



**SunLine Transit Agency/
SunLine Services Group
September 27, 2023
12:00 p.m.**

**Joint Regular Meeting of the SunLine Transit Agency &
SunLine Services Group Board of Directors
Regular Board of Directors Meeting**

**Board Room
32-505 Harry Oliver Trail
Thousand Palms, CA 92276**

NOTICE TO THE PUBLIC

SunLine has discontinued its COVID-19 Emergency Declaration and has returned its Board and Board Committee meetings to live and in-person attendance at the location noted above. These meetings are no longer available for viewing, attendance, or comment by two-way audiovisual platform, two-way telephonic service, webcasting, or streaming video broadcast. SunLine may prepare audio or video recordings of Board meetings. In accordance with the Brown Act and California Public Records Act, these recordings are subject to public inspection for a period of thirty (30) days after the meeting.

In compliance with the Brown Act, agenda materials distributed to the Board 72 hours or less prior to the meeting, which are public records relating to open-session agenda items, will be available for inspection by members of the public prior to or at the meeting at SunLine Transit Agency's Administration Building, 32505 Harry Oliver Trail, Thousand Palms, CA 92276 and on the Agency's website, www.sunline.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (760) 343-3456 if special assistance is needed to participate in a Board meeting, including accessibility and translation services. Notification of at least 72 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

ITEM

RECOMMENDATION

- 1. CALL TO ORDER**
- 2. FLAG SALUTE**
- 3. ROLL CALL**

ITEM

RECOMMENDATION

- 4. PRESENTATIONS
- 5. FINALIZATION OF AGENDA
- 6. APPROVAL OF MINUTES

APPROVE

a) [July 26, 2023 Joint Board Meeting](#)

(PAGE 4-7)

- 7. PUBLIC COMMENTS

RECEIVE COMMENTS

NON AGENDA ITEMS

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person’s presentation is limited to a maximum of three (3) minutes.

- 8. BOARD MEMBER COMMENTS

RECEIVE COMMENTS

- 9. CONSENT CALENDAR

All items on the Consent Calendar will be approved by one motion, and there will be no discussion of individual items unless a Board Member requests a specific item be pulled from the calendar for separate discussion. The public may comment on any item.

RECEIVE & FILE

- 9a) [Checks \\$1,000 and Over Report for June and July 2023](#) (PAGE 8-16)
- 9b) [Credit Card Statement for June and July 2023](#) (PAGE 17-32)
- 9c) [Monthly Budget Variance Report for June and July 2023](#) (PAGE 33-41)
- 9d) [Contracts Signed in Excess of \\$25,000 for July and August 2023](#) (PAGE 42-44)
- 9e) [Union & Non-Union Pension Investment Asset Summary June and July 2023](#) (PAGE 45-67)
- 9f) [Ridership Report for July and August 2023](#) (PAGE 68-71)
- 9g) [SunDial Operational Notes for July and August 2023](#) (PAGE 72-77)
- 9h) [Metrics for July and August 2023](#) (PAGE 78-117)
- 9i) [Quarterly Performance Summary for Pension Plans Q2 Calendar Year 2023](#) (PAGE 118-124)
- 9j) [Board Member Attendance for July 2023](#) (PAGE 125-126)
- 9k) [SSG/SRA Checks \\$1,000 and Over Report for June and July 2023](#) (PAGE 127-129)
- 9l) [SSG Monthly Budget Variance Report for June and July 2023](#) (PAGE 130-134)
- 9m) [Taxi Trip Data – July and August 2023](#) (PAGE 135-137)

ITEM

RECOMMENDATION

- 10. **APPROVE DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM UPDATE**
(John Peña, Chair of Board Operations Committee;
Staff: Tina Hamel, Chief of Compliance/Labor Relations) **APPROVE**
(PAGE 138-438)

- 11. **RATIFICATION OF TRANSIT BUS LEASE AGREEMENT AND APPROVAL OF FY24 OPERATING BUDGET RE-ALLOCATION**
(Nancy Ross, Chair of Finance/Audit Committee;
Staff: Walter Watcher, Procurement Officer) **APPROVE**
(PAGE 439-440)

- 12. **BUDGET APPROVAL – OPERATIONS AND MAINTENANCE GENERATOR PROJECT**
(Nancy Ross, Chair of Finance/Audit Committee;
Staff: Luis Garcia, Controller, Assistant Chief Financial Officer) **APPROVE**
(PAGE 441-442)

- 13. **GENERAL COUNSEL’S REPORT**

- 14. **CEO/GENERAL MANAGER’S REPORT**

- 15. **CLOSED SESSION**
 - a) **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**
Significant Exposure to Litigation pursuant to Government Code section 54956.9(d)(2)
Number of Matters: Two (2)

- 16. **NEXT MEETING DATE**

October 25, 2023 at 12 p.m.

- 17. **ADJOURN**

MINUTES

Joint SunLine Transit Agency/SunLine Services Group Board of Directors Meeting July 26, 2023

A joint regular meeting of the SunLine Transit Agency and SunLine Services Group Board of Directors was held at 12:00 p.m. on Wednesday, July 26, 2023 in the Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

1. CALL TO ORDER

The meeting was called to order at 12:02 p.m. by Chairperson Lisa Middleton.

2. FLAG SALUTE

Board Member Peña led the pledge of allegiance.

3. ROLL CALL

Members Present:

Lisa Middleton, Chair, SunLine Agency Board Member, City of Palm Springs
Denise Delgado, Vice-Chair, SunLine Agency Board Member, City of Coachella
Nancy Ross, SunLine Agency Board Member, City of Cathedral City
Russell Betts, SunLine Agency Board Member, City of Desert Hot Springs
Dana Reed, SunLine Agency Board Member Alternate, City of Indian Wells
Glenn Miller, SunLine Agency Board Member, City of Indio
John Peña, SunLine Agency Board Member, City of La Quinta
Kathleen Kelly, SunLine Agency Board Member, City of Palm Desert
Lynn Malotto, SunLine Agency Board Member, City of Rancho Mirage
Supervisor V. Manuel Perez, SunLine Agency Board Member, County of Riverside

4. PRESENTATIONS

a) Recognition

A plaque was presented to Board Member Miller in recognition of two (2) years of service as SunLine's Board Chairperson.

A plaque was also presented to Interim CEO/General Manager, Gloria Salazar, to acknowledge her service from March 2023 to July 2023.

**SUNLINE TRANSIT AGENCY/
SUNLINE SERVICES GROUP
BOARD OF DIRECTORS MEETING - MINUTES
JULY 26, 2023**

b) Fixed Route Service Status Report

A presentation was provided by Manuel Alcala, Planning Manager on the Fixed Route Status Report.

Board Member comments were made by:

- Board Member Miller, City of Indio
- Board Member Ross, City of Cathedral City
- Board Member Betts, City of Desert Hot Springs
- Supervisor V. Manuel Perez, County of Riverside
- Board Member Mallotto, City of Rancho Mirage

5. FINALIZATION OF AGENDA

No changes to the agenda.

6. APPROVAL OF MINUTES FOR THE JOINT STA/SSG June 28, 2023 BOARD MEETING

Board Member Ross moved to approve the minutes of the June 28, 2023 Joint STA/SSG Board meeting. The motion was seconded by Board Member Mallotto. The motion was approved by a unanimous vote of 8 yes; 0 no; 2 abstain

7. PUBLIC COMMENTS

One (1) public comments was made by:

- Maria Resendiz

8. BOARD MEMBER COMMENTS

None.

9. CONSENT CALENDAR

Board Member Miller moved to approve the consent calendar. The motion was seconded by Board Member Kelly. The motion was approved by a unanimous vote of 10 yes; 0 no; 0 abstain

10. PURCHASE OF TEN (10) REPLACEMENT PARATRANSIT VEHICLES

Finance/Audit Committee Chair Ross reported that this item was brought to the committee and they unanimously approved the item. SunLine Transit Agency Board Member Ross moved to approve the Purchase of Ten (10) Replacement Paratransit Vehicles. The motion was approved by a unanimous vote of 10 yes; 0 no; 0 abstain

**SUNLINE TRANSIT AGENCY/
SUNLINE SERVICES GROUP
BOARD OF DIRECTORS MEETING - MINUTES
JULY 26, 2023**

11. COACHELLA TRANSIT HUB

Finance/Audit Committee Chair Ross reported that this item was brought to the committee and they unanimously approved the item.

Board Member comment was made by:

- Board Member Delgado, City of Coachella

Following Board Member comment, SunLine Transit Agency Board Member Ross moved to approve the Coachella Transit Hub. The motion was approved by a unanimous vote of 10 yes; 0 no; 0 abstain

12. NEL AMENDMENT NUMBER THREE (3)

An oral report was provided by Finance/Audit Committee Chair Nancy Ross on this information item.

13. GENERAL COUNSEL’S REPORT

General Counsel, Eric Vail, provided a brief oral report.

14. CEO/GENERAL MANAGER’S REPORT

Interim CEO/General Manager, Gloria Salazar, provided a brief oral report.

15. CLOSED SESSION

a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code section 54956.9(d)(1)
One (1) matter

Navarrete v. SunLine Transit Agency
Riverside Co. Superior Court; Case No. CVRI2103875 (previously consolidated with CVRI2104825)

- a) There was no reportable action taken

16. NEXT MEETING DATE

September 27, 2023 at 12 p.m.
Board Room
32-505 Harry Oliver Trail
Thousand Palms, CA 92276

**SUNLINE TRANSIT AGENCY/
SUNLINE SERVICES GROUP
BOARD OF DIRECTORS MEETING - MINUTES
JULY 26, 2023**

17. ADJOURN

The SunLine Services Group and SunLine Transit Agency meeting concurrently adjourned at 12:46 p.m.

Respectfully Submitted,

Edith Hernandez
Clerk of the Board

SunLine Transit Agency**CONSENT CALENDAR**

DATE: September 27, 2023

RECEIVE & FILETO: Finance/Audit Committee
Board of Directors

RE: Checks \$1,000 and Over Report June and July 2023

Summary:

The Checks \$1,000 and Over Report lists all of the checks processed at the Agency with a value of over \$1,000 for a given month.

- The table below identifies the checks \$50,000 and over in the months of June and July which required signature from the Chair or Vice Chair.

Vendor	Check #	Amount
<i>Avail Technologies</i>	693031	\$163,469.33
<i>Burke, Williams & Sorensen, LLP</i>	693094	\$106,550.55
<i>Creative Bus Sales, Inc.</i>	693041	\$71,800.03
<i>Creative Bus Sales, Inc.</i>	692976	\$71,795.98
<i>Trapeze Software Group, Inc.</i>	693457	\$120,813.80
<i>Jackson Lewis P.C.</i>	693375	\$56,880.00

Recommendation:

Receive and file.

**SunLine Transit Agency
Checks \$1,000 and Over
June 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
CALPERS	Group Health Premiums	693228	06/27/2023	337,115.81
CALPERS	Group Health Premiums	692970	06/05/2023	334,299.61
AVAIL TECHNOLOGIES	Annual Support FY24	693031	06/09/2023	163,469.33
IMPERIAL IRRIGATION DIST	Utilities	693122	06/16/2023	145,653.91
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	693018	06/05/2023	117,929.16
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	693276	06/29/2023	117,839.40
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	693153	06/16/2023	117,606.51
BURKE, WILLIAMS & SORENSEN, LLP	Legal Service	693094	06/16/2023	106,550.55
PERMA - INSURANCE	Liability Program 2nd of 7 Annual Installments	693061	06/09/2023	101,687.00
ANEW RNG, LLC	Utilities	693166	06/22/2023	77,133.49
CREATIVE BUS SALES, INC,	WIP- Micro Transit Vehicles (1 of 2) - Project Acct#1910	693041	06/09/2023	71,800.03
CREATIVE BUS SALES, INC,	WIP- Micro Transit Vehicles (2 of 2) - Project Acct#1910	692976	06/05/2023	71,795.98
SO CAL GAS CO.	Utilities	693069	06/09/2023	56,543.52
TRUGUARD SECURITY SERVICES, INC	Security Guard Services	693219	06/22/2023	48,664.31
EAM SOLUTIONS, LLC	WIP-TAMS Software Implementation - Project Acct#1512	693109	06/16/2023	36,736.00
MUTUAL OF OMAHA INSURANCE COMPANY	Supplement Benefits LTD/STD/LIFE Ins Prem	693238	06/27/2023	34,291.89
ATKINSON, ANDELSON, LOYA RUUD AND ROMO	Legal Services	693168	06/22/2023	25,592.35
MICHELIN NORTH AMERICA, INC.	Lease Tires Services	692998	06/05/2023	25,510.60
A AND A FLEET PAINTING INC	Repair Claims	692959	06/05/2023	24,382.54
BIG BELLY SOLAR, LLC	WIP- Bus Stop Shelters Trash Cans - Project Acct#2216	692968	06/05/2023	24,008.75
GOVERNMENTJOBS.COM, INC.	Recruiting Employees Jul 2023 - Jun 2024	693055	06/09/2023	22,029.82
THE LEFLORE GROUP LLC	Projects Consultant	693210	06/22/2023	21,715.78
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	693211	06/22/2023	21,374.13
YELLOW CAB OF THE DESERT	SunRide Ride Share Expenses	693226	06/22/2023	21,263.99
YELLOW CAB OF THE DESERT	SunRide Ride Share Expenses	693279	06/29/2023	20,407.08
COACHELLA VALLEY TAXI	SunRide Ride Share Expenses	693191	06/22/2023	20,318.47
DAHL, TAYLOR AND ASSOCIATES, INC.	WIP-Electric Meter Generator Testing- Project Acct#2313	692977	06/05/2023	20,124.00
NFI PARTS	Inventory Repair Parts	693159	06/22/2023	20,054.21
EAM SOLUTIONS, LLC	WIP-TAMS Software Implementation - Project Acct#1512	693181	06/22/2023	18,368.00
A AND A FLEET PAINTING INC	Repair Claims	693025	06/09/2023	17,986.00
ARCADIS, A CALIFORNIA PARTNERSHIP	WIP-Radio System Replacement-Project Acct#1905	692989	06/05/2023	14,737.50
COACHELLA VALLEY TAXI	SunRide Ride Share Expenses	693236	06/27/2023	13,631.40
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	693065	06/09/2023	13,500.73
OLD GREEN HOUSE LLC	Planning Consultant	693144	06/16/2023	12,528.00
VERIZON WIRELESS	Wireless Telephone Service	693078	06/09/2023	11,708.02
INTEGRATED CRYOGENIC SOLUTIONS LLC	WIP-Replacement CNG regulator valve -- Project Acct#2316-03	693124	06/16/2023	11,653.89
WSP USA INC.	TDM & Vanpool Program	693022	06/05/2023	11,254.68
UNUM	Group Dental & Vision Premiums	693150	06/16/2023	11,183.79
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	693268	06/29/2023	10,886.81

