



Tips and Tools for Inclusive Contracting

Volume 1, Issue 2

Summer 2023

How to qualify as a Washington “small business”

Key steps for helping small, diverse companies land business with the state

The Washington State Department of Transportation strives to secure a certain percentage of its procurement and construction contracts with small businesses (5%) and firms owned by minorities (10%), women (6%) and veterans (5%). But to land contracts with WSDOT or its prime contractors on big construction projects, there are certain things these smaller companies can and must do.

Let's take a look at what those steps are.

Step 1: Register in WEBS (required)

All businesses that want to provide goods or services to WSDOT must be registered with Washington's Electronic Business Solution, or WEBS. The registration process also allows companies to self-certify that they meet the state's official status as a “small business” (see the sidebar at right for details). That status gives companies preference points when seeking state contracts.

Small, diverse and veteran-owned businesses also can profile their companies on the WEBS website and request notices of all upcoming state contracts matching their business specialty. Washington State Veteran-owned firms are listed in the Washington State Department of Veteran Affairs searchable directory.

Step 2: OMWBE certification

Small businesses with at least 51% ownership by minorities or women can further raise their visibility for contract opportunities with state and local government by certifying their firms online with the state Office of Minority and Women's Business Enterprises (OMWBE). This certification process involves a thorough vetting of a company. Supporting documentation is required with an application.

Being certified with OMWBE offers important benefits:

- Eligibility to pursue contracts on state-funded projects that specifically target small firms owned by minorities or women.
- Exposure to private-sector companies, such as large construction contractors, that use OMWBE's directory of certified firms to find and recruit subcontractors, thereby helping the bigger companies meet inclusive-contracting goals.
- Ability to become certified as a Disadvantaged Business Enterprise (DBE), which gives small, diverse companies an advantage on federally funded contracts.

See page 2 for more on the advantages of WEBS registration and OMWBE certification.


How the state defines a “small business”

Under RCW 39.26, it's any in-state business entity, including a sole proprietorship, corporation, partnership, or other legal entity, that certifies, under penalty of perjury, that it is owned and operated independently from all other businesses, and has either:

- 50 or fewer employees, or
- A gross revenue of less than \$7 million annually as reported on its federal income tax return or its return filed with the Department of Revenue over the previous three consecutive years, or
- Is certified as a small business with the Office of Minority and Women Business Enterprises under RCW chapter 39.19

Tips and Tools

The Washington State Department of Transportation periodically publishes Tips and Tools to provide small businesses owned by minorities, women or veterans with useful information on potential contract opportunities with WSDOT and other government agencies.

Options for obtaining state small-business designation	Advantages
<p>OMWBE certification</p> <ul style="list-style-type: none"> • Administered by the Washington State Office of Minority and Women Business Enterprises • For more information, see the OMWBE's State Certification webpage: omwbe.wa.gov/certification/state-certification 	<ol style="list-style-type: none"> 1. Certified businesses are listed in a searchable directory, making them easy to locate. 2. Companies often look for state-certified firms to meet inclusive contracting goals. 3. Certified companies can apply for Disadvantage Business Enterprise (DBE) state on projects that receive federal funds. 4. Certification makes companies eligible for the Linked Deposit Program, which can decrease interest rates on small-business loans by up to 2 percentage points.
<p>WEBS registration</p> <p>Businesses that are interested in contracts with the state must register in Washington Electronic Business Solutions (WEBS), administered by the state Department of Enterprise Services at des.wa.gov.</p> 	<ol style="list-style-type: none"> 1. WEBS registration grants eligibility for doing business with WSDOT and other state agencies. 2. State agencies post bid opportunities in WEBS for goods and services they need. 3. When registered in WEBS, businesses can receive notices of upcoming contract solicitations that match companies' specialties (i.e., their "commodity codes"). 4. State and local government agencies, tribal governments and nonprofits annually purchase more than \$2 billion worth of goods and services from WEBS-registered businesses. 5. 4. The state Department of Veterans Affairs teams with WEBS to cross-promote business

Contact us:



Washington State Department of Transportation

Regina Glenn, Diversity and Inclusion Manager for WSDOT Megaprograms

(425) 503-7212
GlennRe@Consultant.wsdot.wa.gov

Title VI notice to public: It is the Washington State Department of Transportation's (WSDOT) policy to assure that no person shall, on the grounds of race, color, national origin or sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against under any of its federally funded programs and activities. Any person who believes his/her Title VI protection has been violated, may file a complaint with WSDOT's Office of Equity and Civil Rights (OECR). For additional information regarding Title VI complaint procedures and/or information regarding our non-discrimination obligations, please contact OECR's Title VI Coordinator at (360) 705-7090.

Americans with Disabilities Act (ADA) Information: This material can be made available in an alternate format by emailing the Office of Equity and Civil Rights at wsdotada@wsdot.wa.gov or by calling toll free, 855-362-4ADA(4232). Persons who are deaf or hard of hearing may make a request by calling the Washington State Relay at 711.