

**LOS ANGELES WORLD AIRPORTS (LAWA)
DBE PROGRAM
FREQUENTLY ASKED QUESTIONS**

1. What is a DBE?

A Disadvantaged Business Enterprise (DBE) is a “small business concern” as defined by the Small Business Administration that is at least 51% owned by one or more socially and economically disadvantaged individuals, *and* the management and daily business operations are controlled by one or more of these socially and disadvantaged owners. These firms are essentially the same as MBEs and WBEs except that the size of the firm is also a factor. Federally-funded or federally-assisted projects use DBEs rather than MBE and WBEs. The qualifying size of a firm depends on the type of industry. For assistance regarding size standards per industry, contact the Certification Helpline at (213) 847-1922.

2. If I am a DBE, how do you count my participation?

Under federal guidelines, a prime who is a DBE has 100% participation.

3. Can I be penalized for failing to meet the level of DBE participation level established for this project?

If a prime contractor proposes a DBE subcontracting level at or higher than the level set for the project, LAWA will verify the DBE certification status of the subcontractor(s) and credit the prime for the DBE participation. If a prime contractor proposes a DBE subcontracting level lower than the level set for the project, LAWA will request the prime to submit documentation demonstrating its good faith efforts to outreach to DBEs to participate on the project. Failure to submit the requested good faith effort documentation within three days of notification by LAWA or failure to pass good faith effort evaluation will render the bid/proposal non-responsive and will result in its rejection.

4. How does a firm get certified?

Firms seeking DBE status must submit an application and supporting documentation to the Bureau of Contract Administration (BCA). The information is reviewed, references are verified, and a financial review is performed to determine whether an applicant qualifies as a DBE. Firms have the right to appeal. For an application, please contact the BCA at (213) 847-1922.

5. Does LAWA recognize certification from the Los Angeles County Metropolitan Transportation Authority (MTA)?

Yes. The City of Los Angeles has a reciprocity agreement with MTA, and the two agencies recognize one another's certifications. Your firm's MTA certification will be counted toward participation levels for LAWA contracts with DBE goals.

6. Does LAWA recognize Caltrans certification?

Yes. Your firm's Caltrans certification will be counted toward participation levels for LAWA contracts with DBE goals.

7. What is a Joint Venture?

Joint venture means an association of a DBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the DBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

8. Is it possible to turn in the listing of DBE subcontractors after the bid/proposal due date?

While it is common in the construction industry to assemble a bid shortly before the submission deadline, firms selected as subcontractors should have been identified prior to the due date and must be listed on the Subcontractor Participation Plan.