



NORTH CAROLINA Department of Transportation



Disadvantaged Business Enterprise (DBE) Certification Overview

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Objectives of the DBE Program

- Ensure nondiscrimination in transportation contracting (e.g. highway, transit and aviation)
- Create a level playing field where DBEs can compete fairly for DOT-assisted contracts
- Ensure only firms that fully meet eligibility standards are permitted to participate as DBEs
- Assist in development of firms to compete successfully in the marketplace outside the DBE program
- Certification is a tool to help a business grow

North Carolina UCP

- Means “Unified Certification Program”
 - One central certification agency in the state → NCDOT
 - RDU Airport Authority certifies firms located in the airport
 - CLT Airport certified firms located in the airport
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- Certifying Partners w/
NCDOT
- Agreement among the USDOT recipients (certifying agency & partners) in the state to provide one stop shopping for applicants and participants
 - Unified database (NCDOT Directory of Firms)

Important Regulations

- **United States Code of Federal Regulations**
- 13 CFR Part 121 - Defines Small Business Size Standards based on each industry
- 49 CFR Part 26 - DBE Certification
- 49 CFR Part 23 - Airport Concession / ACDBE

Basic Eligibility Criteria

- For Profit Only
- Social & Economic Disadvantage
- Small Business Size Limits
- 51% Ownership
- Independence
- Operational & Managerial Control



Social Disadvantage

Presumed socially disadvantaged groups includes:

- Black Americans
- Hispanic Americans
- Native Americans
- Asian-Pacific Americans
- Subcontinent Asian Americans
- Women



Economic Disadvantage

Personal Net Worth (PNW) \leq \$1.32 million

- excludes equity in primary residence
- exclude ownership interest in applicant business
- Applicants must be both socially and economically disadvantaged



Small Business Size Standards

- Must be an existing small business as defined by US SBA standards (13 CFR Part 121)
 - NAICS Codes (North American Industry Classification System)
 - Segmented by industry
- Average gross receipts over previous three and five years cannot exceed \$28.48 million

Note: ACDBE uses SBA size standards but has a different gross receipts cap of \$56.42 million.

Ownership

- The firm must be at least 51% owned by socially and economically disadvantaged individuals
- Ownership by socially and economically disadvantaged individuals, including their contribution of capital or expertise to acquire ownership interests, must be...
 - Real
 - Substantial
 - Continuing
 - Beyond pro forma ownership (not just on paper)

Control

- Independent business
- Power to direct the management and policies of the applicant firm
- Ability to make day-to-day as well as long term decisions on policy, management, and operations
- Overall understanding of the firm's business
- Managerial and technical competence and experience directly related to the firm's business

Required Documents for All Applicants

- **Résumés** (that include places of employment with corresponding dates), for all owners, officers, and key personnel of the applicant firm
- **Personal Net Worth Statement** for each socially and economically disadvantaged owners comprising 51% or more of the ownership percentage of the applicant firm.
- **Personal Federal tax returns** for the past 5 years, if applicable, for each disadvantaged owner
- **Federal tax returns** (and requests for extensions) filed by the firm and its affiliates with related schedules, for the past 5 years.

Required Documents for All Applicants

- Documented proof of contributions used to acquire ownership for each owner (*e.g., both sides of cancelled checks*)
- Signed loan and security agreements, and bonding forms
- List of equipment and/or vehicles owned and leased including VIN numbers, copy of titles, proof of ownership, insurance cards for each vehicle.
- Title(s), registration certificate(s), and U.S. DOT numbers for each truck owned or operated by your firm
- Licenses, license renewal forms, permits, and haul authority forms
- Descriptions of all real estate (including office/storage space, etc.) owned/leased by your firm and documented proof of ownership/signed leases

