliate, front, façade, broker, or pass through.
4. Business must have a net worth no more than \$2 million.
5. Business must employ 50 or fewer full- or part-time employees, including leased employees.
6. Annual gross receipts on average, over the immediately preceding three (3) year period, shall not exceed:
 - For businesses providing Construction Services - \$2,000,000/year.
 - For businesses providing Other Services or Materials & Supplies - \$2,000,000/year.
 - For businesses providing Professional Services - \$1,000,000/year.

6. STATUS

The contractor at all times relevant to this Agreement shall be an independent contractor and in no event shall the Contractor nor any employees or sub-contractors under it be considered to be employees of Leon County.

7. INSURANCE

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Contractor's bid. Contractor is a part of the State University System of Florida as well as a Florida public body corporate. As such, liability coverage is provided by the State Risk Management Trust Fund pursuant to Chapter 284 and Section 768.28, Florida Statutes, and rules promulgated hereunder.

A. Minimum Limits of Insurance will be provided in accordance with applicable statutes. Contractor shall maintain limits no less than:

1. General Liability: \$100,000 per claim -- \$200,000 per occurrence.
2. Automobile Liability: \$100,000 per claim -- \$200,000 per occurrence.
3. Workers' Compensation and Employers Liability: Insurance covering all employees meeting Statutory Limits in compliance with the applicable state and federal.

B. Verification of Coverage. Contractor shall furnish the County with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the County before work commences. The County reserves the right to require complete, certified copies of all required insurance policies at any time.

C. Subcontractors: Contractors shall include all subcontractors as insured's under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to all of the requirements stated herein.

8. LICENSES

All subcontractors shall be responsible for obtaining and maintaining his city or county occupational license and any licenses required pursuant to the laws of Leon County, the City of Tallahassee, or the State of Florida. Should any subcontractor, by reason of revocation, failure to renew, or any other reason, fail to maintain his license to operate, the subcontractor shall be in default as of the date such license is lost.

9. ASSIGNMENTS

This Agreement shall not be assigned or sublet as a whole or in part without the written consent of the County nor shall the Contractor assign any monies due or to become due to him hereunder without the previous written consent of the County.

10. HOLD HARMLESS

In accordance with Section 768.28, Florida Statutes, Contractor accepts liability for personal injury and property damage attributable to the negligent or wrongful acts or omissions of the Contractor and its officers, employees and agents while acting within the scope of their employment by the Contractor.

11. AUDITS, RECORDS, AND RECORDS RETENTION

The Contractor agrees:

- a. To establish and maintain books, records, and documents (including electronic storage media) in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided by the County under this Agreement.
- b. To retain all client records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of five (5) years after termination of the Agreement; or if an audit has been initiated and audit findings have not been resolved at the end of five (5) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement.
- c. Upon completion or termination of the Agreement and at the request of the County, the Contractor will cooperate with the County to facilitate the duplication and transfer of any said records or documents during the required retention period as specified in paragraph 1 above.
- d. To assure that these records shall be subject at all reasonable times to inspection, review, or audit by Federal, state, or other personnel duly authorized by the County.
- e. Persons duly authorized by the County and Federal auditors, pursuant to 45 CFR, Part 92.36(l)(10), shall have full access to and the right to examine any of provider's Agreement and related records and documents, regardless of the form in which kept, at all reasonable times for as long as records are retained.
- f. To include these aforementioned audit and record keeping requirements in all approved subcontracts and assignments.

12. MONITORING

To permit persons duly authorized by the County to inspect any records, papers, documents, facilities, goods, and services of the provider which are relevant to this Agreement, and interview relevant clients and employees of the provider to assure the County of satisfactory performance of the terms and conditions of this Agreement.

Following such evaluation, the County will deliver to the provider a written report of its findings and will include written recommendations with regard to the provider's performance of the terms and conditions of this Agreement. The provider will correct all noted deficiencies identified by the County within the specified period of time set forth in the recommendations. The provider's failure to correct noted deficiencies may, at the sole and exclusive discretion of the County, result in any one or any combination of the following: (1) the provider being deemed in breach or default of this Agreement; (2) the withholding of payments related to the deficiencies to the provider by the County; and (3) the termination of this Agreement for cause.

