



# LOCAL BUSINESS CONTRACT EQUITY (LBCE) PROGRAM

## Goal Participation Guide

This document is designed to serve as a quick reference guide on the Local Business Contract Equity (LBCE) Program’s Local Business Enterprise (LBE), Small LBE (SLBE), and/or Very Small LBE (VSLBE) goals that may apply to professional services and construction contracts funded by Measure B, Measure BB, and Vehicle Registration Fee (VRF). For additional assistance, please contact Valerie Vijil ([vvijil@alamedactc.org](mailto:vvijil@alamedactc.org)).

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**I. RESOURCES**

- a. [www.alamedactc.org/contract-equity](http://www.alamedactc.org/contract-equity)
  - i. 2017 Local Business Contract Equity (LBCE) Program Policy Adopted December 7, 2017
  - ii. Certified Firms Database
- b. [www.alamedactc.org/contracting-forms](http://www.alamedactc.org/contracting-forms)
  - i. LBCE Participation Calculation Worksheet

**II. APPLICABLE GOALS AND CERTIFICATION STATUS HIERARCHY**

**Table 1. Applicable Goal(s) by Contract Type**

| TYPE OF CONTRACT   | LBE GOAL | SLBE GOAL | VSLBE GOAL |
|--|----------|-----------|------------|
| 1. <b>Construction:</b> Contract over \$75,000   | 60.0%    | 20.0%     | -          |
| 2. <b>Construction:</b> Contract greater than \$25,000 and equal to or less than \$75,000          | -        | -         | -          |
| 3. <b>Professional Services:</b> Contract over \$75,000  | 70.0%    | 30.0%     | N/A        |
| 4. <b>Professional Services:</b> Contract greater than \$25,000 and equal to or less than \$75,000 | -        | -         | 30.0%      |

Table 1 Note: This table displays the same information as Table 1 (Summary of Goals) on page 2 of the LBCE Program policy, but utilizes an alternative layout consistent with the context of this guide.

**Table 2. Certification Status Hierarchy**

| FIRM IS CERTIFIED AS...   | COUNTS TOWARD A LBE GOAL? | COUNTS TOWARD A SLBE GOAL? | COUNTS TOWARD A VSLBE GOAL? |
|---------------------------|---------------------------|----------------------------|-----------------------------|
| <b>LBE</b>                | Yes                       | -                          | -                           |
| <b>SLBE</b> (Small)       | Yes                       | Yes                        | -                           |
| <b>VSLBE</b> (Very Small) | Yes                       | Yes                        | Yes                         |

**III. SAMPLE CALCULATIONS FOR CONTRACTS**

**Table 3. Sample \$1M Professional Services Contract LBCE Calculation**

| FIRM <sup>1</sup> | TIER   | BUDGET         | LBE                | SLBE               | VSLBE              | CERTIFICATION STATUS <sup>2</sup>  |
|-------------------|--|----------------|--------------------|--------------------|--------------------|--|
| Ants, Inc.        | Prime  | \$400,000.00   | \$400,000          | -                  | -                  | <input checked="" type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE                       |
| Bumblebee LLC     | Tier 1   | \$300,000.00   | \$300,000          | \$300,000          | -                  | <input checked="" type="checkbox"/> LBE <input checked="" type="checkbox"/> SLBE <input type="checkbox"/> VSLBE            |
| Cricket Corp      | Tier 2 under Bumblebee LLC <sup>3</sup>                      | \$100,000.00   | \$100,000          | \$100,000          | \$100,000          | <input checked="" type="checkbox"/> LBE <input checked="" type="checkbox"/> SLBE <input checked="" type="checkbox"/> VSLBE |
| Dragonfly Ltd.    | Tier 1   | \$100,000.00   | \$100,000          | -                  | -                  | <input checked="" type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE                       |
| To be determined  | Tier 2 under Bumblebee LLC <sup>3</sup>                      | \$100,000.00   | -                  | -                  | -                  | <input type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE                                  |
|                   | <b>TOTAL NON-CONTINGENT<sup>4</sup><br/>CONTRACT BUDGET:</b> | \$1,000,000.00 | \$900,000.00       | \$400,000.00       | \$100,000.00       |  |
|                   | <b>GOAL ACHIEVEMENT<sup>5</sup>:</b>                         |                | 90.0% <sup>6</sup> | 40.0% <sup>7</sup> | 10.0% <sup>8</sup> |  |
|                   | <b>CONTRACT GOALS:</b>                                       |                | 70.0%              | 30.0%              | N/A                |  |

