

## AFFILIATE INFORMATION FORM

For Small Business (SB) & Small Business-Public Works (SB-PW) Applicants

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STATE OF CALIFORNIA

Department of General Services, [Procurement Division](#)

**AFFILIATE INFORMATION FORM** (Rev. 05/2024)

Office of Small Business and DVBE Services (OSDS)

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**PURPOSE OF THIS FORM:** To identify affiliate business relationships which are considered when determining an applicant's SB and/or SB-PW certification eligibility. California law requires all affiliate Gross Annual Receipts (GARs) and number of employees be combined with those of the applicant business when calculating the total average GARS and employee count. The established thresholds for GARs and number of employees are as follows:

- **Small Business (SB) and affiliate(s)** – maximum of \$18 million gross annual receipts (GARs) averaged over the three previous tax years and a limit of 100 employees or less. Manufacturers are only required to have 100 employees or less.
- **Small Business-Public Works (SB-PW) and affiliate(s)** – maximum of \$43 million gross annual receipts (GARs) averaged over the three previous tax years and a limit of 200 employees or less. Manufacturers have the same GARs and employee count requirement as the other industry types. There is no special requirement.

1. APPLICANT LEGAL BUSINESS NAME	CERTIFICATION NUMBER

### 2A. AFFILIATE INFORMATION

The applicant firm, including its owners/officers, or partners, or LLC managers and/or members, must disclose affiliate business relationship information regardless of the affiliate's industry.

The following questions will help determine if an affiliate business relationship currently exists or if the current affiliate relationship existed within the last three tax years and was doing business prior to affiliation.

Answer **Yes** or **No**. Do not indicate N/A.

1. Have controlling ownership interest in <i>another</i> business, including sole proprietorships and/or the purchase of a business?	Yes	No	2. Have any ownership interest in <i>another</i> business, including the purchase of a business?	Yes	No
3. Have a role in making business decisions and managing day-to-day operations of <i>another</i> business?	Yes	No	4. Have a family member who owns a similar type of business?	Yes	No
5. Have a close financial relationship with an <i>individual or another</i> business, such as assisting with loans, bonding, security, or credit? (Exclude relationships with public financial institutions.)	Yes	No	6. Have a contractual relationship with <i>another</i> business, such as assignments or title transfers??	Yes	No
7. Share facilities, equipment or systems with <i>another</i> business?	Yes	No	8. Share employees with <i>another</i> business?	Yes	No

**2B.** If you answered "YES" to any of the questions above, complete the following Affiliate Business Information chart to identify each business that is related to your "YES " response(s).

Affiliate Business Information	Individual associated with applicant & affiliate	Affiliate Ownership %	Affiliate Business Start Date	Affiliate Business End Date	Affiliate Avg. # of Employees during last 4 qtrs. (if applicable)
1. Business Name & Address					
2. Business Name & Address					
3. Business Name & Address					
4. Business Name & Address					

**2C.**

- For each affiliate identified, a copy of the ENTIRE Federal tax return for the three most recent tax years and a copy of the Quarterly Contribution Return and Report of Wages (Continuation) (**DE 9C**) covering the four most recently completed quarters as filed with the California Employment Development Department (EDD) are required to be submitted.
- You may identify additional affiliates on a separate sheet or copy this page.

**3. AUTHORIZING SIGNATURE (REQUIRED)**

The signatory of this document must be the owner and/or officer, or general partner, or LLC manager and/or managing member, and as such, hereby certifies under penalty of perjury under the laws of the State of California that all information provided herein is truthful and accurate.

Owner's/Officer's Printed Name	Owner's/Officer's Signature	Title	Date

**FREQUENTLY ASKED QUESTIONS (FAQs)  
AFFILIATE BUSINESS RELATIONSHIPS  
Small Business and Small Business for the purpose of Public Works**

**1. What is the purpose of disclosing affiliate business relationships?**

According to the California Code of Regulations, affiliate business relationships are considered when determining whether an applicant firm qualifies for Small Business (SB) and/or Small Business for the Purpose of Public Works (SB-PW).

**2. What is affiliation?**

Affiliation refers to a relationship of direct or indirect control or shared interests between the applicant firm, its owners/officers/members/managers/partners and another business.

**3. What factors are considered in determining affiliation?**

In determining affiliation, the following factors may be based on historical and current factors including, but not limited to:

- ownership
- management
- financial and/or business relationships or ties with another business
- familial relationships
- contractual relationships, assignments, passage of title to goods or merchandise
- and other related matters as reflected in tax returns and other documentation.

**4. Do I have to disclose another business that I own and manage that is not in a related industry as the applicant business?**

Yes, regardless of the industry type of the applicant firm.

**5. What supporting documents are required when there is an affiliation between the applicant firm and another business?**

The following documents for the applicant and any affiliate(s) business are required:

- Three most recent federal tax returns
- Four most recent quarters – Employment Development Department (EDD DE 9C forms) or another state’s equivalent report

**6. What are the required tax returns based upon years in business for the applicant and affiliate business?**

See chart below:

<b>Situation #</b>	<b>Applicant Years in Business</b>	<b>Applicant FTRs Required</b>	<b>Affiliate Years in Business</b>	<b>Affiliate FTRs Required</b>
1	3 years or more	3 most recent years	3 years or more	3 most recent years
2	3 years or more	3 most recent years	Less than 3 years	Per years in existence
3	Less than 3 years	Per years in existence	3 years or more	3 most recent years
4	Less than 3 years	Per years in existence	Less than 3 years	Per years in existence

**7. I am no longer associated with another business that was considered an affiliate during the previous certification. Do I need to disclose the past affiliate?**

Yes, the affiliate business still needs to be disclosed with, affiliation end date. OSDS will only require tax returns to the Affiliation end date and employee information (the four quarters for year the affiliation ended).

**8. Do I need to count the seasonal and/or staffing employees for affiliate firm(s)?**

Yes, for the applicant and affiliate firm(s), if the employees are reported on the firm's Employment Development Department (EDD) Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C forms) or reported as an employee by the firm on another state's report equivalent to the EDD DE9C form for the applicant or affiliate.

**9. How do I calculate the average number of employees for the last four quarters?**

Refer to the number of employees posted on your Employment Development Department Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C forms). Add the number of employees during last 12 months (four most recent quarters) and divide by 12 to obtain your average.

**10. Is a subsidiary considered an affiliate?**

Yes, a subsidiary will be determined as an affiliate. A subsidiary may file its tax information along with the applicant business/parent business or file separately. Either way, the GARs and employees must be accounted for the applicant and affiliate firm(s). OSDS may request the financials (profit and loss statement and/or balance sheet) to obtain gross annual receipts figures for the last three completed tax years.

**11. If a business owns a percentage of the applicant firm, is it considered an affiliate?**

Yes, based primarily on shared ownership and/or management of the business(es).