**SunLine Transit Agency
Checks \$1,000 and Over
June 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
MAKAI SOLUTIONS	WIP-Repair Both Inground Mod 30 Lifts - Project Acct#1912-12	692997	06/05/2023	10,638.00
OLD GREEN HOUSE LLC	Planning Consultant	693240	06/27/2023	10,353.00
DOVE PRINTING	Printing Expense	692994	06/05/2023	10,336.46
DAHL, TAYLOR AND ASSOCIATES, INC.	WIP-Indio Circuit Study Site- Project Acct#2316-05	693042	06/09/2023	9,960.00
NAPA AUTO PARTS	Inventory Repair Parts	693128	06/16/2023	9,687.87
BYD COACH & BUS LLC	Inventory Repair Parts	693098	06/16/2023	9,657.91
TEC EQUIPMENT, INC.	Inventory Repair Parts	693072	06/09/2023	9,644.11
DYNAMIC BUILDING MAINTENANCE INC	Janitorial Services	693108	06/16/2023	9,410.00
TOWNSEND PUBLIC AFFAIRS, INC	Consulting-General	693275	06/29/2023	9,000.00
A AND A FLEET PAINTING INC	Repair Claims	693084	06/16/2023	8,717.00
PRYOR LEARNING SOLUTIONS, INC.	Annual Pryor Learning Training Jul 2023-Jun 2024	693138	06/16/2023	7,518.00
COACHELLA VALLEY TAXI	SunRide Ride Share Expenses	693258	06/29/2023	6,837.02
OPW FUELING COMPONENTS	Inventory Repair Parts	693135	06/16/2023	5,984.85
AMALGAMATED TRANSIT UNION	Union Dues	692964	06/05/2023	5,609.66
AMALGAMATED TRANSIT UNION	Union Dues	693227	06/27/2023	5,565.24
PALM SPRINGS MOTORS, INC.	Inventory Repair Parts	693201	06/22/2023	5,538.60
AMALGAMATED TRANSIT UNION	Union Dues	693088	06/16/2023	5,533.32
RIDECO US INC	SunRide Ride Share Expenses	693267	06/29/2023	4,961.81
CNTY OF RIVERSIDE DEPT OF ENVIRONMENTAL	Annual Permit Renewal FY22/23	692973	06/05/2023	4,937.00
FRANKLIN TRUCK PARTS, INC	Inventory Repair Parts	693114	06/16/2023	4,876.20
PARKHOUSE TIRE, INC.	Repair Parts-Fixed Route	693203	06/22/2023	4,841.00
ANDREA CARTER & ASSOCIATES	Marketing & Communication Services	693165	06/22/2023	4,690.00
TPX COMMUNICATIONS	Communication Service	693218	06/22/2023	4,654.23
PIEDMONT PLASTICS, INC.	Bus Stop Supplies	693206	06/22/2023	4,146.22
GARON WYATT INVESTIGATIVE SERVICES, LLC.	Insurance Loss	693185	06/22/2023	4,046.06
AMERICAN MOVING PARTS	Inventory Repair Parts	693030	06/09/2023	3,981.12
VEHICLE TECHNICAL CONSULTANTS, INC.	WIP-Pre and Post Award inspection – Project Acct#2201	693157	06/16/2023	3,500.00
COMPLETE COACH WORKS	WIP- Barrier Door Installation – Project Acct#2201	693103	06/16/2023	3,484.78
DAVID RZEPINSKI CONSULTING	WIP-Radio Replacement Consulting - Project Acct#1905	693175	06/22/2023	3,481.25
PRUDENTIAL OVERALL SUPPLY	Uniforms	693137	06/16/2023	3,431.12
CHARTER COMMUNICATIONS	Utilities	693217	06/22/2023	3,273.07
THE LEFLORE GROUP LLC	WCCOE Instructor – Project Acct#2320-00	693147	06/16/2023	3,250.00
HTEC HYDROGEN TECHNOLOGY & ENERGY	WCCOE Instructor – Project Acct#2320-00	693188	06/22/2023	3,212.91
ODP BUSINESS SLOUTIONS LLC	Office Supplies	693195	06/22/2023	3,202.55
FORENSIC DRUG TESTING SERVICES	Alcohol & Drug Testing	693183	06/22/2023	3,167.15
PLAZA TOWING, INC.	Towing Services	693062	06/09/2023	3,150.00
QUADIENT FINANCE USA, INC.	Postage	693139	06/16/2023	3,000.00
SC FUELS	Lubricants- Oil	693213	06/22/2023	2,909.26
HTEC HYDROGEN TECHNOLOGY & ENERGY	WIP-PM Service for Liquid H2 Station- Project Acct#2211	693120	06/16/2023	2,868.58

**SunLine Transit Agency
Checks \$1,000 and Over
June 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
COACH AND EQUIPMENT MFG CORP	Inventory Repair Parts	693172	06/22/2023	2,811.06
JESSE FRESCAS JR.	WIP-COE Project Acct# 1808/Coachella Hub Project Acct #2212	693190	06/22/2023	2,800.00
AMAZON CAPITAL SERVICES, INC	Facility Maintenance	692965	06/05/2023	2,761.26
DESERT SUN PUBLISHING CO., THE	Advertising	693179	06/22/2023	2,761.00
CALIFORNIA STATE DISBURSEMENT UNIT	Garnishment	692971	06/05/2023	2,702.01
STAGED RIGHT EVENTS, INC.	Event Consultant-WCCoE Training Workshops	693149	06/16/2023	2,700.00
ALLIED REFRIGERATION, INC	Freon & Coolant	692963	06/05/2023	2,676.18
KINCAID INDUSTRIES, INC	WIP-Fixed Assets Facility Improvement Project Acct #1913-04	692993	06/05/2023	2,629.04
CALIFORNIA STATE DISBURSEMENT UNIT	Garnishment	693229	06/27/2023	2,587.49
CALIFORNIA STATE DISBURSEMENT UNIT	Garnishment	693099	06/16/2023	2,587.49
JOSEPH LYNN FRIEND	Contracted Services	693125	06/16/2023	2,565.00
VALLEY OFFICE EQUIPMENT, INC.	Copier Service	693156	06/16/2023	2,486.04
US BANK VOYAGER FLEET SYSTEMS	Unleaded/Diesel Fuel	693077	06/09/2023	2,482.59
SC FUELS	Lubricants- Oil	693067	06/09/2023	2,477.52
PRUDENTIAL OVERALL SUPPLY	Uniforms	693208	06/22/2023	2,454.57
NFI PARTS	Inventory Repair Parts	693026	06/09/2023	2,437.11
CARQUEST AUTO PARTS STORES	Inventory Repair Parts	693036	06/09/2023	2,436.78
DESERT CRANE SERVICE, INC.	WIP-Fixed Assets Facility Improvement Project Acct #2115-03	693104	06/16/2023	2,400.00
YELLOW CAB OF THE DESERT	Taxi Voucher Program	693225	06/22/2023	2,345.30
HOME DEPOT CREDIT SERVICES	Facility Maintenance	693118	06/16/2023	2,329.38
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	693097	06/16/2023	2,313.58
NFI PARTS	Inventory Repair Parts	693085	06/16/2023	2,283.45
GRAINGER	Electrical Expenses	693049	06/09/2023	2,263.35
YELLOW CAB OF THE DESERT	Taxi Voucher Program	693278	06/29/2023	2,194.03
PRUDENTIAL OVERALL SUPPLY	Uniforms	693005	06/05/2023	2,163.15
YELLOW CAB OF THE DESERT	Taxi Voucher Program	693083	06/09/2023	2,138.93
CITY CAB	Taxi Voucher Program	693270	06/29/2023	2,134.00
PAUL ASSOCIATES	Office Supplies	693205	06/22/2023	2,037.49
WILLIAM LOPER	Consulting-General	693223	06/22/2023	2,025.00
YELLOW CAB OF THE DESERT	Taxi Voucher Program	693224	06/22/2023	2,012.70
ANDERSON COMMUNICATIONS	Radio Repeater Hill Top Rental	693032	06/09/2023	2,000.00
MICHAEL MORROW	WCCOE Instructor – Project Acct#2320-00	693127	06/16/2023	2,000.00
DOUGLAS H. REDMAN	WCCOE Instructor – Project Acct#2320-00	693107	06/16/2023	2,000.00
ULINE, INC.	TRASH CONTAINERS	693019	06/05/2023	1,922.23
GLORIA G. SALAZAR	Consulting	693115	06/16/2023	1,889.21
GRAINGER	Small Tools & Equipment	693187	06/22/2023	1,877.99
AMAZON CAPITAL SERVICES, INC	Bus Stop Supplies/Facility Maintenance	693089	06/16/2023	1,848.77
PAUL ASSOCIATES	Printing Expense	693003	06/05/2023	1,835.61
WESTGATE CENTER FOR LEADERSHIP	Travel Meetings/Seminars	693221	06/22/2023	1,770.00

**SunLine Transit Agency
Checks \$1,000 and Over
June 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	693096	06/16/2023	1,629.56
SECTRAN SECURITY INC.	Bank Adjustment Fees	693272	06/29/2023	1,550.53
METAL FORM MFG LLC	Contract Services A/C	693193	06/22/2023	1,540.00
C V WATER DISTRICT	Utilities	693173	06/22/2023	1,533.78
FRONTIER COMMUNICATIONS	Utilities - OPS Bldg	693184	06/22/2023	1,525.00
ODP BUSINESS SLOUTIONS LLC	office supply	693131	06/16/2023	1,475.13
MILE3 WEB DEVELOPMENT	Website Maintenance	693054	06/09/2023	1,470.00
AMERICAN MOVING PARTS	Inventory Repair Parts	693164	06/22/2023	1,447.68
TRAPEZE SOFTWARE GROUP INC.	WIP- Payroll Software Exhibit B Project Acct #2213-00	693075	06/09/2023	1,439.07
GRAINGER	Electrical Expenses	692988	06/05/2023	1,416.86
TOTAL CARE WORK INJURY CLINIC	Medical Exam & Testing	693277	06/29/2023	1,395.00
OMNITRACS, LLC	General Services	693134	06/16/2023	1,380.00
TRANSIT RESOURCES, INC.	Inventory Repair Parts	693074	06/09/2023	1,372.10
DESERT PROMOTIONAL AND EMBROIDERY, LLC	Employee Expense/Uniforms	693105	06/16/2023	1,365.90
SONSRAY FLEET SERVICES	Inventory Repair Parts	693073	06/09/2023	1,316.10
FULTON DISTRIBUTING	Shop Supplies	692983	06/05/2023	1,293.65
DANIELS TIRE SERVICE - GOOD YEAR	Inventory Repair Parts	693043	06/09/2023	1,253.36
FULTON DISTRIBUTING	Materials & Supplies	693180	06/22/2023	1,245.37
BROADLUX, INC.	Contract Services-General	693169	06/22/2023	1,242.00
YUMEK ALLEN	Replace Check	693245	06/27/2023	1,228.44
GLOBAL INDUSTRIAL	Shop Equipment Repairs	693186	06/22/2023	1,221.71
PALM SPRINGS MOTORS, INC.	Inventory Repair Parts	693136	06/16/2023	1,193.93
TOOLTOPIA, LLC.	Small Tools & Equipment	693017	06/05/2023	1,184.17
AMERICAN MOVING PARTS	Inventory Repair Parts	692966	06/05/2023	1,156.41
CARISSA SANCHEZ	Reimbursement Expense	693100	06/16/2023	1,107.00
AVAIL TECHNOLOGIES	Inventory Repair Parts	693092	06/16/2023	1,106.95
DS AIR	Materials & Supplies	692972	06/05/2023	1,102.93
HD INDUSTRIES	Inventory Repair Parts	693117	06/16/2023	1,065.49
DESERT AIR CONDITIONING, INC.	Contract Services A/C	693176	06/22/2023	1,057.00
SNAP-ON INSDUSTRIAL, A DIVISION OF IDSC	Small Tools & Equipment	693014	06/05/2023	1,046.89
HIRERIGHT, LLC	Background Service	693040	06/09/2023	1,042.11
VERONICA MANZO STUMPF	WIP-Consultant TAM Software Project Acct #1512-01	693079	06/09/2023	1,025.00
MARCOS MENDOZA	Reimbursement Expense	693237	06/27/2023	1,000.00
RONNIE HUERTA	Reimbursement Expense	693145	06/16/2023	1,000.00
Total Checks Over \$1,000	\$2,709,960.82			
Total Checks Under \$1,000	\$49,669.39			
Total Checks	\$2,759,630.21			