Table 3 Notes:

- Use one line per firm (any business - subconsultants, subcontractors, vendors, etc.) regardless of tier. Firms that are unconfirmed or yet to be identified should be listed under the Firm column as "To be determined". Regardless of intent to use a certified sub, certification status cannot count toward an unconfirmed or yet-to-be-identified sub. If a Tier 2 sub is under a Tier 1 sub, such Tier 2 sub’s budget should be removed from the Tier 1 sub and included as its own line item, as seen with Tier 2 subs, Cricket Corp and a not-yet-identified sub for work (“To be determined”), under Tier 1 sub Bumblebee LLC. See Note 3 below.
- See *Certified Firms Database* for the current list of firms certified under the LBCE Program at [www.alamedactc.org/contract-equity](http://www.alamedactc.org/contract-equity). The Certification Status must be updated according to, and supported by, proof of certification (i.e., timely and valid certification).
  - LBEs are the base level: A firm like Ants, Inc. (an LBE) helps meet the LBE goal but does not count toward the SLBE or VSLBE goals.
  - SLBEs are mid-level: Any dollar spent for work performed by Bumblebee LLC (an SLBE) counts toward both the SLBE and LBE goals but provides \$0 toward a VSLBE-specific goal.
  - VSLBEs are the most versatile: Work performed by Cricket Corp (a VSLBE) counts toward any of the three goals. However, note that per Table 1, contracts would have only one of these three apply: (i) both LBE and SLBE goals, (ii) a VSLBE goal, or (iii) no goals. There would not be a contract with LBE, SLBE and VSLBE goals.
- Based on the above, Bumblebee LLC as a Tier 1 sub has a total contract budget of \$500,000.00 (\$300,000.00 of its own budget + \$100,000.00 of its Tier 2 sub Cricket Corp and \$100,000.00 of its Tier 2 sub which has not yet been identified for the work). However, Bumblebee LLC’s goal participation is the self-performed work totaling \$300,000.00. Participation is only counted by the work performed by each firm, not its subs. See Note 1 above.

4. Do not count optional tasks (i.e., contingency) toward goal achievement calculations for credits for contract award. During the selection process for contract award of professional services contracts, the ability to meet or exceed (i) the LBE and/or SLBE goals or (ii) the VSLBE goal shall yield applicable credits as follows (also see Table 1 for applicable goals):
  - a. LBE and/or SLBE Goals: Five percent (5.0%) of the total evaluation points for each goal, for a total of ten percent (10.0%).
  - b. VSLBE Goal: Twenty percent (20.0%) of the total evaluation points.

On-call contracts may count estimated on-call budget toward goal achievement for applicable credits for contract award.
5. For goal achievement calculations, percentages are not added together; i.e., 90.0% LBE participation and 40.0% SLBE participation are calculated separately.
6. 90.0% LBE goal achievement has met and exceeded the applicable 70.0% LBE goal.
7. 40.0% LBE goal achievement has met and exceeded the applicable 30.0% SLBE goal.
8. See Note 2.c above regarding VSLBE goal applicability.