13. TERMINATION

Either party may terminate this Agreement with or without cause, by giving the non-terminating party thirty (30) days prior written notice of termination. The County shall not be required to give Contractor such thirty (30) day written notice if, in the opinion of the County, the Contractor is unable to perform its obligations hereunder, or if in the County's opinion, the services being provided are not satisfactory. In such case, the County may immediately terminate the Agreement, after providing Contractor with fifteen (15) days to cure any deficiency, by mailing a notice of termination to the Contractor.

14. NON-WAIVER

Failure by the County to enforce or insist upon compliance with any of the terms or conditions of this Agreement or failure to give notice or declare this Agreement terminated shall not constitute a general waiver or relinquishment of the same, or of any other terms, conditions or acts; but the same shall be and remain at all times in full force and effect.

15. REVISIONS

In any case where, in fulfilling the requirements of this Agreement or of any guarantee, embraced in or required thereby it is necessary for the Contractor to deviate from the requirements of the bid, Contractor shall obtain the prior written consent of the County.

16. VENUE

Venue for all actions arising under this Agreement shall lie in Leon County, Florida.

17. CONSTRUCTION

The validity, construction, and effect of this Agreement shall be governed by the laws of the State of Florida.

WHERETO, the parties have set their hands and seals effective the date whereon the last party executes this Agreement.

CONTRACTOR

WITNESS: Francis James BY: Keith Jackson
Authorized Signatory

TITLE: Keith Vice President

WITNESS: Carole Bryant DATE: 6/26/06

(CORPORATE SEAL)

STATE OF Florida
COUNTY OF Leon

The foregoing instrument was acknowledged before me this 26th day of June, 2006.

By Keith Jackson of FAMU
(Name of officer or agent, title of officer or agent) (Name of corporation acknowledging)

a State of Florida corporation, on behalf of the corporation. He/she is personally
(State or place of incorporation)

known to me or has produced _____ as identification.
(type of identification)

Juanita F. Rackley
Signature of Notary

Print, Type or Stamp Name of Notary

Title or Rank

APPROVED AS TO FORM
FAMU OFFICE OF THE GENERAL COUNSEL
Dura R. Thomas 6/19/06
Date

Serial Number, If Any



LEON COUNTY, FLORIDA

Attachment # 1
Page 7 of 11

BY: *Bill Proctor* - Vice Chairman
Bill Proctor, Chairman
Board of County Commissioners

DATE: 7-10-06



ATTEST:
BOB INZER, CLERK OF THE COURT
LEON COUNTY, FLORIDA

By: *Bob Inzer*

APPROVED AS TO FORM:
LEON COUNTY ATTORNEY'S OFFICE

By: *Herbert W.A. Thiele*
Herbert W.A. Thiele, Esq.
County Attorney

1. SBDC's Objectives:

- a. To promote the establishment and expansion of viable small businesses in Leon County by providing educational, technical assistance and financial resources necessary to secure Leon County contract opportunities.
- b. To support the growth and expansion of existing businesses located in Leon County by ensuring access to training and economic development programs designed to facilitate job creation and increased capital investment.
- c. To assist small businesses to effectively compete in local and global markets by providing access to training, mentorship and business infrastructure offered via collaboration between SBDC and other area educational institutions, public organizations and private sector partners.
- d. To promote community revitalization, as evidenced by increased business starts, business expansions, job creation and homeownership, by applying traditional economic development principles and practices in cooperation with area economic development organizations and stakeholders.