**SunLine Transit Agency
Checks \$1,000 and Over
July 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
PERMA - INSURANCE	Jul-Sept WC/GL & FY23/24 Liability/Damaged Ins Premiums	693501	07/26/2023	1,205,552.79
CALPERS	Group Health Premiums	693473	07/26/2023	347,657.50
IMPERIAL IRRIGATION DIST	Utilities	693431	07/19/2023	123,242.06
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	693512	07/26/2023	122,540.25
TRAPEZE SOFTWARE GROUP INC.	Computer/Network Software Agreement	693457	07/19/2023	120,813.80
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	693411	07/14/2023	118,115.47
ANEW RNG, LLC	Utilities	693423	07/19/2023	60,175.09
JACKSON LEWIS P.C.	Insurance Loss	693375	07/14/2023	56,880.00
SO CAL GAS CO.	Utilities	693404	07/14/2023	54,914.53
KRAUTHAMER & ASSOCIATES LLC	Consulting-General	693378	07/14/2023	45,313.01
TRUGUARD SECURITY SERVICES, INC	Security Guard Services	693331	07/06/2023	40,925.73
TRUGUARD SECURITY SERVICES, INC	Security Guard Services	693409	07/14/2023	39,504.90
MUTUAL OF OMAHA INSURANCE COMPANY	Supplement Benefits LTD/STD/LIFE Ins Prem	693461	07/24/2023	33,504.10
MICHELIN NORTH AMERICA, INC.	Lease Tires Services	693381	07/14/2023	26,285.62
TRAPEZE SOFTWARE GROUP INC.	Computer/Network Software Agreement	693454	07/19/2023	24,809.00
SONSRAY FLEET SERVICES	Inventory Repair Parts	693406	07/14/2023	24,801.99
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	693443	07/19/2023	16,989.14
BURKE, WILLIAMS & SORENSEN, LLP	Legal Service	693347	07/14/2023	16,188.60
IMPERIAL IRRIGATION DIST	Utilities	693374	07/14/2023	14,786.26
COACHELLA VALLEY TAXI	SunRide Ride Share Expenses	693496	07/26/2023	13,673.40
YELLOW CAB OF THE DESERT	SunRide Ride Share Expenses	693520	07/26/2023	13,462.06
CDW GOVERNMENT, INC	Annual Renewal for Network Monitoring	693350	07/14/2023	13,212.40
NAPA AUTO PARTS	Inventory Repair Parts	693385	07/14/2023	13,032.52
FRANKLIN TRUCK PARTS, INC	Inventory Repair Parts	693367	07/14/2023	12,372.59
VERIZON WIRELESS	Wireless Telephone Service	693332	07/06/2023	11,691.17
UNUM	Group Dental & Vision Premiums	693448	07/19/2023	11,566.12
ATKINSON, ANDELSON, LOYA RUUD AND ROMO	Legal Services	693291	07/06/2023	11,426.00
DAHL, TAYLOR AND ASSOCIATES, INC.	WIP-Electric Meter Generator Testing- Project Acct #2313	693354	07/14/2023	10,836.00
JACKSON LEWIS P.C.	Insurance Loss	693376	07/14/2023	10,748.50
WSP USA INC.	TDM & Vanpool Program	693334	07/06/2023	10,562.27
NFI PARTS	Inventory Repair Parts	693282	07/06/2023	10,027.94
PALMER KAZANJIAN WOHL HODSON LLP	Legal Service	693322	07/06/2023	9,849.00
LITMOS US, L.P.	Employee Development Program	693434	07/19/2023	9,700.00
DYNAMIC BUILDING MAINTENANCE INC	Janitorial Services	693302	07/06/2023	9,410.00
TRAPEZE SOFTWARE GROUP INC.	Computer/Network Software Agreement	693453	07/19/2023	9,350.00
NFI PARTS	Inventory Repair Parts	693463	07/26/2023	9,344.85
TOWNSEND PUBLIC AFFAIRS, INC	Consulting-General	693408	07/14/2023	9,000.00
ROMAINE ELECTRIC CORP.	Inventory Repair Parts	693397	07/14/2023	8,864.79
OLD GREEN HOUSE LLC	Planning Consultant	693442	07/19/2023	8,787.00

**SunLine Transit Agency
Checks \$1,000 and Over
July 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
ZOOM VIDEO COMMUNICATION, INC.	Computer/Network Software Agreement	693460	07/19/2023	8,468.00
DESERT AIR CONDITIONING, INC.	Contract Services A/C	693299	07/06/2023	8,093.19
A AND A FLEET PAINTING INC	Repair Claims	693280	07/06/2023	8,004.00
LAWCX	WC-Insurance Premium	693497	07/26/2023	7,697.00
ATLAS COPCO USA HOLDING INC	WIP-Fixed Assets-Facility Improvement Project Acct #2115-02	693504	07/26/2023	7,381.14
TRAPEZE SOFTWARE GROUP INC.	Computer/Network Software Agreement	693456	07/19/2023	6,997.00
COACHELLA VALLEY TAXI	SunRide Ride Share Expenses	693379	07/14/2023	6,814.20
COACHELLA VALLEY TAXI	SunRide Ride Share Expenses	693314	07/06/2023	6,791.44
YELLOW CAB OF THE DESERT	SunRide Ride Share Expenses	693336	07/06/2023	6,718.75
MAGALDI & MAGALDI, INC.	Inventory Repair Parts	693316	07/06/2023	6,326.30
AMALGAMATED TRANSIT UNION	Union Dues	693467	07/26/2023	5,998.44
XENIA RACING WRAPS	Contract Services	693335	07/06/2023	5,944.58
AMALGAMATED TRANSIT UNION	Union Dues	693340	07/14/2023	5,929.16
RIDECO US INC	SunRide Ride Share Expenses	693505	07/26/2023	5,631.38
US BANK VOYAGER FLEET SYSTEMS	Unleaded/Diesel Fuel	693413	07/14/2023	5,448.15
TRAPEZE SOFTWARE GROUP INC.	Computer/Network Software Agreement	693455	07/19/2023	5,378.04
PRUDENTIAL OVERALL SUPPLY	Uniforms	693325	07/06/2023	5,330.66
SONSRAY FLEET SERVICES	Repair Parts-Fixed Route	693511	07/26/2023	5,330.15
IMPERIAL IRRIGATION DIST	Utilities	693311	07/06/2023	5,174.92
PALM SPRINGS MOTORS, INC.	Inventory Repair Parts	693438	07/19/2023	5,089.23
TRANSIT RESOURCES, INC.	Inventory Repair Parts	693451	07/19/2023	4,919.88
ALLIED REFRIGERATION, INC	Freon & Coolant	693466	07/26/2023	4,910.99
CLICKUP	Computer/Network Software Agreement	693380	07/14/2023	4,788.00
LUMINATOR TECHNOLOGY GROUP	WIP-H2 Ride Equipment Cameras Project Acct #2215-00	693315	07/06/2023	4,500.00
HOME DEPOT CREDIT SERVICES	Facility Maintenance	693370	07/14/2023	4,444.01
ARCADIS, A CALIFORNIA PARTNERSHIP	WIP-Radio System Replacement-Project Acct #1905	693289	07/06/2023	4,420.00
TPX COMMUNICATIONS	Communication Service	693450	07/19/2023	4,154.18
SC FUELS	Lubricants- Oil	693508	07/26/2023	4,131.14
FORENSIC DRUG TESTING SERVICES	Alcohol & Drug Testing	693485	07/26/2023	4,065.80
BATTERY RUSH	Bus Stop Supplies	693345	07/14/2023	3,924.64
HD INDUSTRIES	Inventory Repair Parts	693489	07/26/2023	3,896.71
DECALS BY DESIGN, INC.	WIP-Wrap of Two (2) Microtransit Vans Project Acct #1910	693298	07/06/2023	3,868.25
PLAZA TOWING, INC.	Towing Services	693440	07/19/2023	3,825.00
GRAINGER	Shop Supplies	693310	07/06/2023	3,768.02
SPECIALTY FIELD SERVICE, INC.	Outside Repair-Fixed Route	693446	07/19/2023	3,600.00
CALIFORNIA DEPARTMENT OF TAX & FEE	Quarterly Used Sale Tax	693296	07/06/2023	3,407.00
ANDREA CARTER & ASSOCIATES	Marketing & Communication Services	693468	07/26/2023	3,400.00
OWL LABS	Employee Development Program	693319	07/06/2023	3,387.67
GLORIA G. SALAZAR	Consulting	693309	07/06/2023	3,295.31

**SunLine Transit Agency
Checks \$1,000 and Over
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Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
CHARTER COMMUNICATIONS	Utilities	693447	07/19/2023	3,264.12
OPW FUELING COMPONENTS	Inventory Repair Parts	693318	07/06/2023	3,231.37
SPECTRAPURE, INC.	Inventory Repair Parts	693426	07/19/2023	3,222.84
IMPERIAL IRRIGATION DIST	Utilities	693491	07/26/2023	3,217.35
CALIFORNIA STATE DISBURSEMENT UNIT	Garnishment	693474	07/26/2023	2,925.69
SONSRAY FLEET SERVICES	Inventory Repair Parts	693449	07/19/2023	2,883.68
JESSE FRESCAS JR.	Consulting-General	693432	07/19/2023	2,880.00
SAFETY-KLEEN CORPORATION	Contract Svc-Haz Waste Removal	693326	07/06/2023	2,875.47
GILLIG LLC	Inventory Repair Parts	693308	07/06/2023	2,772.56
ELDORADO NATIONAL (CALIFORNIA), INC.	Inventory Repair Parts	693427	07/19/2023	2,732.07
ALLIED REFRIGERATION, INC	Freon & Coolant	693287	07/06/2023	2,687.74
CALIFORNIA STATE DISBURSEMENT UNIT	Garnishment	693348	07/14/2023	2,678.74
CARQUEST AUTO PARTS STORES	Inventory Repair Parts	693349	07/14/2023	2,506.13
N/S CORPORATION	WIP-Fixed Assets-Facility Improvement Project Acct #2115-05	693436	07/19/2023	2,271.40
YELLOW CAB OF THE DESERT	Taxi Voucher Program	693519	07/26/2023	2,231.70
WILLIAM LOPER	Consulting-General	693459	07/19/2023	2,200.00
YELLOW CAB OF THE DESERT	Taxi Voucher Program	693418	07/14/2023	2,190.28
ANDERSON COMMUNICATIONS	Radio Repeater Hill Top Rental	693344	07/14/2023	2,100.00
SECTRAN SECURITY INC.	Bank Adjustment Fees	693401	07/14/2023	2,001.17
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	693293	07/06/2023	1,892.45
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	693294	07/06/2023	1,835.27
GRAINGER	Inventory Repair Parts	693430	07/19/2023	1,819.01
AMAZON CAPITAL SERVICES, INC	Inventory Repair Parts	693421	07/19/2023	1,686.79
JOHN M. ELLSWORTH., INC.	Equipment Repairs-Shop Equipment	693313	07/06/2023	1,646.68
VALLEY OFFICE EQUIPMENT, INC.	Copier Service	693415	07/14/2023	1,636.49
ALEXANDER COHN, ESQ	Legal Services	693286	07/06/2023	1,600.00
NEXT LEVEL HVAC ENERGY MANAGEMENT	Air Conditioning Expenses	693437	07/19/2023	1,600.00
FENCEWORKS RENTAL SYSTEMS, INC	WIP-Fence Rental Project Acct #1808	693428	07/19/2023	1,533.60
DESERT HOSE & SUPPLY CORP.	Equipment Repairs-Shop Equipment	693300	07/06/2023	1,530.90
FRONTIER COMMUNICATIONS	Utilities- OPS Bldg	693429	07/19/2023	1,525.00
MILE3 WEB DEVELOPMENT	Website Maintenance	693382	07/14/2023	1,470.00
HTEC HYDROGEN TECHNOLOGY & ENERGY	WIP-PM Service for Liquid H2 Station- Project Acct #2211	693372	07/14/2023	1,434.29
MODEL1 COMMERCIAL VEHICLES, INC.	Inventory Repair Parts	693383	07/14/2023	1,401.29
OMNITRACS, LLC	General Services	693388	07/14/2023	1,380.00
NFI PARTS	Inventory Repair Parts	693337	07/14/2023	1,313.47
HIRERIGHT, LLC	Background Service	693353	07/14/2023	1,251.36
TRANSITNEWS.NET	Membership & Subscriptions	693333	07/06/2023	1,199.90
TRAPEZE SOFTWARE GROUP INC.	Computer/Network Software Agreement	693452	07/19/2023	1,177.08
BRITE & CLEAN WINDOWS	Camera Maintenance Agreement	693292	07/06/2023	1,152.00

**SunLine Transit Agency
Checks \$1,000 and Over
July 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
TOTAL CARE WORK INJURY CLINIC	Medical Exam & Testing	693517	07/26/2023	1,125.00
OPTUMHEALTH	Benefits Management Expense	693389	07/14/2023	1,025.00
ABSOLUTE SELF STORAGE	Contract Services-General	693281	07/06/2023	1,023.00
PLAZA TOWING, INC.	Towing Services	693324	07/06/2023	1,000.00
Total Checks Over \$1,000	\$3,000,299.67			
Total Checks Under \$1,000	\$34,498.56			
Total Checks	\$3,034,798.23			

SunLine Transit Agency

CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Finance/Audit Committee
Board of Directors

RE: Credit Card Statement for June & July 2023

Summary:

The attached report summarizes the Agency's credit card expenses for June and July 2023. The report summarizes transactions for the credit card utilized for Procurement which aligns with the statement closing dates of June 30 and July 31, 2023.

Recommendation:

Receive and file.

