



HOW TO GET CERTIFIED AS A DISADVANTAGED BUSINESS ENTERPRISE (DBE)

WHY SHOULD YOUR FIRM BECOME DBE CERTIFIED?

San Diego Association of Governments (SANDAG) receives federal financial assistance from United States Department of Transportation (U.S. DOT) and as a condition of receiving this assistance, SANDAG complies with 49 Code of Federal Regulations (CFR) Part 26. It is the policy of SANDAG to ensure that DBEs (as defined by 49 CFR Part 26) have an equal opportunity to receive and participate in U.S. DOT-assisted contracts. U.S.DOT funds come to SANDAG from the Federal Transit Administration (FTA), Federal Highway Administration (FHWA), and the Federal Rail Administration.

SANDAG has received FTA approval for its DBE goal and methodology. SANDAG has established race-conscious (contract specific) DBE goals for FTA-funded procurements. The race-conscious component of the SANDAG FTA DBE program is limited to the following five DBE groups that have been found to be underutilized in the SANDAG market area: (African Americans, Native American, Women, Hispanic American, Subcontinent Asian American) for FTA-funded projects.

SANDAG is a subrecipient of FHWA funding through Caltrans. Caltrans has issued a directive that SANDAG set contract goals for FHWA-funded procurements authorized on or after July 1, 2012, that include all DBE groups: African Americans, Asian Pacific American, Native American, Women, Hispanic American, and Subcontinent Asian American.

SANDAG has adopted both a race-neutral DBE and a race-conscious DBE program and strongly encourages DBE and Small Business participation in bidding/proposing on SANDAG procurements.

ARE YOU ELIGIBLE TO BE DBE CERTIFIED?

In order for a sole proprietorship, partnership, or corporation to be certified as a DBE, the business must meet the following general guidelines:

- The firm must be at least 51 percent owned by one or more socially and economically disadvantaged individuals.
 - A socially disadvantaged individual is considered socially disadvantaged because of his/her color, origin, gender, physical handicap, long-term residence in an environment isolated from the mainstream of American society, or other similar cause beyond the individual's control.
 - An economically disadvantaged individual is one whose ability to compete in free enterprises has been impaired due to diminished capital and credit opportunities, compared to others in the same line of business and competitive market who are not socially disadvantaged.
- A DBE is a firm that meets the definition of a DBE and is a member of one of the following groups:
 - African American-Owned
 - Asian Pacific American-Owned (Japan, China, Taiwan, Korea, Burma-Myanmar, Vietnam, Laos, Cambodia, Thailand, Malaysia, Indonesia, Philippines, Brunei, Samoa, Guam, Hong Kong)
 - Native American-Owned (American Indian, Eskimo, Aleut, Native Hawaiians)
 - Women-Owned
 - Hispanic American-Owned (Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin)
 - Subcontinent Asian American-Owned (India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka)
- The firm must be an independent business, and one or more of the socially and economically disadvantaged owners must control its management and daily operations.
- Only existing for-profit, "Small Business Concerns" (as defined by the Small Business Act and Small Business Administration (SBA) regulation) may be certified. DBE applicants are first subject to the applicable, small business size standards of the SBA. Second, the average annual gross receipts for the firm (including its affiliates) over the previous three fiscal years must not exceed the U.S. DOT cap of \$23.98 million.
- The personal net worth (PNW) of each socially and economically

disadvantaged owner must not exceed \$1.32 million. The PNW excludes the individual's ownership interest in the applicant firm and the equity in his/her primary residence.

- Please contact the Office of Certification, Civil Rights, at (916) 324-1700 if you have further questions regarding the DBE eligibility requirements.

HOW TO BECOME DBE CERTIFIED?

- If your firm is eligible and would like to become DBE/UDBE certified, download a copy of the certification application package from the State of California Business Forms website at: http://www.dot.ca.gov/hq/bep/business_forms.htm
- If you need assistance or have questions completing the form, you may call or visit your local support services office:

San Diego Contracting Opportunities Center
 4007 Camino Del Rio South, Suite 210 | San Diego, CA 92108-4189
Phone: (619) 285-7020 | **Fax:** (619) 285-7030
Email: sdcoc@ptac-sandiego.org | **Website:** www.ptac-sandiego.org

- When your application is complete, mail it to:

Department of Transportation
 Office of Business & Economic Opportunity
 Attn: Certification Unit
 1823 14th Street | Sacramento, CA 95811
Phone: (916) 324-1700 | **Toll Free:** (866) 810-6346 | **Fax:** (916) 324-1862

- Processing of a firm's completed application generally takes four (4) to nine (9) months.
- Additional assistance for small businesses can be found at the:

Small Business Development Center North San Diego County
 1823 Mission Avenue | Oceanside, CA 92058
Phone: (760) 795-8740 | **Fax:** 760-795-8728
Email: centerinfo@miracosta.edu | **Website:** www.SanDiegoSmallBiz.com

SANDAG is a sponsor the California Small Business Development Center (SBDC) North San Diego. The SBDC offers small business seminars and workshops at no cost.