2. SBDC Program Overview:

- a. The SBDC is part of a national network that has more than 1,100 business development centers nationwide and is a member of the Florida SBDC Network and ASBDC. SBDCs represent the largest service delivery network of the U.S. Small Business Administration. The U.S. Small Business Administration (SBA) administers the Small Business Development Center Program to provide management assistance to current and prospective small business owners. SBDCs offer one-stop assistance to individuals and small businesses by providing a wide variety of information and guidance in central and easily accessible branch locations. The Florida A & M University's SBDC is one of ten in the state, receiving grant funding from the U.S. Small Business Administration via the University of West Florida.
- b. The SBDC collaborates with a number of partners to provide fundamental training and information to start-ups and fledgling businesses. The SBDC coordinates training, technical assistance workshops and one-on-one counseling to ensure that all new businesses receive the information needed to organize properly and operate efficiently. Private sector experts are brought in to provide industry specific insights to program participants. The SBDC team includes several certified business analysts and volunteers from community partner organizations. The SBE Program will train businesses located in Leon County in fundamental areas of business management and operations, as well as, the relevant procurement/government contracting processes.

3. Services to be Provided by the SBDC in Support of Leon County's SBE Program Include:

- a. At no cost to the County, the SBDC shall provide businesses services including, but not necessarily limited to the following:
 - 1. SBDC Program Orientation
 - 2. Feasibility Assessment
- b. At a cost not to exceed the SBDC stipulated unit cost, the SBDC shall provide training and seminars to small businesses, based on their individual needs as determined through the needs assessment, including but not necessarily limited to the following:
 - 1. Management Strategies for Small Businesses
 - 2. Business Plan Development
 - 3. Contracts, Specifications, and Law
 - 4. Finances, Financial Planning, and Money Management Workshops

5. Taxes and Licenses
6. Small Business Financing Options
7. Human Resources Development and Support Services
8. Marketing and Advertising
9. Information Technology
10. How to do Business with Government and other Public Sector Entities
11. Business Monitoring and Site Visits

c. At no cost to the County, the SBDC shall certify Small Business Enterprises as completing, or exempted from completing, the SBDC training program (which is one criteria for eligibility to participate in the Leon County SBE Program) based upon the following:

i. SBDC program participants who have successfully completed or exempted all required small business training prescribed as a result of conclusions derived from the Business Needs Assessment. Subject to a case-by-case review by the SBDC, SBEs may exempt one or more of the SBE program courses if:

1. the small business owner scores a 70 or greater on the SBE Needs Assessment Form; or,
2. the small business owner can present transcripts from state-approved universities or community colleges confirming successful completion (indicated by a passing grade of C or better) of a class providing comparable training; or,
3. the small business enterprise scores at or above the 75% on the required competency exams offered at the end of each course as outlined in this exhibit.

ii. Additionally, SBEs attempting to exempt all courses listed in this exhibit must demonstrate:

1. the business has been in operation for three years; and
2. the business can demonstrate a working knowledge of the Leon County procurement process; and
3. the business must have successfully executed a Leon County contract(s) within three years prior to submitting the SBE program application.

d. Leon County, not the SBDC, shall be responsible for certifying businesses as eligible for participation for in Leon County's SBE, MBE and WBE program.

4. SBDC Process Summary:

b. For SBDC Participants/Clients:

- i. Walk-ins or referrals must first complete a Business Needs Assessment. The purpose is to get a sense of the prospect's knowledge areas, strengths, weaknesses, feasibility of their business idea, opportunities, threats, etc. Additionally, SBDC staff should consider other partners or programs that may be relevant to the project.
- ii. SBDC staff inputs client information into the SBDC computer system.
- iii. SBDC staff generates a Memo of Recommended Action for the client to the SBDC Director. Memorandum will describe client's status; outline strengths or areas of need, recommend training or technical assistance required (and schedule for attendance/participation), partner referrals, etc.
- iv. A SBDC Certified Business Analyst (CBA) shall schedule an appointment to conduct and complete the business plan.
- v. A SBDC CBA will finalize a training calendar with client.
- vi. A SBDC CBA will contact partners to support business development.