Required Documents for All Applicants

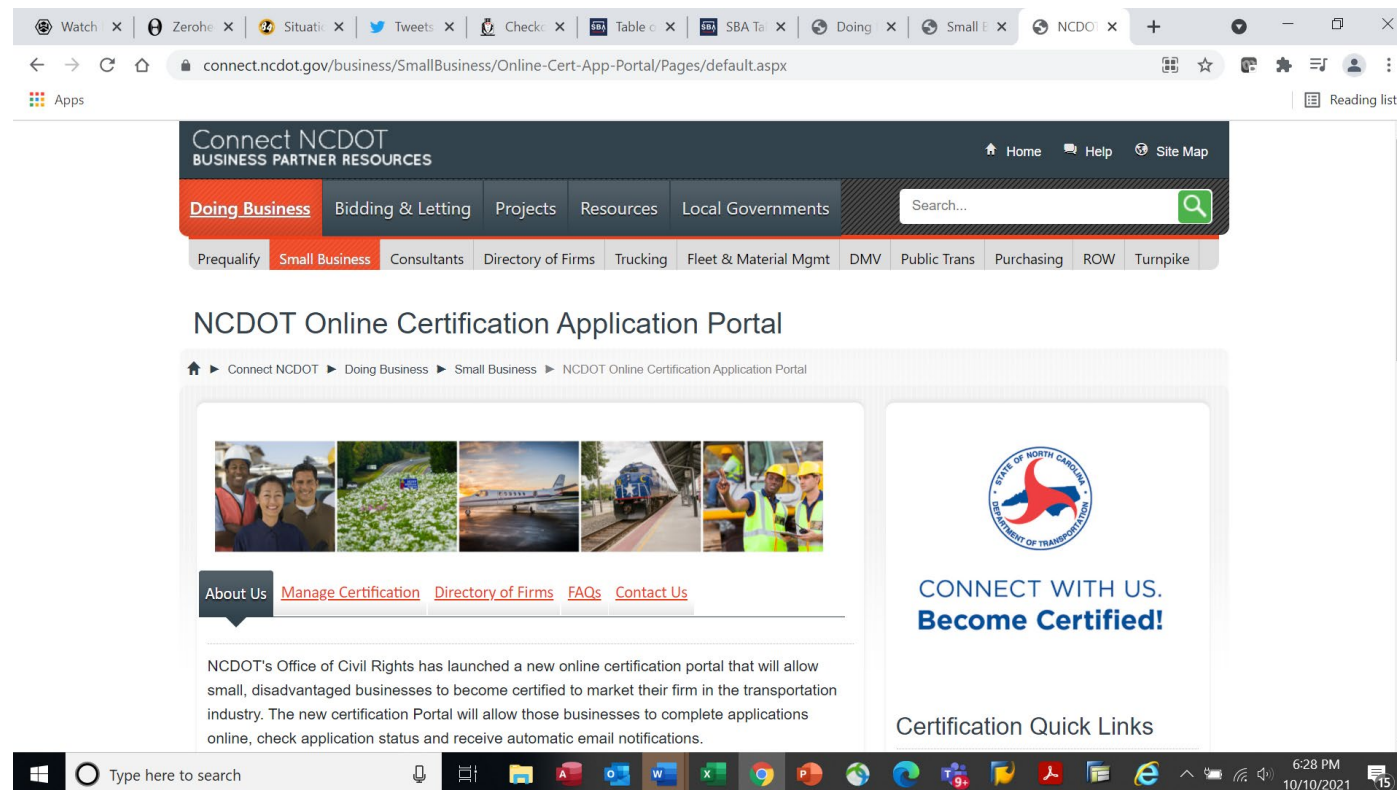
- Documented proof of any transfers of assets to/from your firm and/or to/from any of its owners over the past 2 years
- DBE/ACDBE and SBA 8(a), SDB, MBE/WBE certifications, denials, and/or decertification, if applicable; and any U.S. DOT appeal decisions on these actions
- Bank authorization and signatory cards.
- Schedule of salaries (or other remuneration) paid to all officers, managers, owners, and/or directors of the firm
- List of all employees, job titles, and dates of employment
- Proof of warehouse/storage facility ownership or lease arrangements

Required Documents for All Applicants

- Original and any amended Partnership and Joint Venture agreements
- Official Articles of Incorporation (signed by the state official)
- Both sides of all corporate stock certificates and the firm's stock transfer ledger
- Shareholder's agreement
- Minutes of all stockholders and board of director meetings
- Corporate by-laws and any amendments
- Corporate bank resolution and bank signature cards
- Official Certificate of Formation and Operating Agreement with any amendments (LLCs)

Online Certification Application Portal

- Go to <https://connect.ncdot.gov/business/SmallBusiness/Online-Cert-App-Portal/Pages/default.aspx>



Online Certification Application Portal

Step 1

Go to: <https://Connect.ncdot.gov>

Doing Business

Small Business

Apply (DBE)

Step 2

- 1) Register as an individual for the [NCID](#)
- 2) Complete [EBS access request form](#)

Step 3

- EBS will send a confirmation email within 5 business days
- After confirmation use the NCID and password to log into: <https://www.ebs.nc.gov>

****For technical support contact EBS Support at ebssupport@ncdot.gov or call 919-707-2208**

DBE Certification Paper Process

Step 1.

- Complete the DBE **Application** and **Personal Net Worth Statement**;
- Gather all required supporting documentation listed on the **Supporting Documents Checklist** (page 14 of application);
- Make copies of the application packet for your records;
- Submit the application packet to the NC UCP:
- **NO FEES TO APPLY TO THE PROGRAM!**

**Unified Certification Program
North Carolina Department of Transportation
1511 Mail Service Center
Raleigh, NC 27699 - 1561**

Instructions are included in the application and PNW statement.

More information available [**https://connect.ncdot.gov/business/**](https://connect.ncdot.gov/business/)

Certification Process

- Step 1.** The application is reviewed for completeness
- Step 2.** If complete, the Intake Assistant will forward the application to Certification Officer
- Step 3.** A site visit is scheduled and conducted virtually or at the site of business
- Step 4.** Post site visit and thorough review of all information, a certification decision will be issued and the firm is notified of the determination in writing
- Step 5.** If certified, the firm's information is entered in the online DBE Directory of Firms
- Step 6.** If denied certification, the firm has the right to appeal the decision directly to USDOT

Note: the UCP has 90 days to render an eligibility decision after receiving a complete application

Post DBE Certification

- Very important to keep the firm's information up-to-date!
- DBE Certified firms must notify the UCP of any changes within thirty (30) days of the change
- If certified, the firm must submit the annual no change declaration and business taxes to the UCP every year

Benefits of Certification

- Free Marketing in our Directory of Firms
- BOWD (Business Opportunity & Workforce Development) Services
- Contract Protection
- HUB Reciprocity

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Questions?

