



STATE OF INDIANA

Eric J. Holcomb, Governor

DEPARTMENT OF ADMINISTRATION
Division of Supplier Diversity

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204
(317) 232 - 3061

STATEMENT REGARDING REQUIRED SUBMISSION OF TAX RETURNS BY APPLICANTS FOR MBE/WBE CERTIFICATION

TO: Minority and Women's Business Enterprise Certification Applicants

FROM: Erin Kellam, Deputy Commissioner
Indiana Department of Administration

RE: Policy Statement – Submission of Notarized CPA Letter in lieu of Owners' Personal Tax Returns

As a standard procedure the Indiana Department of Administration, Division of Minority and Women's Business Enterprises, requests copies of the tax returns from the prior year of the owners and from the applicant business itself, if it files separately, from all applicants for MBE/WBE certification. For those businesses which do file separately, it is permissible to submit with the business's tax return either of the following:

- 1) The personal tax returns of the owner or owners; or
- 2) A notarized letter from a Certified Public Accountant (CPA)

Business owners opting to submit a letter from a CPA instead of their own tax returns should instruct the CPA to use the template language which begins on the following page.

(CPA LETTERHEAD)

(Insert Date)

Indiana Department of Administration
Minority and Women's Business Enterprise Division
Indiana Government Center South
402 West Washington Street, #W469
Indianapolis, IN 46204

RE: Certification Application of (insert company name)

Dear Minority and Women's Business Enterprise Division:

This letter is furnished to you for the purposes of verifying the information provided on the certification application of (insert name of company) as a (choose: Minority Business Enterprise or Woman Business Enterprise or both) in the State of Indiana.

I am a licensed Certified Public Accountant in good standing. In rendering the statements expressed below, I have reviewed documents including (insert Name of Company)'s past three years corporate taxes, the past three years individual taxes of the qualifying members comprising 51% ownership, relevant ownership documents including stock shares, the certification application submitted by the company to the Division and other items such as banking records, contracts and invoices as I deemed necessary to determine control and affiliation with regard to (insert Name of Company). I have every reason to believe in the authenticity of the documents which I reviewed. Further, I understand that the Division expects that I have reviewed all documents for consistency of facts as they relate to the application and also for other information that might have bearing on the below referenced finding.

In rendering the statement expressed below, I have utilized the following definitions:

- "Qualifying Member(s)" means the person or combination of persons who qualify as a woman and/or a minority whose ownership in the Company is 51% or greater.
- "Control" means having:
 - A. Ownership of at least fifty-one percent (51%) of the enterprise, including corporate stock of a corporation;
 - B. Control over the management and active participation in the day-to-day operations of the business; and,

- C. an interest in the capital, assets, and profits and losses of the business proportionate to the percentage of ownership.
- “Affiliation” is a situation where the Company or the qualifying member(s) is/are closely related to another individual or enterprise through ownership, income, equipment, logistical support or a significant source of business. Examples of affiliation include, but are not limited to:
 - A. loans or leases with no record of payment by the Company to the obligor;
 - B. ownership by a qualifying member in an outside source which conducts business with the Company seeking certification
 - C. personal income to a qualifying member from a source which conducts business with the Company seeking certification; and,
 - D. significant contracts and business opportunities to the Company seeking certification from a single outside source.

This affiliation prohibition is not related to general household finances between two spouses, but should be examined if one spouse is involved through finance or activity with the Company or if both spouses are engaged in separate but similar enterprises.

Based on the foregoing, I am of the opinion that the qualifying member(s) of (insert Name of Company) control(s) the enterprise without affiliation with any other person or organization.

Sincerely,

(Insert Name of CPA)

(Signature must be notarized)