- vii. For Business Retention Expansion, a SBDC CBA shall conduct a site visit and an economic development analysis.
- viii. A SBDC CBA shall provide all necessary follow-up correspondence and telephone calls.

c. Leon County Referral:

- i. Once the client has completed the required training and counseling per SBDC programming, the SBDC CBA will review the services matrix with the client to determine which partner(s) are to provide the next level of support.
- ii. The SBDC CBA will provide the client with referral information and transmit client progress report to partner for assessing and to Leon County for finalization of SBE Program Eligibility.
- iii. Client is responsible for meeting with the service provider(s).
- iv. The SBDC CBA will follow up with the partner to determine clients' progress.
- v. Leon County will meet quarterly with the SBDC and its partners to discuss the SBDC referral program.

5. SBDC Unit Costs:

- vi. It is anticipated that the SBDC will provide services to approximately 150 Small Business Enterprises each year, which have been referred to the SBDC by Leon County and through general solicitation.
- vii. The SBDC shall not charge or accept payment from SBDC Program Participants for services paid to the SBDC by Leon County.
- viii. Leon County shall pay the SBDC the following Unit Costs (Table 1) for SBDC Program Participants. Said Unit Costs shall be paid to the SBDC only upon presentation by the SBDC to Leon County of acceptable invoicing and supporting documentation.
- ix. Table 1 – Unit Costs:

TABLE 1 – SBDC Unit Costs			
Unit Description	Estimated Units Per SBDC Participant	Billable Units & Billable Unit Cost Rates	Total Estimated Unit Costs Per SBDC Participant
Classroom Instruction	24 hours of Classroom Instruction (described in Section 3B)	Billed Hourly @ \$15/hour	\$360
Individualized Technical Assistance – Technical Counseling	5 hours of individualized counseling	Billed Hourly @ \$20/hour	\$100
Class Materials (handouts and information packages)	One time costs for SBDC participants for all materials distributed to the SBDC participants by the SBDC	Billed as a One Time Cost of \$40	\$40
Total Estimated Cost Per SBDC/SBE Participant			\$500
Total Estimated SBDC Unit Costs			\$500/participant x 150 participants = \$75,000

BUDGET NARRATIVE

Leon County Small Business Enterprise Program

Contractual Period- The agreement shall be for a period of 27 months, beginning on July 1, 2006-September 30, 2008.

Personnel

SBDC Director will be responsible for the overall training, program implementation and technical assistance. The SBDC Director will be the primary person interacting with Leon County and Small Business Enterprise(SBEs).

Travel

This contract will not require travel or result in the generation of any peripheral expenses.

Equipment

The proposed Agreement further stipulates that Leon County would purchase computers and software for small business owners' use, as well as meeting room space for large orientations and training, at a total cost not to exceed \$18,000. The computers and software remain the property of Leon County. This contract will not purchase equipment.

Other Expenses

The SBDC will service approximately 150 Small Business Enterprises per year and referred by Leon County and through general solicitation.

Costs for each participant are as follows:

- Class-room instruction (24 hrs of SBE training at a rate of \$15/hour) = \$360.00
- Technical Assistance (5 hrs of individualized counseling at a rate of \$20/hour) = \$100.00
- Class materials (hand outs and information packet at a rate of \$40/packet) = \$40.00
- Total (per SBE participant) \$500.00

Total SBE program participants = 150 or approximately 75 per year.

Total cost for all SBE program participants per year (150 x \$500.00) = \$75,000

Total cost for life of the pilot program (\$75,000/year x 2 years)= \$150,000

and/or participating in any future County contracts for up to three (3) years as provided in Section 15 of the Purchasing Policy.

