

DBE Application FAQs

1) What is the DBE certification process?

Step 1: The application is received by VTrans Civil Rights [Program Manager](#).

Step 2: The application is checked for completeness. If additional materials are needed, the applicant is contacted by VTrans.

Step 3: Once the application is complete VTrans (or their consultant) will schedule an on-site visit at the applicant's place of business. During the on-site review, interviews are conducted with the owners of the firm. All disadvantaged business owners must be present and participate in the on-site review.

Step 4: All materials submitted by the applicant and the on-site report are reviewed by VTrans, who determines if the applicant meets the eligibility standards.

Step 5: If the application is approved, the applicant is notified, in writing, of the certification approval. The certification approval letter clearly indicates approval of the firm as a Disadvantaged Business Enterprise (DBE) to perform work in specific types of work and the expiration date of the certification. If an applicant is denied certification, VTrans sends a letter to the applicant citing the denial and provides information related to the appeal process.

2) How long is the certification process from start to finish?

VTrans strives to make the application process as efficient as possible. Once your application is complete, expect a site visit within the next month and a certification decision no later than two months from application completion.

3) Is there a cost to the applicant for the certification process?

No. The only cost associated with certification is for notarizing the application and the cost of postage. At this time, applications are not accepted electronically.

3A) Can I file my application online?

This option is not available, although VTrans offers a [fillable PDF file](#). Please send your application and all supporting documentation, via regular mail, to:

Sonya Boisvert, Civil Rights Program Manager
Vermont Agency of Transportation
1 National Life Drive
Montpelier VT 05633-5001

4) What is the threshold for personal net worth?

The threshold for each owner(s) is \$1,320,000. Items **excluded** from a person's net worth calculation include an individual's ownership interest in the applicant firm and his or her equity in their primary residence. [Click here for more information on PNW.](#)

5) Which business owner should complete the Personal Net Worth Statement?

The majority disadvantaged owner(s) whose ownership and control is/are being relied upon for DBE certification should each complete a Statement.

6) I run a consulting business. How do I determine my "initial investment" in the business?

Initial investment includes the cash and equipment that you contributed to start the business. For instance, include the dollar value of computer equipment, office equipment, and the initial cash contributed to your business checking account.

7) What schedules do you need with my personal and business income tax returns?

Please include your federal tax returns, personal and business, with all schedules.

8) Are my tax returns and other personal information secure?

At VTrans, we must comply with confidentiality requirements and take this responsibility seriously. All files are kept behind locked doors where only VTrans Certification staff has access.

9) I am a sole proprietor. How do I include a "Salary Schedule"?

Assuming that you take an owner's draw instead of a salary, provide a year's worth of owner's draw amounts and the dates they were taken.

10) What is a Balance Sheet?

A Balance Sheet gives a picture of the businesses financial situation at a given point in time, including assets and liabilities.

11) What is a bank authorization/signatory card?

This is a form that the bank collects when you open your bank account. The form contains signatures of the person or people who are authorized to sign for the bank account. A copy of this form can be obtained from your bank.

12) Why does VTrans visit my business as part of the application process?

The site visit is a federal regulatory requirement.

13) Once my business is certified, when does the certification expire?

Once your business is certified, you are required to complete an Annual Update Affidavit annually with VTrans. The affidavit affirms that there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantaged status, and ownership or control requirements. This update requires you to submit the most recent business tax returns. You will be notified via email when the Annual Update Affidavit is due.

14) I have questions regarding the DBE application; who can I contact for assistance?

Sonya Boisvert, Civil Rights Program Manager at sonya.boisvert@vermont.gov, 802.828.2644.

**Vermont Agency of Transportation
Disadvantaged Business Enterprise Program**

Guidelines for Completing a Personal Net Worth (PNW) Statement

The Personal Net Worth (PNW) Statement is required for each owner claiming disadvantaged status. Note that all ASSETS and LIABILITIES, except ownership in the applicant firm, should be reported for the named owner only. If ASSETS and LIABILITIES are jointly held, these items should be split accordingly. For example, Mary Smith is the applicant. John and Mary Smith jointly own their primary residence valued at \$200,000. They each claim 50% ownership on the property. Mary would only report her 50% interest (\$100,000). Another example: Mary Smith is the applicant. John Smith, Mary's spouse, owns a vacation home valued at \$200,000. He owns the property in its entirety. Mary Smith would not include the vacation home in his PNW calculation.

ASSETS

Cash on Hand & in Banks – Total amount of cash on hand as well as total funds deposited in US and foreign financial institutions. This includes, but is not limited to, funds accumulated in checking accounts, certificates of deposit, and money market accounts.

Savings Accounts – Total funds in savings accounts deposited in US and foreign financial institutions.

IRA or Other Retirement Accounts – Individual and other retirement accounts include any fund representing an Individual Retirement Account, an employer/employee funded program such as a 401k, or any other retirement plan. This includes the individual and employer contributions made to the plan. Only the present value of any assets held in retirement savings or investment programs should be included, less the tax and interest penalties that would accrue if the asset(s) were distributed at the present time.

Life Insurance – Cash Surrender Value Only – Enter the CASH SURRENDER VALUE of any life insurance policies only. Do not list the total value of the policy under the ASSETS section. More detailed information about the policy will be provided in Section 8.

Stocks and Bonds – The value of personal stocks, bonds, securities, and any other investments. DO NOT INCLUDE THE VALUE OF STOCK IN THE APPLICANT FIRM.

Current Fair Market Value of Other Business Interests – If you have ownership interest in any other business, you must declare the current fair market value of your ownership interest in each of these businesses. Use the most recent financial statements to determine the value of your ownership interest (s).

Real Estate – EXCLUDE your primary residence from both the ASSETS and LIABILITIES columns. List the current market value of non-residential property, business property, and land owned by the applicant. This includes, but is not limited to, rental property, condominiums, beach homes, homes in other states or countries, second homes as investments, personal property leased or rented for business purposes, farm properties or any other income producing land or property. List all mortgages against these real properties. Mortgage information is listed under LIABILITIES.

Automobile–Present Value – List all personal automobiles, trucks, boats, and recreational vehicles at current market value. Loan balances against these vehicles is reported under LIABILITIES.

Other Personal Property – Current market value of the applicant's share of ownership in all household goods, computers, electronic equipment, jewelry, antiques and collectibles, etc.

Other Assets – Current market value of the applicant's share of ownership in any other assets that do not fit in one of the foregoing sections.

Total Assets – Sum total of all assets reported.

LIABILITIES

Accounts Payable – Personal obligations (i.e. credit card debt, store accounts) that are not associated with the applicant firm and are payable by the applicant personally.

Notes Payable to Banks and Others – Current balance(s) of any personal loan(s) not reflected elsewhere in the document and any other personal debt guaranteed by the applicant's signature. Shareholder loans must be in the form of a written agreement with defined interest and a repayment schedule. DO NOT INCLUDE BUSINESS RELATED NOTES THAT YOU ARE PERSONALLY RESPONSIBLE FOR IN ANY WAY.

Unpaid Taxes

Other Liabilities – Applicant's share of any liability not previously accounted for. DO NOT LIST ANY CONTINGENT LIABILITIES OR DEFERRED LIABILITIES. DO NOT LIST ANY APPLICANT BUSINESS LIABILITIES.

Total Liabilities – Sum total of all liabilities reported.

Net Worth – Total ASSETS minus total LIABILITIES.

Be sure to sign and date Statement. The Personal Net Worth Statement must be notarized!