SunLine Transit Agency Visa Credit Card Statement
 Closing Date: 06/30/2023
 Name on Card: Walter Watcher (Procurement Card)

Trans. Date	Post. Date	Name	Detail-Description	Credits	Charges
1 6/1/2023	6/1/2023	Ring	Ring Doorbell Subscription Yearly Plan Basic -Parts Warehouse		\$ 39.99
2 6/1/2023	6/2/2023	Walmart	Safety Dept-Gift Cards for Safety Incentive Prizes		\$ 820.00
3 6/1/2023	6/2/2023	Panera	Gift Cards for Safety Incentive Prizes		\$ 500.00
4 6/1/2023	6/2/2023	Walmart	Gift Cards for Safety Incentive Prizes		\$ 480.00
5 6/1/2023	6/2/2023	Sams Club	Gift Cards for Safety Incentive Prizes		\$ 966.03
6 6/2/2023	6/2/2023	Microsoft	Microsoft Teams - Office 365- 1 year		\$ 180.00
7 6/5/2023	6/6/2023	Target	Gift Cards for Safety Incentive Prizes		\$ 60.00
8 6/5/2023	6/6/2023	Target	Gift Cards for Safety Incentive Prizes		\$ 440.00
9 6/5/2023	6/6/2023	Costco	Gift Cards for Safety Incentive Prizes		\$ 129.27
10 6/5/2023	6/12/2023	Residence Inn	Smith System Driver Training (Daniel Bazua)- Hotel Room		\$ 1,013.96
11 6/7/2023	6/8/2023	Ihire, LLC	Job Posting and Recruiting		\$ 1,215.00
12 6/8/2023	6/12/2023	Residence Inn	Smith System Driver Training (Daniel Bazua)- Hotel Room		\$ 483.83
13 6/9/2023	6/9/2023	Sonnys Enterprise Inc.	Dema 206B Brass 3/4 Inch B-series Injector		\$ 102.30
14 6/9/2023	6/12/2023	Alaska Air	Smith System Driver Training -Flight (Elmore Brown)		\$ 318.90
15 6/9/2023	6/12/2023	Expedia	Smith System Driver Training -Hotel Room (Elmore Brown)		\$ 680.52
16 6/9/2023	6/12/2023	United	Smith System Driver Training -Flight (Elmore Brown)		\$ 319.20
17 6/9/2023	6/12/2023	John M Ellsworth Co.	Air filter regulator tax		\$ 28.70
18 6/9/2023	6/12/2023	Expedia	Smith System Driver Training -Flight Fee (Elmore Brown)		\$ 5.57
19 6/9/2023	6/12/2023	Smith System D.I.I.Inc.	Smith System Driver Training Two Day Recertification Course Registration (Elmore Brown)		\$ 1,548.95
20 6/12/2023	6/13/2023	Indio Florist	Flowers for the funeral service of employee		\$ 266.44
21 6/12/2023	6/13/2023	American Air	Speaker for Clean Buses-East Conference (Harman Singh) Flight		\$ 925.40
22 6/12/2023	6/14/2023	Sams Club	Food and Drinks for Safety BBQ		\$ 622.07
23 6/13/2023	6/14/2023	Smart & Final	Food and Drinks for Safety BBQ		\$ 779.51
24 6/13/2023	6/14/2023	Sams Club	Food and Drinks for Safety BBQ		\$ 550.10
25 6/13/2023	6/14/2023	Renaissance D.C. Downtown	Speaker for Clean Buses-East Conference (Harman Singh) Hotel Room		\$ 1,274.30
26 6/13/2023	6/14/2023	Castanedas	Food for employees related to Safety BBQ		\$ 162.92
27 6/17/2023	6/19/2023	LabelMaster	Training DOT certification to ship dangerous goods (Walter, Shawn Kian)		\$ 300.00
28 6/20/2023	6/21/2023	PERB	CSMCS Arbitrator List - Payment Amount		\$ 50.00
29 6/20/2023	6/21/2023	PERB	CSMCS Arbitrator List -Convenience Fee		\$ 1.50
30 6/20/2023	6/22/2023	AED Superstore	AED electrode pads		\$ 130.50
31 6/23/2023	6/26/2023	Eig	Constant Contact newsletter software -1 year		\$ 45.00
32 6/23/2023	6/26/2023	Eig	Constant Contact newsletter software -1 year		\$ 459.00
33 6/25/2023	6/26/2023	Canva	Canva Pro Subscription (Wellness Committee) - 1 Year		\$ 119.99
34 6/27/2023	6/28/2023	Canva	Canva Pro Subscription (Performance Dept.) - 1 Year		\$ 119.99
35 6/28/2023	6/29/2023	Sams Club	Pallet of bottled water for employees		\$ 287.04
36 6/29/2023	6/30/2023	Expedia	Smith System Driver Training (Daniel Bazua)- Expedia Service Fee		\$ 5.99
				\$ -	\$ 15,431.97



Reporting Period : 6/1/2023 - 6/30/2023

Statement Summary

Name	Walter Watcher	Company	Sunline Transit Agency
Account #	XXXX-XXXX-XXXX	Currency	US Dollar
Reporting Period	6/1/2023 - 6/30/2023		

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
1 6/1/2023	6/1/2023	Ring Yearly Plan Httpsring.Com, CA					39.99
		Purchase Ring Yearly Plan	General Ledger Code: 5030300011 Fund: 00				
2 6/1/2023	6/2/2023	Wm Supercenter #1832 Palm Springs, CA					820.00
		Purchase Wm Supercenter #1832	General Ledger Code: 5099900002 Fund: 00				
3 6/1/2023	6/2/2023	Panera Bread #601771 P Palm Desert, CA					500.00
		Purchase Panera Bread #601771 P	General Ledger Code: 5099900002 Fund: 00				
4 6/1/2023	6/2/2023	Wal-Mart #5096 Palm Desert, CA					480.00
		Purchase Wal-Mart #5096	General Ledger Code: 5099900002 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
5 6/1/2023	6/2/2023	Sams Club #6609 Palm Desert, CA					966.03
		Purchase Sams Club #6609	General Ledger Code: 5099900002 Fund: 00				
6 6/2/2023	6/2/2023	Msft * E0800nmvuz Msbill.Info, WA					180.00
		Purchase Msft * E0800nmvuz	General Ledger Code: 5030300011 Fund: 00				
7 6/5/2023	6/6/2023	Target 00003079 Cathedral Cit, CA					60.00
		Purchase Target 00003079	General Ledger Code: 5099900002 Fund: 00				
8 6/5/2023	6/6/2023	Target 00003079 Cathedral Cit, CA					440.00
		Purchase Target 00003079	General Ledger Code: 5099900002 Fund: 00				
9 6/5/2023	6/6/2023	Costco Whse #0441 Palm Desert, CA					129.27
		Purchase Costco Whse #0441	General Ledger Code: 5099900002 Fund: 00				
10 6/5/2023	6/12/2023	Residence Inn Denver, CO					1,013.96
		Purchase Residence Inn	General Ledger Code: 5090200000 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
11 6/7/2023	6/8/2023	Ihire, Llc 866-330-0196, MD					1,215.00
		Purchase Ihire, Llc	General Ledger Code: 5030303260 Fund: 00				
12 6/8/2023	6/12/2023	Residence Inn Denver, CO					483.83
		Purchase Residence Inn	General Ledger Code: 5090200000 Fund: 00				
13 6/9/2023	6/9/2023	Sonnys Enterprises Inc 954-720-4100, FL					102.30
		Purchase Sonnys Enterprises Inc	General Ledger Code: 5099900002 Fund: 00				
14 6/9/2023	6/12/2023	Alaska Air Seattle, WA					318.90
		Purchase Alaska Air	General Ledger Code: 5090200000 Fund: 00				
15 6/9/2023	6/12/2023	Expedia 72578147169290 Expedia.Com, WA					680.52
		Purchase Expedia 72578147169290	General Ledger Code: 5090200000 Fund: 00				
16 6/9/2023	6/12/2023	United 800-932-2732, TX					319.20
		Purchase United	General Ledger Code: 5090200000 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
17 6/9/2023	6/12/2023	John M Ellsworth Co Inc 414-354-1414, WI					28.70
		Purchase John M Ellsworth Co Inc	General Ledger Code: 5049900010 Fund: 00				
18 6/9/2023	6/12/2023	Expedia 72578141872467 Expedia.Com, WA					5.57
		Purchase Expedia 72578141872467	General Ledger Code: 5090200000 Fund: 00				
19 6/9/2023	6/12/2023	Smith System D.I.I.Inc 800-777-7648, TX					1,548.95
		Purchase Smith System D.I.I.Inc	General Ledger Code: 5090200001 Fund: 00				
20 6/12/2023	6/13/2023	Indio Florist 760-347-3391, CA					266.44
		Purchase Indio Florist	General Ledger Code: 5099900002 Fund: 00				
21 6/12/2023	6/13/2023	American Air Fort Worth, TX					925.40
		Purchase American Air	General Ledger Code: 5090200000 Fund: 00				
22 6/12/2023	6/14/2023	Sams Club#6609 Palm Desert, CA					622.07
		Purchase Sams Club#6609	General Ledger Code: 5099900002 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
23 6/13/2023	6/14/2023	Smart And Final 429 Palm Springs, CA					779.51
		Purchase Smart And Final 429	General Ledger Code: 5099900002 Fund: 00				
24 6/13/2023	6/14/2023	Sams Club#6609 Palm Desert, CA					550.10
		Purchase Sams Club#6609	General Ledger Code: 5099900002 Fund: 00				
25 6/13/2023	6/14/2023	Renaissance Dc Dntown 866-435-7627, DC					1,274.30
		Purchase Renaissance Dc Dntown	General Ledger Code: 5090200000 Fund: 00				
26 6/13/2023	6/14/2023	Castanedas Dinah Shore Palm Desert, CA					162.92
		Purchase Castanedas Dinah Shore	General Ledger Code: 5099900002 Fund: 00				
27 6/17/2023	6/19/2023	Labelmaster 800-621-5808, IL					300.00
		Purchase Labelmaster	General Ledger Code: 5099900002 Fund: 00				
28 6/20/2023	6/21/2023	Public Employment Relati 916-327-2275, CA					50.00
		Purchase Public Employment Relati	General Ledger Code: 5099900002 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
29 6/20/2023	6/21/2023	Public Employment Re S 916-327-7955, CA					1.50
		Purchase Public Employment Re S	General Ledger Code: 5099900002 Fund: 00				
30 6/20/2023	6/22/2023	Aed Superstore 800-544-0048, WI					130.50
		Purchase Aed Superstore	General Ledger Code: 5020300000 Fund: 00				
31 6/23/2023	6/26/2023	Eig 855-2295506, MA					45.00
		Purchase Eig	General Ledger Code: 5099900002 Fund: 00				
32 6/23/2023	6/26/2023	Eig 855-2295506, MA					459.00
		Purchase Eig	General Ledger Code: 5099900002 Fund: 00				
33 6/25/2023	6/26/2023	Canva* I03827-0763644 Httpscanva.Co, DE					119.99
		Purchase Canva* I03827-0763644	General Ledger Code: 5099900002 Fund: 00				
34 6/27/2023	6/28/2023	Canva* I03829-29552552 Httpscanva.Co, DE					119.99
		Purchase Canva* I03829-29552552	General Ledger Code: 5099900002 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
35 6/28/2023	6/29/2023	Samsclub #6609 Palm Desert, CA					287.04
Purchase Samsclub #6609			General Ledger Code: 5099900002 Fund: 00				
<hr/>							
36 6/29/2023	6/30/2023	Expedia 72594425308202 Expedia.Com, WA					5.99
Purchase Expedia 72594425308202			General Ledger Code: 5090200000 Fund: 00				
<hr/>							

Transaction Count: 36

Total: 15,431.97

Employee Signature

Date

Authorized Approver Signature

Date

SunLine Transit Agency Visa Credit Card Statement

Closing Date: 7/31/2023

Name on Card: Walter Watcher (Procurement Card)

Trans. Date	Post. Date	Name	Detail-Description	Credits	Charges
1 06/29/23	7/3/2023	American Air	2023 Course Logistics /Transit Bus System Safety for Vanessa Mora - Flight		\$ 254.20
2 06/29/23	7/3/2023	Renaissance D.C. Downtown	Speaker for Clean Buses-East Conference (Harman Singh) Expedia surcharge but will receive a credit		\$ 4.00
3 06/29/23	7/3/2023	Delta Air	2023 Course Logistics /Transit Bus System Safety for Vanessa Mora - Flight		\$ 438.20
4 06/30/23	7/3/2023	Eig	Constant Contact newsletter software refund -1 year	\$ 45.00	\$ -
5 07/02/23	7/3/2023	Microsoft	Microsoft Teams Essentials - 45 licenses		\$ 180.00
6 07/06/23	7/7/2023	Indio Florist	Flowers for the funeral service of employee		\$ 266.44
7 07/10/23	7/12/2023	Assessor Clerk Record Riverside	Liquid Hydrogen CEQA Exempt Form Court Filing Fee		\$ 50.00
8 07/10/23	7/12/2023	Assessor Clerk Record Riverside	Liquid Hydrogen CEQA Exempt Form Court Filing Fee		\$ 1.14
9 07/10/23	7/12/2023	Assessor Clerk Record Riverside	Solar Microgrid CEQA Exempt Form Court Filing Fee		\$ 50.00
10 07/10/23	7/12/2023	Assessor Clerk Record Riverside	Solar Microgrid CEQA Exempt Form Court Filing Fee		\$ 1.14
11 07/10/23	7/12/2023	Assessor Clerk Record Riverside	Division 2 Hydrogen Fueling CEQA Exempt Form Court Filing Fee		\$ 50.00
12 07/10/23	7/12/2023	Assessor Clerk Record Riverside	Division 2 Hydrogen Fueling CEQA Exempt Form Court Filing Fee		\$ 1.14
13 07/13/23	7/14/2023	Costco	Liquid IV Hydration Packets 30 Pack		\$ 137.94
14 07/17/23	7/18/2023	Woobox	Video Voting App for Wellness Committee		\$ 37.00
15 07/19/23	7/20/2023	Sams Club	Pallet of Bottled Water for Employees		\$ 287.04
16 07/19/23	7/20/2023	Sams Club	Water for Pack the Bus Event		\$ 35.88
17 07/25/23	7/27/2023	United	Training - DMV Employee Testing Program for Victor Duran - Airline fees		\$ 13.00
18 07/25/23	7/27/2023	United	Training - DMV Employee Testing Program for Victor Duran - Airline fees		\$ 18.00
19 07/25/23	7/27/2023	United	Training - DMV Employee Testing Program for Victor Duran - Flight		\$ 232.20
20 07/25/23	7/27/2023	American Air	Training - DMV Employee Testing Program for Victor Duran - Airline fees		\$ 66.84
21 07/25/23	7/27/2023	Association of Pedestrian	Membership Due for APBP for SunCommute		\$ 130.00
22 07/25/23	7/27/2023	American Air	Training - DMV Employee Testing Program for Victor Duran - Flight		\$ 232.20
23 07/26/23	7/26/2023	Expedia	Training - DMV Employee Testing Program for Victor Duran - Airline fees		\$ 5.80
24 07/26/23	7/26/2023	BKg Hotel Booking	Training - DMV Employee Testing Program for Victor Duran - Hotel		\$ 609.61
25 07/27/23	7/28/2023	Sams Club	Pallet of Water Bottles for Employees		\$ 287.04
26 07/27/23	7/28/2023	Costco	Liquid IV Hydration Packets		\$ 173.94
27 07/28/23	7/31/2023	Home Depot	Shelving for Operations Building		\$ 477.33
28 07/28/23	7/31/2023	Paypal	Mona Babauta Registration Receipt -Mobility 21 Summit		\$ 383.49
				\$ 45.00	\$ 4,423.57