- d. Reporting – Prime Contractors with MWSBE participation shall submit a monthly report of the work done by: the invoices submitted to the County, payments received, and payments made to each MBE, WBE and SBE as a part of each project.
- e. Payments - Contracts and purchase orders shall contain the payment schedule. An MBE, WBE or SBE may seek expedited payment in case of hardship by notifying the MWSBE Director or Purchasing Director, and in such cases, the County may provide expedited payments when determined to be reasonably necessary, provided all work or services have been satisfactorily performed.
- f. On-Site Monitoring - The MWSBE Division may perform on-site monitoring of MWSBE utilization on County projects. Monitoring may consist of scheduled or unscheduled project site visits. This does not exclude Contract monitoring expected by other County staff responsible for the project in the performance of their regular duties.
- J. Certification Criteria – For Certification as a MBE, WBE or SBE, the Applicant must meet all of the following Criteria as noted; businesses may be Certified as a: (1) MBE; (2) WBE; (3) SBE; (4) MBE/SBE; or (5) WBE/SBE:

MBE, WBE and SBE Certification Eligibility Criteria			
Certification Eligibility Criteria	Type of Certification (must meet ALL marked criteria)		
	MBE	WBE	SBE
Majority Owner(s) must be a Minority or Minorities who manage and Control the business. In the case of a publicly owned business, at least 51% of all classes of the stock which is owned shall be owned by one or more of such persons.	X		
Majority Owner(s) must be a Woman or Women who manage and Control the business. In the case of a publicly owned business, at least 51% of all classes of the stock which is owned shall be owned by one or more of such persons.		X	
Majority Ownership in the business shall not have been transferred to a woman or minority, except by descent or a bona fide sale within the previous 2 years.	X	X	
Majority Owner(s) must reside in Leon, Gadsden, Jefferson or Wakulla county Florida.	X	X	X
Majority Owner(s) must be a United States citizen or lawfully admitted permanent resident of the United States.	X	X	X
Business must be legally structured either as a corporation, organized under the laws of Florida, or a partnership, sole proprietorship, limited liability, or any other business or professional entity as required by Florida law.	X	X	X
Business must be Independent and not an Affiliate, Front, façade, broker, or pass through.	X	X	X
Business must be a for-profit business concern.	X	X	X
Business must be currently located within the Market Area.	X	X	X
Business must have all license required by local, state and federal law.	X	X	X
Business must currently be licensed and engaging in commercial transactions typical of the field, with customers in the Local Market Area other than state or government agencies, for each specialty area in which Certification is sought. Further, if a Supplier, business must be making sales regularly from goods maintained in stock.	X	X	X
Business must have expertise normally required by the industry for the field for which Certification is sought.	X	X	X
Business must have a net worth no more than \$2 million.	X	X	X
Business must employ 50 or fewer full- or part-time employees, including leased employees.	X	X	X
Annual gross receipts on average, over the immediately preceding three (3) year period, shall not exceed: - For businesses performing Construction – \$2,000,000/year.	X	X	X

- For businesses providing Other Services or Materials & Supplies - \$2,000,000/year.			
- For businesses providing Professional Services - \$1,000,000/year.			
Small Business Management Training completed and accepted or waived by the FAMU Small Business Development Center			X



