

DEFINITION OF TERMS

Affidavit of Un-audited Income -	A form in the Application Package that is to be completed and submitted by those businesses that have not yet filed Federal Tax Returns for the most recently completed tax year, or that do not have an audited income statement. See the instructions printed on the back of the form.
Affiliate Business -	A business concern that is a subsidiary of or owned in part by another business concern such that the applicant business is subject to the control of a non-applicant business. As an alternative to actual ownership, an affiliation may be based upon the existence of other appropriate factors including common management, shared or common employees, and existing contractual relationships. The restraints imposed on a franchisee by its franchise agreement, is not conclusive determination as to whether or not a franchisor controls or has the power to control and, therefore, is affiliated with the franchise, so long as the franchisee maintains the right to profit from its efforts, commensurate with ownership, and bears the risk of loss or failure.
Certification -	That process by which business are analyzed and declared to be a Small Business Enterprises (EBE), or an Emerging Business Enterprise (EBE) for purposes of doing business with the City of Sacramento. As a result of a reciprocity agreement between the State of California's, Department of General Services, Office of Small Business Certification and Resources (DGS) and the City of Sacramento's Office of Small Business Development (OSBD), firms being certified by one agency will be provisionally certified by the other agency. Provisionally, in this instance, is taken to mean "as provided by" or "as based upon" the other.
DE-6 Forms -	Quarterly Wage and Withholding Report (Form DE-6) forms filed by the employer with the California Employment Development Department (EDD) which, for the purposes of certification, confirms the number of persons employed by the firm.
Disadvantaged Business Enterprise -	<p>A Disadvantaged Business Enterprise (DBE) is a small business which, in addition to the requirements for being designated a Small Business Enterprise (SBE), meets the additional criteria of being at least 51% owned and controlled by one or more "socially and economically disadvantaged individuals".</p> <p>In the case of a publicly owned business, at least 51% of the stock must be owned and controlled by one or more "socially and economically disadvantaged individuals."</p> <p>"Socially and economically disadvantaged individuals" has been defined to include "women and minorities," and other individuals who meet this criteria. (See Section 8(a) of the Small Business Administration Act, 49 CFR Part 26, and 13 CFR Part 121.)</p>
Emerging Business Enterprise -	In addition to meeting the eligibility requirements for a small business, and Emerging Business Enterprise (EBE) classification is based on the firms "Total Gross Receipts" over a three (3) year period. These are industry specific thresholds listed on the City of Sacramento web page www.cityofsacramento.org/esbd .

DEFINITION OF TERMS

Ethnicity -

African American - Persons having origins in any black racial groups of Africa.

American Indian or Alaskan Native - Persons having origins in any of the original peoples of North America.

Asian or Pacific Islander - Persons having origins in Bangladesh, Cambodia, China, Guam, India, Indonesia, Japan, Korea, Laos, Malaysia, Northern Marianas, Pakistan, Philippines, Samoa, Singapore, Taiwan, U.S. Trust Territories of the Pacific, or Vietnam.

Hispanic - Persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish or Portuguese cultures.

NIGP Codes - (National Institute of Government Purchasing Codes)

The National Institute of Government Purchasing (NIGP) Code is a five-digit number, assigned by the Institute, to designate the economic activity of the businesses. Also used as an identification source when searching databases to locate vendors and providers for City and other government agency procurement activities.

See Standard Industry Classification (SIC) Codes.

Proof of Annual Receipts -

That dollar amount reported to the Internal Revenue Service on the line of the Federal Tax Return entitled "Gross receipts or Sales."

SIC Codes - (Standard Industry Classification Codes)

The Standard Industry Classification (SIC) Code is a four-digit number assigned by the U.S. government to designate the economic activity of businesses. Also used as an identification source when searching databases to locate vendors and providers for City and other government agency procurement activities.

A complete list of [SIC Codes](http://www.cityofsacramento.org/esbd) can be found on our web page, www.cityofsacramento.org/esbd.

Note: SIC Codes are soon to be replaced by the North American Industry Classification System (NAICS) in response to NAFTA requirements.

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Small Business Enterprise (SBE) -

A business that qualifies as a small business under the standards and criteria utilized by the State of California, Department of General Services, Office of Small Business Certification and Resources, which provides, in part, that a Small Business Enterprise:

- Is independently owned and operated
- Is not dominant in its field of operations
- Has its principal office located in California
- Has its officers domiciled in California
- and, together with its affiliates, is either:

- (1) A service, construction or non-manufacturer that has 100 or fewer employees, with average annual gross receipts not exceeding twelve million dollars (\$12,000,000) over the previous three (3) tax years;

Or,

- (2) A manufacturer that has 100 or fewer employees.

State, Local and District Sales and Use Tax Return Form (BOE401-A2) -

A form, filed with the California State Board of Equalization, from which the annual amount of "Total Gross Sales" can be determined.

Submission of this form, if applicable to the business, may be an alternate method of satisfying the annual gross receipts condition for certification.

For more information regarding the form, see the Board of Equalization's web page, <http://www.boe.ca.gov>

Program certification is not a fixed designation. We reserve the right to monitor your firm's compliance with the regulations, conduct periodic review of your firm's business practices, and to rescind certification should your firm become ineligible.