Reporting Period : 7/1/2023 - 7/31/2023

Statement Summary

Name	Walter Watcher	Company	Sunline Transit Agency
Account #	XXXX-XXXX-XXXX	Currency	US Dollar
Reporting Period	7/1/2023 - 7/31/2023		

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
1 6/29/2023	7/3/2023	American Air Fort Worth, TX					254.20
American Air (flight) – Vanessa Mora - Approved Travel Training for Transit Bus System Safety Department			General Ledger Code: 5090200000 Fund: 00				
2 6/29/2023	7/3/2023	Renaissance Dc Dntown 866-435-7627, DC					4.00
Renaissance DC Downtown (WiFi) - Harman Signh - Sign/ed Travel Request - Clean Buses Conference - Will receive a credit on 8/2023 - Performance Department			General Ledger Code: 5090200000 Fund: 00				
3 6/29/2023	7/3/2023	Delta Air Seattle, WA					438.20
Delta Air(flight) – Vanessa Mora - Approved Travel Training for Transit Bus System Safety Department			General Ledger Code: 5090200000 Fund: 00				
4 6/30/2023	7/3/2023	Eig 855-2295506, MA					-45.00
Credit for 1 month - Constant Contact Newsletter Software - Marketing Department			General Ledger Code: 5099900002 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
5 7/2/2023	7/3/2023	Msft * E0800o17eh Msbill.Info, WA					180.00
Microsoft Teams - Office 365 - 7/2023 - IT Department			General Ledger Code: 5030300011 Fund: 00				
6 7/6/2023	7/7/2023	Indio Florist 760-347-3391, CA					266.44
Indio Florist - Flowers for Matthew Ramirez - HR Department			General Ledger Code: 5099900002 Fund: 00				
7 7/10/2023	7/12/2023	Assessor Clerk Record Riv 951-9556200, CA					50.00
County of Riverside - Liquid Hydrogen CEQA Exempt Form Filing Fee - Performance Department			General Ledger Code: 5070500000 Fund: 00				
8 7/10/2023	7/12/2023	Riverside Co Assessor Cle 951-9556200, IN					1.14
County of Riverside - Liquid Hydrogen CEQA Exempt Form Filing Fee - Performance Department			General Ledger Code: 5070500000 Fund: 00				
9 7/10/2023	7/12/2023	Assessor Clerk Record Riv 951-9556200, CA					50.00
County of Riverside - Solar Microgrid CEQA Exempt Form Filing Fee - Performance Department			General Ledger Code: 5070500000 Fund: 00				
10 7/10/2023	7/12/2023	Riverside Co Assessor Cle 951-9556200, IN					1.14
County of Riverside - Solar Microgrid CEQA Exempt Form Filing Fee - Performance Department			General Ledger Code: 5070500000 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
11 7/10/2023	7/12/2023	Assessor Clerk Record Riv 951-9556200, CA	General Ledger Code: 5070500000 Fund: 00				50.00
County of Riverside - Div. II Hydrogen Fueling CEQA Exempt Fee - Performance Department							
12 7/10/2023	7/12/2023	Riverside Co Assessor Cle 951-9556200, IN	General Ledger Code: 5070500000 Fund: 00				1.14
County of Riverside - Div. II Hydrogen Fueling CEQA Exempt Fee - Performance Department							
13 7/13/2023	7/14/2023	Costco Whse #0441 Palm Desert, CA	General Ledger Code: 5099900002 Fund: 00				137.94
Purchase Costco Warehouse - Liquid I.V. Hydration Packets - Maintenance Department							
14 7/17/2023	7/18/2023	Woobox 360-450-5200, WA	General Ledger Code: 5030300011 Fund: 00				37.00
Purchase Woobox - Video Voting App for Wellness Committee							
15 7/19/2023	7/20/2023	Sams Club #6609 Palm Desert, CA	General Ledger Code: 5099900002 Fund: 00				287.04
Purchase Sam's Club - Pallet of Water Bottles - Maintenance Department							
16 7/19/2023	7/20/2023	Sams Club #6609 Palm Desert, CA	General Ledger Code: 5099900002 Fund: 00				35.88
Purchase Sam's Club - Water for Pack the Bus - Marketing Department							

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
17 7/25/2023	7/27/2023	United 800-932-2732, TX					13.00
United Air - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				
18 7/25/2023	7/27/2023	United 800-932-2732, TX					18.00
United Air - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				
19 7/25/2023	7/27/2023	United 800-932-2732, TX					232.20
United Air - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				
20 7/25/2023	7/27/2023	American Air Fort Worth, TX					66.84
American Air - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				
21 7/25/2023	7/27/2023	Association Of Pedestrian 859-5149150, KY					130.00
Purchase Association Of Pedestrian - Membership Due for APBP for SunCommute - Safety Department			General Ledger Code: 5090100000 Fund: 00				
22 7/25/2023	7/27/2023	American Air Fort Worth, TX					232.20
American Air - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
23	7/26/2023	7/26/2023	Expedia 72616382596862 Expedia.Com, WA				5.80
Purchase Expedia - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				
24	7/26/2023	7/26/2023	Bkgghotel At Booking.C 147-036-3250, NY				609.61
Hotel At Booking.Com - American Air - Victor Duran - Signed Travel Request - DMV Employee Testing Program - Safety Department			General Ledger Code: 5090200000 Fund: 00				
25	7/27/2023	7/28/2023	Sams Club #6609 Palm Desert, CA				287.04
Purchase Sam's Club - Pallet of Water Bottles - Operations Department			General Ledger Code: 5099900002 Fund: 00				
26	7/27/2023	7/28/2023	Costco Whse #0441 Palm Desert, CA				173.94
Purchase Costco Warehouse - Liquid I.V. Hydration Packets - Maintenance Department			General Ledger Code: 5099900002 Fund: 00				
27	7/28/2023	7/31/2023	The Home Depot #0667 Rancho Mirage, CA				477.33
Purchase The Home Depot - OPS SHELVING - Operations Department			General Ledger Code: 5049900011 Fund: 00				
28	7/28/2023	7/31/2023	Paypal 402-935-7733, CA				383.49
Purchase Paypal - Mona Babauta Registration Receipt_Mobility 21 Summit			General Ledger Code: 5099900002 Fund: 00				

Transaction Count: 28

Total: 4,378.57

Employee Signature

Date

Authorized Approver Signature

Date

SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023 **RECEIVE & FILE**

TO: Finance/Audit Committee
Board of Directors

RE: Monthly Budget Variance Report for June & July 2023

Summary:

The budget variance report compares revenues and expenses to the respective line item budgets. The report identifies current monthly revenues and expenses as well as fiscal year to date (FYTD) values. The budgetary figures are represented as a straight line budget. Accordingly, the current monthly budget values are calculated by taking 1/12th of the annual budget. The FYTD budget values for the month of June 2023 are equal to 12/12^{ths} and the month of July 2023 are equal to 1/12^{ths} of the respective yearly budgets.

Year to Date Summary

- As of June 30, 2023, the Agency's FY unaudited revenues are \$191,374 or 12.2% above the FYTD budget.
- As of June 30, 2023, the Agency's FY unaudited expenditures are 43,368,721 or 5.9% below the FYTD budget.
- As of July 31, 2023, the Agency's FYTD revenues are \$43,605 or 21.7% above the FYTD budget.
- As of July 31, 2023, the Agency's FYTD expenditures are \$32,501 or 0.82% below the FYTD budget.

Monthly Spotlight

- The negative variance in operator and mechanic wages is primarily due to supplemental and holiday pay paid in July based on the provision of the MOU.

Recommendation:

Receive and file.

SunLine Transit Agency
Budget Variance Report
June 2023

Description	FY23 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY23 FYTD Budget	Positive (Negative)	Percentage Remaining
Operating Revenues:								
Passenger Revenue	1,529,001	146,029	127,417	18,613	1,718,198	1,529,001	189,197	-12.4%
Other Revenue	37,500	2,805	3,125	(320)	39,677	37,500	2,177	-5.8%
Total Operating Revenue	1,566,501	148,834	130,542	18,293	1,757,875	1,566,501	191,374	-12.2%
Operating Expenses:								
Operator & Mechanic Salaries & Wages	9,851,638	758,933	820,970	62,037	8,792,208	9,851,638	1,059,430	10.8%
Operator & Mechanic Overtime	1,067,000	126,204	88,917	(37,287)	1,389,159	1,067,000	(322,159)	-30.2%
Administration Salaries & Wages	6,966,398	532,975	580,533	47,558	6,348,376	6,966,398	618,022	8.9%
Administration Overtime	105,449	12,956	8,787	(4,168)	93,475	105,449	11,974	11.4%
Fringe Benefits	10,874,750	784,493	906,229	121,736	9,242,969	10,874,750	1,631,782	15.0%
Communications	277,879	21,174	23,157	1,983	247,851	277,879	30,028	10.8%
Legal Services	398,485	50,112	33,207	(16,905)	645,791	398,485	(247,306)	-62.1%
Computer/Network Software Agreement	750,000	30,897	62,500	31,603	716,961	750,000	33,039	4.4%
Uniforms	129,610	2,418	10,801	8,383	50,636	129,610	78,974	60.9%
Contracted Services	744,809	47,990	62,067	14,077	589,264	744,809	155,545	20.9%
Equipment Repairs	24,000	6,632	2,000	(4,632)	9,655	24,000	14,345	59.8%
Security Services	314,000	49,169	26,167	(23,002)	324,599	314,000	(10,599)	-3.4%
Fuel - CNG	1,599,327	109,326	133,277	23,951	2,621,384	1,599,327	(1,022,057)	-63.9%
Fuel - Hydrogen	1,250,000	116,891	104,167	(12,724)	1,377,506	1,250,000	(127,506)	-10.2%
Tires	237,165	17,894	19,764	1,870	203,306	237,165	33,859	14.3%
Office Supplies	73,585	8,758	6,132	(2,626)	65,330	73,585	8,255	11.2%
Travel/Training	136,980	5,500	11,415	5,915	74,166	136,980	62,814	45.9%
Repair Parts	1,639,200	294,027	136,600	(157,427)	1,765,722	1,639,200	(126,522)	-7.7%
Facility Maintenance	49,300	1,811	4,108	2,298	48,205	49,300	1,095	2.2%
Electricity - CNG & Hydrogen	1,345,000	124,818	112,083	(12,735)	1,496,221	1,345,000	(151,221)	-11.2%
Natural Gas	2,309,000	88,037	192,417	104,379	2,964,248	2,309,000	(655,248)	-28.4%
Water and Gas	13,500	884	1,125	241	11,689	13,500	1,811	13.4%
Insurance Losses	1,650,000	788,054	137,500	(650,554)	2,018,404	1,650,000	(368,404)	-22.3%
Insurance Premium - Property	79,394	10,884	6,616	(4,268)	135,417	79,394	(56,023)	-70.6%
Repair Claims	175,000	3,250	14,583	11,333	176,332	175,000	(1,332)	-0.8%
Fuel Taxes	70,998	17,066	5,916	(11,150)	121,090	70,998	(50,092)	-70.6%
Other Expenses	6,920,340	459,501	576,695	117,194	5,848,585	6,920,340	1,071,755	15.5%
Self Consumed Fuel	(2,967,162)	(226,217)	(247,264)	(21,047)	(4,009,829)	(2,967,162)	1,042,667	-35.1%
Total Operating Expenses (Before Depreciation)	46,085,646	4,244,437	3,840,471	(403,966)	43,368,721	46,085,646	2,716,925	5.9%
Operating Expenses in Excess of Operating Revenue		\$ (4,095,602)			\$ (41,610,846)			
Subsidies:								
Local - Measure A, Commuter 10, Haul Pass	11,231,000	1,033,212	935,917	(97,295)	10,497,313	11,231,000	733,687	6.5%
State - LTF, LCTOP	24,349,683	2,240,084	2,029,140	(210,944)	22,758,993	24,349,683	1,590,690	6.5%
Federal	8,938,462	822,307	744,872	(77,435)	8,354,540	8,938,462	583,922	6.5%
Total Subsidies	44,519,145	4,095,602	3,709,929	(385,674)	41,610,846	44,519,145	2,908,299	6.5%
Net Operating Gain (Loss) After Subsidies	\$ -	\$ -			\$ -			

