

City of Austin

Small & Minority Business Resources (SMBR)

***Certification Requirements-Site Audits
Presentation to MBE/WBE and Small
Business Advisory Committee***

February 5, 2013



Why Site Audits?

- Site Audits are a very key component to determine eligibility for certification.
- To verify applicant firm has equipment and resources to conduct business in areas of specialty.
- To review and visually inspect information provided on the application.
- Verify business location and interview applicant(s).
- Verify independence from other firms.



What Type of Firms Receive Site Audits?

- Required on all construction and construction related firms.
- Conducted on all hauling firms.
- Conducted on all firms indicating inventory or equipment to sell materials/products.
- All DBE Applicants per federal regulations.
- All local firms if SMBR has questions concerning eligibility.
- City of Austin onsites are limited to Bastrop, Caldwell, Hays, Travis, & Williamson counties. We can and have requested Site Audits from other agencies.
- SMBR conducts either an onsite audit or phone audit on all initial applications.



Construction Firms

- SMBR reviews:
 - Industry specific equipment (i.e. trailer, backhoe, tractor, bulldozer).
 - Library of industry specific questions (i.e. electrical, concrete, underground utility, earthwork).
- Items received:
 - Ownership documents, lease agreement for equipment.
 - License to operate equipment if required. If license holder not owner, what is their relationship to company.
 - Previous contracts/invoices if applicable.



Hauling Firms

- SMBR reviews:
 - Ownership or long term lease for at least one truck.
 - Visual inspection of operable truck(s).
 - TX DOT registration and insurance.
- Items received:
 - Titles or lease agreements for trucks used for business operations.
 - Verification from TX Department of Motor Vehicle view information/website.
 - Current CDL from owner or employee of firm.



Professional Services Firms

- SMBR reviews:
 - Industry specific equipment for Architectural, Engineering, Surveying, CPA type companies (computers, plotters, office equipment, etc.).
 - License in area(s) of specialty (company /individual licenses).
 - Previous contracts/invoices in field if applicable.
 - Site Audits are not always conducted on professional services firms.



Commodities

- SMBR reviews:
 - All supplier/manufacturer representative arrangements to distribute or sell goods by applicant firm.
 - All inventory or equipment to determine if firm will be certified as a supplier/regular dealer, manufacturer, or broker.
 - Note: In bulk items such as petroleum, cement, steel, gravel, or asphalt, the applicant firm does not have to carry an inventory, but must own and operate distribution equipment.
- Most firms are not storing inventory due to overhead cost.



Other Site Audit Information

- DBE regulations require certification entities to perform site audits every three years on certified firms.
- Applicants can be denied for refusing a site audit request. (Rule 3.2.4)
- Site Audits can be performed at the discretion of SMBR anytime during the certification term. (Rule 3.3.2)
- Codes are always reviewed to determine what equipment or inventory to look for at onsite.
- Brokers, suppliers/dealers, and manufacturers are all legal business models eligible for certification.



Contact/Questions

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