DBE Application FAQs

1) What is the DBE certification process?

- Step 1: The application is received by the VTrans Civil Rights <u>Program Manager</u> via the secure online portal or via US mail.
- Step 2: The application is checked for completeness. If additional materials are needed, the applicant will be contacted by VTrans.
- Step 3: Once the application is complete, VTrans (or their consultant) will schedule an on-site or virtual visit. During this meeting, interviews will be conducted with owners of the firm; all disadvantaged business owners must be present.
- Step 4: All materials submitted by the applicant and the on-site visit report are reviewed by VTrans to determine if the applicant meets eligibility standards.
- Step 5: All applicants will be notified in writing. If the application is approved, the applicant is notified of approval as a Disadvantaged Business Enterprise (DBE) to perform specific types of work. If an applicant is denied, the letter will cite reasons for denial and offer the opportunity to appeal.

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 a month and a certification decision within two months.

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

No. The only costs associated with certification are for notarizing the application (often free at municipal offices) and mailing if you choose to send a hard copy.

4) Can I file my application online?

Yes! The <u>application</u> and all supporting documentation should be submitted via our secure online portal. Please contact the VTrans Civil Rights <u>Program Manager</u> to obtain login credentials. It can also be sent via regular mail, to:

VTrans Office of Civil Rights 219 North Main Street Barre, VT 05641

4) Is there a threshold for Personal Net Worth (PNW)?

Yes. By regulation, the Personal Net Worth (PNW) of each socially and economically disadvantaged owner must not exceed \$1.32 million (excluding one's primary residence and investment in the business).

- **5) Which business owner should complete the <u>Personal Net Worth Statement</u>? 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 deposit 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. We do not need state returns.

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

At VTrans, we strictly 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. Here is a sample. https://www.score.org/resource/template/balance-sheet-template

11) What is a bank authorization/signatory card?

This is a form that the bank completes when you open your account. The form contains signatures of the person or people who are authorized signators. 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. In most cases, we are now authorized to conduct site visits virtually.

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

You are required to complete an Annual Update Affidavit, generally, each November. The affidavit affirms that there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantage, and ownership or control requirements. This update requires you to submit the most recent business tax returns. You will be notified via the email address you provided in your application.

14) I have questions regarding the DBE application; who can I contact for assistance? Please contact our Supportive Service Consultant, Diane Meyerhoff, 802.865.1794.

US Department of Transportation (USDOT): Official Questions and Answers (Q&A's). Disadvantaged Business Enterprise Program Regulation (49 CFR 26).