SunLine Transit Agency
Budget Variance Report
June 2023

Description	FY23 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY23 FYTD Budget	Positive (Negative)	Percentage Remaining
Operating Expenses:								
Wages & Benefits	28,865,236	2,215,561	2,405,436	189,875	25,866,187	28,865,236	2,999,049	10.4%
Services	5,416,460	352,247	451,372	99,124	4,745,989	5,416,460	670,471	12.4%
Fuels & Lubricants	3,064,617	238,649	255,385	16,736	4,189,836	3,064,617	(1,125,219)	-36.7%
Tires	237,165	17,894	19,764	1,870	203,306	237,165	33,859	14.3%
Materials and Supplies	2,195,436	343,252	182,953	(160,299)	2,204,430	2,195,436	(8,994)	-0.4%
Utilities	4,013,280	237,983	334,440	96,457	4,811,253	4,013,280	(797,973)	-19.9%
Casualty & Liability	3,536,934	939,390	294,745	(644,646)	4,092,325	3,536,934	(555,391)	-15.7%
Taxes and Fees	70,998	17,066	5,916	(11,150)	121,090	70,998	(50,092)	-70.6%
Miscellaneous Expenses	1,652,682	108,611	137,724	29,113	1,144,135	1,652,682	508,547	30.8%
Self Consumed Fuel	(2,967,162)	(226,217)	(247,264)	(21,047)	(4,009,829)	(2,967,162)	1,042,667	-35.1%
Total Operating Expenses (Before Depreciation)	46,085,646	4,244,437	3,840,471	(403,966)	43,368,721	46,085,646	2,716,925	5.9%
Revenues:								
Passenger Revenue	1,529,001	146,029	127,417	18,613	1,718,198	1,529,001	189,197	-12.4%
Other Revenue	37,500	2,805	3,125	(320)	39,677	37,500	2,177	-5.8%
Total Operating Revenue	1,566,501	148,834	130,542	18,293	1,757,875	1,566,501	191,374	-12.2%
Net Operating Gain (Loss)		\$ (4,095,602)			\$ (41,610,846)			
Subsidies:								
Local - Measure A, Commuter 10, Haul Pass	11,231,000	1,033,212	935,917	(97,295)	10,497,313	11,231,000	733,687	6.5%
State - LTF, LCTOP	24,349,683	2,240,084	2,029,140	(210,944)	22,758,993	24,349,683	1,590,690	6.5%
Federal - CMAQ,5307,5309,5310,5311,5311(f),5312	8,938,462	822,307	744,872	(77,435)	8,354,540	8,938,462	583,922	6.5%
Total Subsidies	44,519,145	4,095,602	3,709,929	(385,674)	41,610,846	44,519,145	2,908,299	6.5%
Net Operating Gain (Loss) After Subsidies	\$ -	\$ -			\$ -			

Budget Variance Analysis - SunLine Transit Agency

Passenger Revenue

- The positive variance in passenger revenue is due to an 16.9% increase in ridership over FY22.
- As of June, ridership was at 16.9% above FY22 FYTD totals.
- Total system ridership was 389,684 trips above FY22 FYTD amounts.

Ridership

	FY22-June	FY23-June	Variance	%Δ
Fixed Route	183,375	207,771	24,396	13.3%
Paratransit	9,057	10,211	1,154	12.7%
SolVan	1,654	1,868	214	12.9%
SunRide	402	1,135	733	182.3%
System Total	194,488	220,985	26,497	13.6%

Ridership

	FYTD-FY22	FYTD-FY23	Variance	%Δ
Fixed Route	2,180,106	2,554,216	374,110	17.2%
Paratransit	101,589	110,154	8,565	8.4%
SolVan	17,110	19,972	2,862	16.7%
SunRide	4,980	9,127	4,147	83.3%
System Total	2,303,785	2,693,469	389,684	16.9%

Other Revenue

- Other revenue is within an accepted range of the budget amount.

Operator & Mechanic Salaries & Wages

- The positive variance in operator and mechanic wage expenditures is attributed to absences and vacant positions.

Operator & Mechanic Overtime

- The negative variance is primarily attributed to required overtime for operators and mechanics to cover absences.

Administration Salaries & Wages

- The positive variance in administrative salaries and wages is attributed to vacant positions across the Agency.

Administration Overtime

- Administrative overtime expenses are within an accepted range of the budget amount.

Fringe Benefits

- Savings in fringe benefit expenditures are associated with vacancies across the Agency.

Communications

- Savings in communications are primarily attributed to fewer YTD cellular expenditures.

Legal Services

- Legal services have had higher expenses due to negotiations and labor legal counsel.

Computer/Network Software Agreement

- Software agreement expenditures are dependent on annual renewals of software agreements.

Uniforms

- Savings in uniform expenditures are related to fewer employees utilizing the entire uniform allowance.

Contracted Services

- The positive variance in contracted services is attributed to multiple expense line items which have not yet been incurred.

Equipment Repairs

- The positive variance in equipment repair is attributed to fewer YTD repairs than budgeted.

Security Services

- Security service costs are within an acceptable range of the budget.

Fuel - CNG

- The negative variance is primarily attributed to increased usage of CNG fixed route vehicles over budgeted estimates for FY23.
- The negative variance is also attributed to an increase in the cost of natural gas.

Fuel - Hydrogen

- The negative variance is attributed to an increase cost of hydrogen production.

Tires

- The lower tire expenditures are attributed to fewer miles than the budgeted amount.

Office Supplies

- Office Supplies expenditures are variable based on Agency needs. Vacant positions across the Agency also attribute to the savings.

Travel/Training

- The favorable variance for travel & training savings can be attributed to different times at which training sessions are attended.

Repair Parts

- The unfavorable variance is due to increased cost associated with fixed route vehicles.

Facility Maintenance

- Facility maintenance expenses are within an acceptable range of the budget.

Electricity - CNG & Hydrogen

- The unfavorable variance is due to the increased kilowatt usage in production of hydrogen.

Natural Gas

- The negative variance is attributed to increased natural gas usage due to an increase in outside fuel sales and cost of natural gas used to produce CNG.

Water and Gas

- Water and gas expenses are within an acceptable range of the budget.

Insurance Losses

- The unfavorable variance is primarily due to the accrual of losses to FY23 which is related to the settlement of the class action suit against the Agency.

Insurance Premium - Property

- Insurance premiums for property increased exceeding budgeted amount.

Repair Claims

- Repair claim expenses are within an acceptable range of the budget.

Fuel Taxes

- The negative variance in fuel taxes is due to larger fleet fuel sales.

Other Expenses

- The favorable variance is primarily due to fewer than anticipated expenses related to consulting and program expenses for the Center of Excellence.

Self-Consumed Fuel

- The positive variance in self-consumed fuel is due to higher fuel cost.

SunLine Transit Agency
Budget Variance Report
July 2023

Description	FY24 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY24 FYTD Budget	Positive (Negative)	Percentage Remaining
Operating Revenues:								
Passenger Revenue	1,550,964	123,231	129,247	(6,016)	123,231	129,247	(6,016)	92.1%
Other Revenue	857,170	121,051	71,431	49,620	121,051	71,431	49,620	85.9%
Total Operating Revenue	2,408,134	244,283	200,678	43,605	244,283	200,678	43,605	89.9%
Operating Expenses:								
Operator & Mechanic Salaries & Wages	9,642,603	902,043	803,550	(98,493)	902,043	803,550	(98,493)	90.6%
Operator & Mechanic Overtime	1,226,000	184,972	102,167	(82,805)	184,972	102,167	(82,805)	84.9%
Administration Salaries & Wages	7,325,230	575,456	610,436	34,980	575,456	610,436	34,980	92.1%
Administration Overtime	109,250	20,474	9,104	(11,370)	20,474	9,104	(11,370)	81.3%
Fringe Benefits	11,591,219	890,965	965,935	74,970	890,965	965,935	74,970	92.3%
Communications	230,400	22,022	19,200	(2,822)	22,022	19,200	(2,822)	90.4%
Legal Services	400,000	55,521	33,333	(22,187)	55,521	33,333	(22,187)	86.1%
Computer/Network Software Agreement	861,455	55,686	71,788	16,102	55,686	71,788	16,102	93.5%
Uniforms	129,360	2,328	10,780	8,452	2,328	10,780	8,452	98.2%
Contracted Services	855,022	66,400	71,252	4,852	66,400	71,252	4,852	92.2%
Equipment Repairs	14,000	2,056	1,167	(889)	2,056	1,167	(889)	85.3%
Security Services	295,000	41,646	24,583	(17,062)	41,646	24,583	(17,062)	85.9%
Fuel - CNG	2,530,920	168,548	210,910	42,362	168,548	210,910	42,362	93.3%
Fuel - Hydrogen	1,418,612	113,143	118,218	5,075	113,143	118,218	5,075	92.0%
Tires	259,155	19,289	21,596	2,308	19,289	21,596	2,308	92.6%
Office Supplies	72,285	5,707	6,024	317	5,707	6,024	317	92.1%
Travel/Training	163,720	1,871	13,643	11,773	1,871	13,643	11,773	98.9%
Repair Parts	1,809,339	129,926	150,778	20,852	129,926	150,778	20,852	92.8%
Facility Maintenance	51,450	2,857	4,288	1,431	2,857	4,288	1,431	94.4%
Electricity - CNG & Hydrogen	1,530,000	121,756	127,500	5,744	121,756	127,500	5,744	92.0%
Natural Gas	2,610,000	162,965	217,500	54,535	162,965	217,500	54,535	93.8%
Water and Gas	19,001	911	1,583	672	911	1,583	672	95.2%
Insurance Losses	1,440,000	66,527	120,000	53,473	66,527	120,000	53,473	95.4%
Insurance Premium - Property	125,000	16,047	10,417	(5,630)	16,047	10,417	(5,630)	87.2%
Repair Claims	85,000	225	7,083	6,858	225	7,083	6,858	99.7%
Fuel Taxes	114,400	9,565	9,533	(32)	9,565	9,533	(32)	91.6%
Other Expenses	6,551,149	565,898	545,929	(19,969)	565,898	545,929	(19,969)	91.4%
Self Consumed Fuel	(3,992,196)	(281,690)	(332,683)	(50,993)	(281,690)	(332,683)	(50,993)	92.9%
Total Operating Expenses (Before Depreciation)	47,467,374	3,923,113	3,955,615	32,501	3,923,113	3,955,615	32,501	91.7%
Operating Expenses in Excess of Operating Revenue		\$ (3,678,830)			\$ (3,678,830)			
Subsidies:								
Local - Measure A, Commuter 10, Haul Pass	8,456,000	690,384	704,667	14,282	690,384	704,667	14,282	91.8%
State - LTF, LCTOP	26,808,875	2,188,792	2,234,073	45,281	2,188,792	2,234,073	45,281	91.8%
Federal	9,794,365	799,654	816,197	16,543	799,654	816,197	16,543	91.8%
Total Subsidies	45,059,240	3,678,830	3,754,937	76,106	3,678,830	3,754,937	76,106	91.8%
Net Operating Gain (Loss) After Subsidies	\$ -	\$ -			\$ -			

SunLine Transit Agency
Budget Variance Report
July 2023

Description	FY24 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY24 FYTD Budget	Positive (Negative)	Percentage Remaining
Operating Expenses:								
Wages & Benefits	29,894,302	2,573,910	2,491,192	(82,718)	2,573,910	2,491,192	(82,718)	91.4%
Services	5,598,654	374,570	466,555	91,985	374,570	466,555	91,985	93.3%
Fuels & Lubricants	4,115,207	305,450	342,934	37,484	305,450	342,934	37,484	92.6%
Tires	259,155	19,289	21,596	2,308	19,289	21,596	2,308	92.6%
Materials and Supplies	2,313,768	157,334	192,814	35,480	157,334	192,814	35,480	93.2%
Utilities	4,504,781	316,704	375,398	58,695	316,704	375,398	58,695	93.0%
Casualty & Liability	3,670,673	388,448	305,889	(82,558)	388,448	305,889	(82,558)	89.4%
Taxes and Fees	114,400	9,565	9,533	(32)	9,565	9,533	(32)	91.6%
Miscellaneous Expenses	988,630	59,533	82,386	22,852	59,533	82,386	22,852	94.0%
Self Consumed Fuel	(3,992,196)	(281,690)	(332,683)	(50,993)	(281,690)	(332,683)	(50,993)	92.9%
Total Operating Expenses (Before Depreciation)	47,467,374	3,923,113	3,955,615	32,501	3,923,113	3,955,615	32,501	91.7%
Revenues:								
Passenger Revenue	1,550,964	123,231	129,247	(6,016)	123,231	129,247	(6,016)	92.1%
Other Revenue	857,170	121,051	71,431	49,620	121,051	71,431	49,620	85.9%
Total Operating Revenue	2,408,134	244,283	200,678	43,605	244,283	200,678	43,605	89.9%
Net Operating Gain (Loss)		\$ (3,678,830)			\$ (3,678,830)			
Subsidies:								
Local - Measure A, Commuter 10, Haul Pass	8,456,000	690,384	704,667	14,282	690,384	704,667	14,282	91.8%
State - LTF, LCTOP	26,808,875	2,188,792	2,234,073	45,281	2,188,792	2,234,073	45,281	91.8%
Federal - CMAQ,5307,5309,5310,5311,5311(f),5312	9,794,365	799,654	816,197	16,543	799,654	816,197	16,543	91.8%
Total Subsidies	45,059,240	3,678,830	3,754,937	76,106	3,678,830	3,754,937	76,106	91.8%
Net Operating Gain (Loss) After Subsidies	\$ -	\$ -			\$ -			

Budget Variance Analysis - SunLine Transit Agency

Passenger Revenue

- The unfavorable variance in passenger revenue is due to lower ridership in the summer months.
- As of July, ridership was at 5.7% above FY23 FYTD totals.
- Total system ridership was 10,690 trips above FY23 FYTD amounts.