**Table 4. Sample \$10M Construction Contract LBCE Calculation**

| CONTRACTOR                                   | TIER                              | BUDGET          | LBE            | SLBE           | VSLBE  | CERTIFICATION STATUS  |
|--|-----------------------------------|-----------------|----------------|----------------|--------|---|
| Earwig Corp.                                 | Prime                             | \$4,000,000.00  | \$4,000,000.00 | \$0            | \$0    | <input checked="" type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE            |
| Firefly Inc.                                 | Tier 1                            | \$2,500,000.00  | \$0            | \$0            | \$0    | <input type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE                       |
| Gnat Group                                   | Tier 1                            | \$2,000,000.00  | \$2,000,000.00 | \$2,000,000.00 | \$0    | <input checked="" type="checkbox"/> LBE <input checked="" type="checkbox"/> SLBE <input type="checkbox"/> VSLBE |
| Hornet LLC                                   | Tier 2 under Earwig <sup>3</sup>  | \$1,000,000.00  | \$1,000,000.00 | \$0            | \$0    | <input checked="" type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE            |
| To be determined                             | Tier 2 under Firefly <sup>3</sup> | \$500,000.00    | \$0            | \$0            | \$0    | <input type="checkbox"/> LBE <input type="checkbox"/> SLBE <input type="checkbox"/> VSLBE                       |
| <b>TOTAL NON-CONTINGENT CONTRACT BUDGET:</b> |                                   | \$10,000,000.00 | \$7,000,000.00 | \$2,000,000.00 | \$0.00 |   |
| <b>GOAL ACHIEVEMENT:</b>                     |                                   |                 | 70.00%         | 20.00%         | 0.00%  |   |
| <b>CONTRACT GOALS:</b>                       |                                   |                 | 60.00%         | 20.00%         | N/A    |   |

Table 4 Notes:

1. Use one line per firm (any business – contractor, subcontractors, vendors, etc.) regardless of tier. Firms that are unconfirmed or yet to be identified should be listed under the Contractor column as "To be determined". Regardless of intent to use a certified sub, certification status cannot count toward an unconfirmed or yet-to-be-identified sub. If a Tier 2 sub is under a Tier 1 sub, such Tier 2 sub’s budget should be removed from the Tier 1 sub and included as its own line item, as seen with Tier 2 subs, Hornet LLC and a not-yet-identified sub for work (“To be determined”), under Tier 1 Firefly Inc. See Note 3 below.
2. See *Certified Firms Database* for the current list of firms certified under the LBCE Program at [www.alamedactc.org/contract-equity](http://www.alamedactc.org/contract-equity). The Certification Status must be updated according to, and supported by, proof of certification (i.e., timely and valid certification).
  - a. LBEs are the base level: A firm like Earwig Corp. (an LBE) helps meet the LBE goal but does not count toward the SLBE goal.

- b. SLBEs are mid-level: Any dollar spent for work performed by Gnat Group (an SLBE) counts toward both the SLBE and LBE goals.
- 3. Based on the above, Firefly Inc. as a Tier 1 sub has a total contract budget of \$3,000,000.00 (\$2,500,000.00 of its own budget + \$500,000.00 of its Tier 2 not-yet-identified sub for work (“To be determined”). However, Firefly Inc.’s goal participation is the self-performed work totaling \$2,500,000.00. Participation is only counted by the work performed by each firm, not its subs. See Note 1 above. In this sample budget, there is no goal participation by Firefly Inc. or its not-yet-identified sub.
- 4. Do not count optional tasks (i.e., contingency) toward goal achievement calculations for credits for contract award. During the selection process for contract award of construction contracts, the ability to meet or exceed (i) the LBE and/or SLBE goals shall yield applicable credits as follows (also see Table 1 for applicable goals):
  - a. LBE and/or SLBE Goals: Five percent (5.0%) of the total evaluation points for each goal, for a total of ten percent (10.0%).
- 5. For goal achievement calculations, percentages are not added together; i.e., 60.0% LBE participation and 20.0% SLBE participation are calculated separately.
- 6. 70.0% LBE goal achievement has met and exceeded the applicable 60.0% LBE goal.
- 7. 20.0% LBE goal achievement has met and exceeded the applicable 20.0% SLBE goal.