K. Certification and Recertification Process

- a. Application -
 - i. Persons seeking Certification shall complete a Certification Application, which provides the MWSBE Division with information regarding the name and address of the company and its owner(s), the gender/race of the Owner(s), a listing of the type of commodities/services it provides, the Vendor's work/contract history and past earnings, and other relevant information necessary for the determination of Certification eligibility.
 - ii. Certification Application attachments, such as "Proof of Ownership" with the Applicant's name listed on it, a copy of the applicant's most recent pictured identification also indicating race and gender (if seeking MBE or WBE Certification), the most recent financial statements for the company, as well as the other required documents listed on the Certification Application, shall accompany the completed and notarized Certification Application. Copies of MWSBE Certifications(s) from other governmental agencies shall also be included, where applicable.
- b. Application Evaluation Period - The MWSBE Division shall review, evaluate and make a determination as to whether an Applicant is certifiable within thirty (30) days of receipt of a complete Certification Application, with all applicable attachments.
- c. Certification Approvals - If the Applicant is deemed certifiable, they will be notified of their Certification approval in writing through a letter of Certification and a certificate, which indicates the expiration date of their certification.
- d. Certification Denials - If an Applicant who has submitted a Certification Application is determined not certifiable based on information provided on the Certification Application, including attachments, or as a result of the MWSBE Division's investigation and research, the Certification Application will be denied. Submission of fraudulent information, by or on the behalf of the Applicant as part of the Certification process, is grounds for Certification denial. The Applicant will then be notified in writing of the denial of their Certification. Such official denial notification shall include notice to the Applicant of their right to appeal their denial and of the appeal process.
- e. Appeals of Certification Denials - An Applicant may appeal their Certification denial by presenting written notice of their appeal to the MWSBE Director within ten (10) business days after the Applicant's receipt of the Certification denial letter. An appeal of a Certification denial will be heard by the MWSBE Citizen Advisory Committee.
- f. Denied Application May Not Resubmit - Applicants whose request for Certification has been denied by the MWSBE Division shall not be eligible to submit a new Certification Application for six (6) months after the notice of Certification denial.
- g. Certification Period - Unless otherwise provided, Certification is valid for two years.
- h. Recertification -
 - i. MBEs, WBEs and SBEs are required to submit a Certification Application biannually for a review of and potential continuation of the Certification status.
 - ii. The MWSBE Division will send written notification to the Certified MBE, WBE or SBE, no later than sixty (60) days prior to the Certification expiration date, along with a Certification Application and instructions for completion and submission.
 - iii. Certification Applications submitted for recertification consideration shall be received by the MWSBE Division no later than the last effective date of the current Certification. Certification Applications submitted for recertification consideration received after expiration of the current Certification will not be considered, unless the reason for the delay is accepted and approved by the MWSBE Division, at which time a one-time extension of their certification not to exceed 30 days may be granted.
 - iv. Procedures relevant to the review of the Certification Application, Certification Approvals, Certification Denials, Appeals of Certification Denials, and Certification Periods, provided

for in this Section, shall be the same for the Applications for recertification as for the initial Certification Application.

- i. Notification of Changes – MBEs, WBEs and SBEs shall notify the MWSBE Division of any changes in the Certified business, during the Certification period, which may impact the Certification (such as a change in Ownership or in the types of services and/or commodities being provided). If such changes occur during the Certification period, the business' Certification status may be reevaluated.
- j. Certification Reevaluation - The County reserves the right to reevaluate an MWSBE's Certification at any time during the Certification period, and to rescind Certification if it is found that the business is not certifiable.
- k. Certification From Other Agencies - The MWSBE Program may accept MBE, WBE and SBE Certifications from parties to THE MWBE INTER-LOCAL AGREEMENT (such parties currently include the City of Tallahassee, Leon County, and the Leon County School Board; however, such parties may change from time to time without notice or revision to this policy). Further, the MWSBE Division reserves the right to review the Certification process and documentation utilized by an outside certifying agency; request clarification or additional information from the certified business; to delay acceptance of certification while it is being reviewed; and to deny certification any time during the Certification period.
- l. The MWSBE Division may, based upon the provisions of this policy, determine to approve certifications that only apply to the County procurement process due to the difference in the policies between the County, City of Tallahassee and the Leon County School Board.

L. Decertification and Right of Appeal

- a. The MWSBE Program reserves the right to revoke Certification at any time such action is deemed reasonably necessary. Grounds for revocation of Certification include, but are not limited to, the following:
 - i. Submission of fraudulent information, by or on the behalf of the Applicant for Certification or by or on the behalf of the MBE, WBE or SBE either as part of the Certification process or as part of a procurement or contract process.
 - ii. Failure to promptly report any change in Ownership or Control of the business.
 - iii. Failure to promptly report any name, address or telephone number changes of the business.
 - iv. Failure to respond to requests for information from the MWSBE Division.
 - v. Fraudulent representation or participation on County projects or contracts, or breach of contract with the County.
 - vi. Revocation by a party to the MWBE INTER-LOCAL AGREEMENT
- b. Any business having its Certification revoked by the MWSBE Division shall have the right to appeal such Certification revocation, following the same process as Appeals of Certification Denials.