Ridership

	FY23-July	FY24-July	Variance	%Δ
Fixed Route	178,264	186,280	8,016	4.5%
Paratransit	8,241	9,836	1,595	19.4%
SolVan	1,590	1,767	177	11.1%
SunRide	326	1,228	902	276.7%
System Total	188,421	199,111	10,690	5.7%

Ridership

	FYTD-FY23	FYTD-FY24	Variance	%Δ
Fixed Route	178,264	186,280	8,016	4.5%
Paratransit	8,241	9,836	1,595	19.4%
SolVan	1,590	1,767	177	11.1%
SunRide	326	1,228	902	276.7%
System Total	188,421	199,111	10,690	5.7%

Other Revenue

- The positive variance in other revenue is primarily due to outside fuel sales of CNG.

Operator & Mechanic Salaries & Wages

- The unfavorable variance in wages is primarily due to supplemental pay per the MOU.

Operator & Mechanic Overtime

- The unfavorable variance is primarily attributed to overtime due to the holiday.

Administration Salaries & Wages

- The positive variance in administrative salaries and wages is attributed to vacant positions across the Agency.

Administration Overtime

- The unfavorable variance is primarily attributed to overtime in the Sunfuels and Maintenance departments.

Fringe Benefits

- Savings in fringe benefit expenditures are associated with vacancies across the Agency.

Communications

- Communication expenses are within an acceptable range of the budget.

Legal Services

- Legal services have had higher expenses due to negotiations and labor legal counsel.

Computer/Network Software Agreement

- Software agreement expenditures are dependent on annual renewals of software agreements.

Uniforms

- Savings in uniform expenditures are related to fewer employees utilizing the entire uniform allowance.

Contracted Services

- Contracted services costs are within an acceptable range of the budget.

Equipment Repairs

- Equipment repair costs are within an acceptable range of the budget.

Security Services

- Security service are unfavorable primarily due to costs associated with increased service hours.

Fuel - CNG

- The positive variance is primarily attributed to lower usage of CNG fixed route vehicles over budgeted estimates for FY24.

Fuel - Hydrogen

- Hydrogen fuel expenses are within an acceptable range of the budget.

Tires

- Tire expenses are within an acceptable range of the budget.

Office Supplies

- Office supply expenses are within an acceptable range of the budget.

Travel/Training

- The favorable variance for travel & training savings can be attributed to different times at which training sessions are attended.

Repair Parts

- The favorable variance is due to fewer YTD costs associated with fixed route vehicles.

Facility Maintenance

- Facility maintenance expenses are within an acceptable range of the budget.

Electricity - CNG & Hydrogen

- Electricity expenses are within an acceptable range of the budget.

Natural Gas

- The positive variance is primarily attributed to lower usage of CNG fixed route vehicles over budgeted estimates for FY24.

Water and Gas

- Water and gas expenses are within an acceptable range of the budget.

Insurance Losses

- The positive variance is primarily due fewer YTD losses than anticipated.

Insurance Premium - Property

- Insurance premiums for property increased exceeding budgeted amount.

Repair Claims

- Repair claim expenses are favorable due to fewer than anticipated repairs conducted in the month of July.

Fuel Taxes

- Fuel tax expenses are within an acceptable range of the budget.

Other Expenses

- The unfavorable variance is primarily due to the payment of quarterly insurance premiums at the start of the fiscal year.

Self-Consumed Fuel

- The variance in primarily due to less than anticipated fuel utilized by the Agency.

SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023 **RECEIVE & FILE**

TO: Finance/Audit Committee
Board of Directors

RE: Contracts Signed between \$25,000 - \$250,000 for July & August 2023

Summary:

In accordance with Chapter 2, Section 1.2 of the Procurement Policy, the attached report summarizes SunLine's contracts, purchase orders and amendments signed in excess of \$25,000 and less than \$250,000. This ensures the Board is aware of the obligations entered into under the CEO/General Manager's authority.

There were five (5) Agreements in July and one (1) Agreement and one (1) Amendment in August executed between \$25,000 and \$250,000:

July 2023

Vendor	Purpose	Amount
Southwest Lift & Equipment	Lift Repair	\$97,104.00
Kambrian Corporation	Upgrade Email Server	\$27,255.92
Dean Holm Solutions	Engineering Support	\$45,000.00
BMI Consulting	Technical Support	\$75,000.00
Specialty Field Service	Fuel Cell Onsite Repairs	\$25,000.00

August 2023

Vendor	Purpose	Amount
Old Green House	Planning Support	\$181,000.00
Heptagon Seven	Construction Management	\$33,524.00

Recommendation:

Receive and file.

Contracts Signed Between \$25,000 and \$250,000
July 2023

Vendor	Product/Service	Need	Budgeted	Budgeted Amount	Cost	Type
Southwest Lift & Equipment	Bus Lift Repair	Cylinder Lift Repair	FY24	\$97,104.00	\$97,104.00	Agreement
Kambrian Corporation	Hardware	Upgrade Email Server	FY24	\$27,255.92	\$27,255.92	Agreement
Dean Holm Solutions	Support	Engineering	FY24	\$45,000.00	\$45,000.00	Agreement
BMI Consulting	Technical Support	Public Works Projects	FY24	\$75,000.00	\$75,000.00	Agreement
Specialty Field Service	Fuel Cell Repairs	OnSite FC Bus Repairs	FY24	\$25,000.00	\$25,000.00	Agreement

Contracts Signed Between \$25,000 and \$250,000

August 2023

Vendor	Product/Service	Need	Budgeted	Budgeted Amount	Cost	Type
Old Green House	Planning Support	Operations Planning	FY24	\$181,000.00	\$181,000.00	Agreement
Heptagon Seven	Construction Management	Coachella Bus Hub	FY24	\$33,524.00	\$33,524.00	Amendment

SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023 **RECEIVE & FILE**

TO: Finance/Audit Committee
Board of Directors

RE: Union & Non-Union Pension Investment Asset Summary June & July 2023

Summary:

The pension asset summary demonstrates the market value of all assets as well as the total asset allocation for SunLine's union and non-union retirement plans. The following table states the target and range values for asset allocations based on the current investment policy:

Asset Class		Target	Range
Growth Assets			
	Domestic Equity	36.0%	16% – 56%
	International Equity	19.0%	0% - 39%
	Other		0% – 20%
Income Assets			
	Fixed Income	45.0%	25% - 65%
	Other	0.0%	0% – 20%
Real Return Assets		0.0%	0% – 20%
Cash Equivalents		0.0%	0% – 20%

For the month of June, SunLine's investments fell within the approved range of investment type for the union and non-union assets.

Union

Asset Class		Actual	Range
Growth Assets			
	Domestic Equity	35.5%	16% – 56%
	International Equity	17.5%	0% - 39%
	Other	3.6%	0% – 20%
Income Assets			
	Fixed Income	38.0%	25% - 65%
	Other	5.0%	0% – 20%
Real Return Assets		0.0%	0% – 20%
Cash Equivalents		0.5%	0% – 20%

Non-Union

Asset Class		Actual	Range
Growth Assets			
	Domestic Equity	35.5%	16% – 56%
	International Equity	17.4%	0% - 39%
	Other	3.6%	0% – 20%
Income Assets			
	Fixed Income	38.1%	25% - 65%
	Other	5.0%	0% – 20%
Real Return Assets		0.0%	0% – 20%
Cash Equivalents		0.4%	0% – 20%

For the month of June, the market value of assets increased by \$1,195,000 and \$1,161,651 for the union and non-union plans, respectively.

Month to Month Asset Comparison

Month	Market Value - Union	Market Value – Non-Union
May 2023	\$36,336,776	\$36,389,959
June 2023	\$37,531,776	\$37,551,610
Increase (Decrease)	\$1,195,000	\$1,161,651

For the month of July, SunLine’s investments fell within the approved range of investment type for the union and non-union assets.

Union

Asset Class		Actual	Range
Growth Assets			
	Domestic Equity	35.9%	16% – 56%
	International Equity	17.7%	0% - 39%
	Other	3.5%	0% – 20%
Income Assets			
	Fixed Income	37.3%	25% - 65%
	Other	4.8%	0% – 20%
Real Return Assets		0.0%	0% – 20%
Cash Equivalents		0.8%	0% – 20%

Non-Union

Asset Class		Actual	Range
Growth Assets			
	Domestic Equity	35.8%	16% – 56%
	International Equity	17.7%	0% - 39%
	Other	3.5%	0% – 20%

Income Assets			
	Fixed Income	37.5%	25% - 65%
	Other	4.8%	0% – 20%
Real Return Assets		0.0%	0% – 20%
Cash Equivalents		0.8%	0% – 20%

For the month of July, the market value of assets increased by \$785,464 and \$746,380 for the union and non-union plans, respectively.

Month to Month Asset Comparison

Month	Market Value - Union	Market Value – Non-Union
June 2023	\$37,531,776	\$37,551,610
July 2023	\$38,317,240	\$38,297,990
Increase (Decrease)	\$785,464	\$746,380

Recommendation:

Receive and file.

Detail of Securities Held & Market Analytics

For the Month Ending June 30, 2023

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Bond									
ISHARES CORE U.S. AGGREGATE	464287226	AGG	3,322.00	99.13	329,309.86	97.95	325,389.90	(3,919.96)	0.87
ISHARES CORE U.S. AGGREGATE	464287226	AGG	17,918.00	98.65	1,767,610.70	97.95	1,755,068.10	(12,542.60)	4.68
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	1,776.00	57.68	102,441.46	50.57	89,812.32	(12,629.14)	0.24
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	2,389.00	60.31	144,080.59	50.57	120,811.73	(23,268.86)	0.32
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	631.00	56.69	35,771.39	50.57	31,909.67	(3,861.72)	0.09
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	1,146.00	61.13	70,054.98	50.57	57,953.22	(12,101.76)	0.15
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	7,097.00	50.33	357,192.01	50.57	358,895.29	1,703.28	0.96
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	633.00	56.99	36,074.67	50.57	32,010.81	(4,063.86)	0.09
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	965.00	61.01	58,874.65	50.57	48,800.05	(10,074.60)	0.13

Security Type Sub-Total **35,877.00** **2,901,410.31** **549.89** **2,820,651.09** **(80,759.22)** **7.53**

Exchange-Traded Fund - Equity

VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	2,614.00	37.17	97,162.38	46.18	120,714.52	23,552.14	0.32
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	6,816.00	38.86	264,869.76	46.18	314,762.88	49,893.12	0.84
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	14,147.00	42.95	607,605.17	46.18	653,308.46	45,703.29	1.74
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	9,194.00	39.68	364,817.92	46.18	424,578.92	59,761.00	1.13
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	2,193.00	42.18	92,500.74	46.18	101,272.74	8,772.00	0.27
VANGUARD TOTAL INTL STOCK	921909768	VXUS	553.00	64.35	35,585.55	56.08	31,012.24	(4,573.31)	0.08
VANGUARD TOTAL INTL STOCK	921909768	VXUS	18,820.00	47.87	900,909.64	56.08	1,055,425.60	154,515.96	2.81
VANGUARD TOTAL INTL STOCK	921909768	VXUS	593.00	56.01	33,213.93	56.08	33,255.44	41.51	0.09
VANGUARD TOTAL INTL STOCK	921909768	VXUS	8,244.00	52.51	432,892.44	56.08	462,323.52	29,431.08	1.23
VANGUARD TOTAL INTL STOCK	921909768	VXUS	17,752.00	52.12	925,234.24	56.08	995,532.16	70,297.92	2.65
VANGUARD TOTAL INTL STOCK	921909768	VXUS	1,932.00	53.54	103,439.28	56.08	108,346.56	4,907.28	0.29
VANGUARD TOTAL INTL STOCK	921909768	VXUS	6,979.00	65.37	456,217.23	56.08	391,382.32	(64,834.91)	1.04
VANGUARD TOTAL INTL STOCK	921909768	VXUS	2,875.00	51.82	148,982.21	56.08	161,230.00	12,247.79	0.43
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	433.00	233.92	101,287.36	220.28	95,381.24	(5,906.12)	0.25
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	764.00	191.49	146,298.36	220.28	168,293.92	21,995.56	0.45
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	625.00	199.58	124,737.50	220.28	137,675.00	12,937.50	0.37
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	1,546.00	226.21	349,720.35	220.28	340,552.88	(9,167.47)	0.91
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	4,809.00	195.76	941,409.84	220.28	1,059,326.52	117,916.68	2.82

