

**WAC 326-40-060 Determining compliance and counting participation at time of bid opening.** (1) When a contract is to be awarded to a certified business that performs a commercially useful function as the prime contractor/consultant/vendor, the total contract value may be counted toward the contract goal according to the certification status of the business as follows:

(a) Minority business enterprise (MBE): One hundred percent toward the MBE goal;

(b) Women's business enterprise (WBE): One hundred percent toward the WBE goal;

(c) Minority woman business enterprise (MWBE): One hundred percent toward the MBE goal or the WBE goal, but not both;

(d) Combination business enterprise (CBE): Fifty percent toward the MBE goal and fifty percent toward the WBE goal. This procedure is to be used when the contract contains an either/or goal or separate goal requirements. When the contract contains only an MBE requirement or a WBE requirement, only one-half of the dollar value of the CBE's total participation may be counted toward the single goal. A state agency or educational institution will receive credit for the remaining fifty percent toward its annual goal attainment.

(2) When a contract is to be awarded to a joint venture that is approved pursuant to WAC 326-40-100, the dollar value of the portion of the work performed by the certified business may be counted, on a percentage basis, toward the contract goal as set forth in subparagraphs (1)(a-d) of this section; provided, the certified business performs a commercially useful function in the work of the contract.

(3) Subcontractors and subconsultants.

(a) When a certified business performs a commercially useful function as a subcontractor or subconsultant, the dollar value of the work performed by the certified business may be counted toward the contract goal as set forth in subparagraphs (1)(a-d) of this section.

(b) When a certified business is awarded a subcontract on a heavy construction, highway, or street construction project, expenditures to the certified business shall not be counted toward the contract goal if the business subcontracts more than twenty-five percent of the total amount of its own subcontract to a noncertified business.

(4) Suppliers.

Where a certified business is the manufacturer or a regular dealer of materials or supplies required under a contract, one hundred percent of the dollar value of the materials or supplies to be provided may be counted toward the contract goal according to the certification status of the business.

(5) Brokers.

Where a certified business is a broker of goods, materials or supplies required under a contract, effective June 6, 1996, the value of the goods, materials, or supplies will not be counted. Only the dollar value of the fee or commission charged or twenty percent of the total dollar value (five percent for food brokers) of the goods, materials, or supplies required for performance of the contract, whichever is greater, may be counted toward the contract goal according to the certification status of the business.

(6) Where a certified business is a hauler, trucker, or delivery service, but not also a regular dealer or the manufacturer of the materials or supplies required on the job site, only the dollar value of the fees charged to deliver the materials or supplies required may be counted toward the contract goal according to the certification status of the business.

(7) Where a certified business is a travel agency, or other business performing similar functions, twenty percent of the dollar value charged for providing a bona fide service in the procurement of transportation may be counted toward the contract goal according to the certification status of the business.

(8) Where a certified business provides bonds or insurance specifically required for the performance of a contract, the dollar value charged for providing the bonds or insurance may be counted toward the contract goal according to the certification status of the business.

[Statutory Authority: RCW 39.19.030(7). WSR 96-24-085, § 326-40-060, filed 12/3/96, effective 1/3/97; WSR 94-07-064, § 326-40-060, filed 3/14/94, effective 4/14/94; WSR 92-20-079 and 92-20-124, § 326-40-060, filed 10/6/92 and 10/7/92, effective 11/6/92 and 11/7/92.]