M. Small Business Enterprise (SBE)

- a. SBE Orientation - The County shall conduct periodic meetings to educate SBE's about the program and about general matters relating to participating in County procurement opportunities. SBEs shall be required to attend at least one such meeting prior to or within ninety (90) days after becoming Certified. The MWSBE Division may require SBEs to attend periodic follow-up meetings, but no more than once every two years. Failure to attend such meetings shall be grounds for decertification for such up to twelve (12) months, as determined appropriate by the MWSBE Division.

~~b. Small Business Development~~

- ~~i. The County shall enter into an agreement with the Florida A&M University Small Business Development Center (SBDC) to provide training assistance to individuals with small businesses located in Leon County interested in beginning a small business for the first time or improving or expanding an existing small business.~~

ii. ~~SBDC services are anticipated to include:~~

- ~~1) Completing a business needs assessment on all new clients to identify deficiencies and tailor appropriate training, counseling and technical assistance.~~
- ~~2) Providing counseling, training and technical assistance in all aspects of small business management, the development of business plans, small business assistance for financial, marketing, production, organization, engineering and technical issues and feasibility studies.~~
- ~~3) Tracking the client's success throughout the training.~~
- ~~4) Certifying the client, upon successful completion of the training and counseling, as a small business and referring them to the MWSBE Program for Certification and participation in Leon County purchasing and contracting opportunities.~~
- ~~5) Completing a progress report and referral of the client to SBDC partners for subsequent levels of support and competitive procurement opportunities.~~
- ~~6) Providing bonding assistance to small businesses and identify quality surety companies to participate in the bonding program.~~

b.e. SBE Graduation - A SBE that has participated in the SBE Program for a total of six years shall graduate from the SBE Program and is no longer eligible for Certification as a SBE. Graduation of an SBE shall not effect the contribution made by the SBE toward satisfaction of an Aspirational Target if the work was identified in a bid or RFP proposed to be performed by the SBE prior to the date of SBE Graduation and the bid or RFP opening date occurred prior to the SBE Graduation date.

c.d. Reserving Procurement Opportunities for Exclusive Competition Among SBEs - Procurement opportunities may be reserved for exclusive competition among SBEs when:

- i. At least three SBEs, with Certification in the relevant area, are available to compete for the procurement opportunity;
- ii. Permissible by law; and
- iii. Such limited competition has been recommended by the appropriate authority as stipulated:

Criteria for Reserving Procurement Opportunities for Exclusive Competition Among SBEs			
Business Category	Estimated Procurement Value (Estimated Contract Cost)	Minimum Number of Available SBEs, Certified in Procurement Opportunity Area	Authority that Recommends Reserving Procurement Opportunity for Exclusive Competition Among SBEs
Construction - Prime Contractor	\$100,000 or less	Three (3)	¹ Committee Concurrence (MWSBE Director, Purchasing Director and Project Director or Division Director responsible for the project/budgeted expense)
Professional Services	\$50,000 or less	Three (3)	¹ Committee Concurrence (MWSBE Director, Purchasing Director and Project Director or Division Director responsible for the project/budgeted expense)
Other Services	\$25,000 or less	Three (3)	¹ Committee Concurrence (MWSBE Director, Purchasing Director and Project Director or Division Director responsible for the project/budgeted expense)
Materials & Supplies	\$25,000 or less	Three (3)	¹ Committee Concurrence (MWSBE Director, Purchasing Director, Project Director or Division Director responsible for the project/budgeted expense)
¹ Committee Concurrence – If consensus can not be reached, the Management Services Director shall make the final decision. Such agreement between the committee members can be gained via any reasonable means of communication, such as a face-to-meeting, over the phone or via e-mail. Documentation of such concurrence shall be retained with the procurement records.			

N. Outreach - A continuing effort of the County involves identifying SBEs, MBEs and WBEs capable of providing goods and services and ensuring that staff, through business community interactions, are