Detail of Securities Held & Market Analytics

For the Month Ending **June 30, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]										
Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Equity										
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	20,572.00	204.04	4,197,510.88	220.28	4,531,600.16	334,089.28	12.07
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	25,222.00	169.04	4,263,526.88	220.28	5,555,902.16	1,292,375.28	14.80
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	624.00	198.24	123,701.76	220.28	137,454.72	13,752.96	0.37
Security Type Sub-Total				147,307.00		14,711,623.42	2,441.78	16,879,331.96	2,167,708.54	44.96
Money Market Mutual Fund										
FIRST AMERICAN GOVERNMENT OBLIGATION - Z		31846V567	FGZXX	177,484.23	1.00	177,484.23	1.00	177,484.23	0.00	0.47
Security Type Sub-Total				177,484.23		177,484.23	1.00	177,484.23	0.00	0.47
Mutual Fund - Bond										
ARISTOTLE FUNDS FLOATING RATE INC I		04045F592	PLFRX	1.58	9.32	14.70	9.37	14.78	0.08	0.00
BAIRD CORE PLUS BOND - INST		057071870	BCOIX	389,586.46	11.14	4,338,742.33	9.96	3,880,281.10	(458,461.23)	10.34
BBH LIMITED DURATION I		05528X851	BBBIX	32,042.34	10.00	320,476.97	10.05	322,025.56	1,548.59	0.86
DOUBLELINE CORE FIXED INCOME I		258620301	DBLFX	185,233.98	10.56	1,955,371.92	9.25	1,713,414.29	(241,957.63)	4.57
MAINSTAY MACKAY HIGH YIELD CORP BD R6		56063N881	MHYSX	130,995.17	5.22	683,618.90	5.00	654,975.84	(28,643.06)	1.75
PRUDENTIAL TOTAL RETRN BND-Q		74440B884	PTRQX	266,792.64	14.00	3,735,030.79	11.84	3,158,824.81	(576,205.98)	8.42
VOYA INTERMEDIATE BOND R6		92913L569	IIBZX	198,692.32	10.13	2,013,306.34	8.62	1,712,727.78	(300,578.56)	4.56
Security Type Sub-Total				1,203,344.47		13,046,561.95	64.09	11,442,264.16	(1,604,297.79)	30.50
Mutual Fund - Equity										
HARDING LOEVNER INTERNATIONAL EQUITY POR		412295107	HLMIX	26,146.72	27.82	727,318.37	26.01	680,076.17	(47,242.20)	1.81
HRTFRD SCHR EM MRKT EQ-SDR		41665H789	SEMTX	43,458.78	17.24	749,204.67	15.61	678,391.54	(70,813.13)	1.81
JENSEN QUALITY GROWTH-Y		476313408	JENYX	21,482.31	53.05	1,139,543.10	60.23	1,293,879.42	154,336.32	3.45
JOHCM INTERNATIONAL SELECT I		46653M849	JOHIX	15,218.69	27.42	417,286.40	22.72	345,768.70	(71,517.70)	0.92
MFS EMERGING MARKETS DEBT R6		552746364	MEDHX	0.01	11.25	0.09	11.57	0.09	0.00	0.00
VANGUARD TOT INST ST IDX - ADM		921909818	VTIAX	0.00	33.33	0.03	30.10	0.03	0.00	0.00
Security Type Sub-Total				106,306.51		3,033,352.66	166.24	2,998,115.95	(35,236.71)	7.99

Detail of Securities Held & Market Analytics

For the Month Ending **June 30, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]									
Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account									
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	49,000.00	1.00	49,000.00	102.45	50,198.15	1,198.15	0.13
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	24,500.00	1.00	24,500.00	102.45	25,099.07	599.07	0.07
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	45,325.00	1.00	45,325.00	102.45	46,433.29	1,108.29	0.12
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	22,050.00	1.00	22,050.00	102.45	22,589.17	539.17	0.06
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	2,018.49	1.00	2,018.49	102.45	2,067.85	49.36	0.01
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	21,070.00	1.00	21,070.00	102.45	21,585.20	515.20	0.06
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	34,300.00	1.00	34,300.00	102.45	35,138.70	838.70	0.09
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	45,325.00	1.00	45,325.00	102.45	46,433.29	1,108.29	0.12
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	45,325.00	1.00	45,325.00	102.45	46,433.28	1,108.28	0.12
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	49,980.00	1.00	49,980.00	102.45	51,202.11	1,222.11	0.14
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	49,000.00	1.00	49,000.00	102.45	50,198.15	1,198.15	0.13
ATEL PRIVATE DEBT PARTNERS II	ATEL00019	SA406	30,625.00	1.00	30,625.00	102.45	31,373.84	748.84	0.08
GOLUB CAPITAL PARTNERS INT'L XIV	GOLUB0090	SA467	1,440,000.00	1.00	1,440,000.00	100.00	1,440,000.00	0.00	3.84
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV007	SA425	68,756.25	1.00	68,756.25	124.44	85,562.94	16,806.69	0.23
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV007	SA425	130,837.59	1.00	130,837.59	124.44	162,819.36	31,981.77	0.42
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV007	SA425	191,676.07	1.00	191,676.07	124.44	238,529.11	46,853.04	0.64
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV007	SA425	309,750.00	1.00	309,750.00	124.44	385,464.87	75,714.87	1.03
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV007	SA425	127,930.57	1.00	127,930.57	124.44	159,201.75	31,271.18	0.42
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV007	SA425	252,000.00	1.00	252,000.00	124.44	313,598.54	61,598.54	0.84
Security Type Sub-Total			2,939,468.97		2,939,468.97	2,076.01	3,213,928.67	274,459.70	8.55
Managed Account Sub-Total			4,609,788.18		36,809,901.54	5,299.01	37,531,776.06	721,874.52	100.00

Detail of Securities Held & Market Analytics

For the Month Ending **June 30, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING [REDACTED]						
Securities Sub-Total	\$4,609,788.18	\$36,809,901.54	\$5,299.01	\$37,531,776.06	\$721,874.52	100.00%
Accrued Interest				\$0.00		
Total Investments				\$37,531,776.06		

Portfolio Summary and Statistics

For the Month Ending **June 30, 2023**

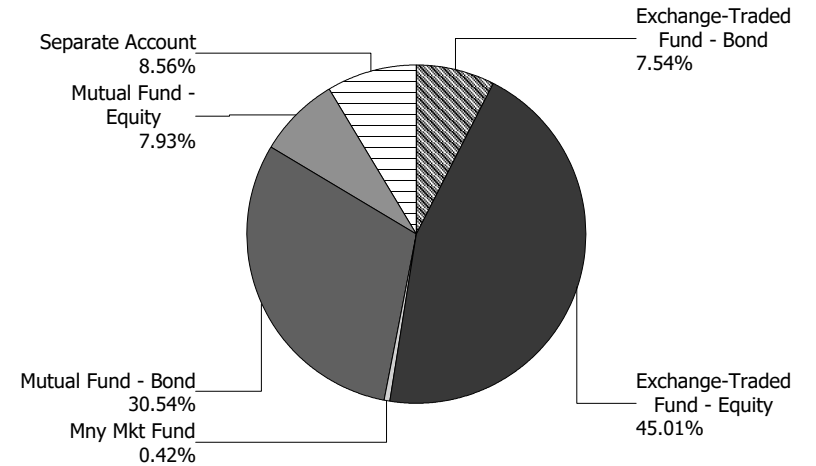
SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Account Summary

Description	Par Value	Market Value	Percent
Separate Account	2,939,468.97	3,213,928.67	8.56
Mutual Fund - Equity	105,327.86	2,977,068.12	7.93
Mutual Fund - Bond	1,205,947.51	11,467,166.26	30.54
Money Market Mutual Fund	157,110.86	157,110.86	0.42
Exchange-Traded Fund - Equity	147,599.00	16,905,146.92	45.01
Exchange-Traded Fund - Bond	36,002.00	2,831,189.16	7.54
Managed Account Sub-Total	4,591,456.20	37,551,609.99	100.00%
Accrued Interest		0.00	
Total Portfolio	4,591,456.20	37,551,609.99	

Unsettled Trades 0.00 0.00

Sector Allocation



Detail of Securities Held & Market Analytics

For the Month Ending June 30, 2023

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Bond									
ISHARES CORE U.S. AGGREGATE	464287226	AGG	17,957.00	98.65	1,771,458.05	97.95	1,758,888.15	(12,569.90)	4.68
ISHARES CORE U.S. AGGREGATE	464287226	AGG	3,372.00	99.13	334,266.36	97.95	330,287.40	(3,978.96)	0.88
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	1,113.00	61.13	68,037.69	50.57	56,284.41	(11,753.28)	0.15
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	1,779.00	57.68	102,614.50	50.57	89,964.03	(12,650.47)	0.24
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	633.00	56.99	36,074.67	50.57	32,010.81	(4,063.86)	0.09
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	2,405.00	60.31	145,045.55	50.57	121,620.85	(23,424.70)	0.32
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	982.00	61.01	59,911.82	50.57	49,659.74	(10,252.08)	0.13
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	631.00	56.69	35,771.39	50.57	31,909.67	(3,861.72)	0.09
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	7,130.00	50.33	358,852.90	50.57	360,564.10	1,711.20	0.96

Security Type Sub-Total **36,002.00** **2,912,032.93** **549.89** **2,831,189.16** **(80,843.77)** **7.54**

Exchange-Traded Fund - Equity									
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	14,143.00	42.95	607,433.37	46.18	653,123.74	45,690.37	1.74
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	2,614.00	37.17	97,162.38	46.18	120,714.52	23,552.14	0.32
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	6,915.00	38.86	268,716.90	46.18	319,334.70	50,617.80	0.85
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	9,189.00	39.68	364,619.52	46.18	424,348.02	59,728.50	1.13
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	2,211.00	42.18	93,259.98	46.18	102,103.98	8,844.00	0.27
VANGUARD TOTAL INTL STOCK	921909768	VXUS	632.00	64.35	40,669.20	56.08	35,442.56	(5,226.64)	0.09
VANGUARD TOTAL INTL STOCK	921909768	VXUS	2,875.00	51.82	148,982.21	56.08	161,230.00	12,247.79	0.43
VANGUARD TOTAL INTL STOCK	921909768	VXUS	8,570.00	52.51	450,010.70	56.08	480,605.60	30,594.90	1.28
VANGUARD TOTAL INTL STOCK	921909768	VXUS	1,714.00	53.54	91,767.56	56.08	96,121.12	4,353.56	0.27
VANGUARD TOTAL INTL STOCK	921909768	VXUS	18,935.00	47.87	906,414.66	56.08	1,061,874.80	155,460.14	2.83
VANGUARD TOTAL INTL STOCK	921909768	VXUS	580.00	56.01	32,485.80	56.08	32,526.40	40.60	0.09
VANGUARD TOTAL INTL STOCK	921909768	VXUS	6,883.00	65.37	449,941.71	56.08	385,998.64	(63,943.07)	1.03
VANGUARD TOTAL INTL STOCK	921909768	VXUS	17,679.00	52.12	921,429.48	56.08	991,438.32	70,008.84	2.64
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	1,551.00	226.21	350,851.40	220.28	341,654.28	(9,197.12)	0.91
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	500.00	199.58	99,790.00	220.28	110,140.00	10,350.00	0.29
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	499.00	198.24	98,921.76	220.28	109,919.72	10,997.96	0.29
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	4,931.00	195.76	965,292.56	220.28	1,086,200.68	120,908.12	2.89
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	433.00	233.92	101,287.36	220.28	95,381.24	(5,906.12)	0.25

Detail of Securities Held & Market Analytics

For the Month Ending **June 30, 2023**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]										
Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Equity										
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	25,200.00	169.04	4,259,808.00	220.28	5,551,056.00	1,291,248.00	14.78
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	20,562.00	204.04	4,195,470.48	220.28	4,529,397.36	333,926.88	12.06
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	983.00	191.49	188,234.67	220.28	216,535.24	28,300.57	0.58
Security Type Sub-Total				147,599.00		14,732,549.70	2,441.78	16,905,146.92	2,172,597.22	45.02
Money Market Mutual Fund										
FIRST AMERICAN GOVERNMENT OBLIGATION - Z		31846V567	FGZXX	157,110.86	1.00	157,110.86	1.00	157,110.86	0.00	0.42
Security Type Sub-Total				157,110.86		157,110.86	1.00	157,110.86	0.00	0.42
Mutual Fund - Bond										
ARISTOTLE FUNDS FLOATING RATE INC I		04045F592	PLFRX	1.59	9.33	14.80	9.37	14.87	0.07	0.00
BAIRD CORE PLUS BOND - INST		057071870	BCOIX	390,423.75	11.14	4,347,590.36	9.96	3,888,620.55	(458,969.81)	10.36
BBH LIMITED DURATION I		05528X851	BBBIX	32,176.51	10.00	321,818.77	10.05	323,373.92	1,555.15	0.86
DOUBLELINE CORE FIXED INCOME I		258620301	DBLFX	185,556.53	10.56	1,959,150.33	9.25	1,716,397.86	(242,752.47)	4.57
MAINSTAY MACKAY HIGH YIELD CORP BD R6		56063N881	MHYSX	131,262.46	5.22	685,117.46	5.00	656,312.30	(28,805.16)	1.75
PRUDENTIAL TOTAL RETRN BND-Q		74440B884	PTRQX	267,387.21	14.00	3,742,834.99	11.84	3,165,864.61	(576,970.38)	8.43
VOYA INTERMEDIATE BOND R6		92913L569	IIBZX	199,139.46	10.13	2,018,214.63	8.62	1,716,582.15	(301,632.48)	4.57
Security Type Sub-Total				1,205,947.51		13,074,741.34	64.09	11,467,166.26	(1,607,575.08)	30.54
Mutual Fund - Equity										
HARDING LOEVNER INTERNATIONAL EQUITY POR		412295107	HLMIX	25,379.75	27.93	708,743.48	26.01	660,127.33	(48,616.15)	1.76
HRTFRD SCHR EM MRKT EQ-SDR		41665H789	SEMTX	43,169.65	17.15	740,258.52	15.61	673,878.23	(66,380.29)	1.79
JENSEN QUALITY GROWTH-Y		476313408	JENYX	21,526.42	53.05	1,142,053.35	60.23	1,296,536.21	154,482.86	3.45
JOHCM INTERNATIONAL SELECT I		46653M849	JOHIX	15,252.03	27.42	418,153.74	22.72	346,526.22	(71,627.52)	0.92
MFS EMERGING MARKETS DEBT R6		552746364	MEDHX	0.01	11.25	0.09	11.57	0.09	0.00	0.00
VANGUARD TOTAL STOCK MARKET INDEX		922908801	VITXS	0.00	75.00	0.03	107.33	0.04	0.01	0.00
Security Type Sub-Total				105,327.86		3,009,209.21	243.47	2,977,068.12	(32,141.09)	7.92

Detail of Securities Held & Market Analytics

For the Month Ending **June 30, 2023**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account									
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	30,625.00	1.00	30,625.00	102.45	31,373.84	748.84	0.08
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	49,980.00	1.00	49,980.00	102.45	51,202.11	1,222.11	0.14
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	2,018.49	1.00	2,018.49	102.45	2,067.85	49.36	0.01
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	34,300.00	1.00	34,300.00	102.45	35,138.70	838.70	0.09
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	24,500.00	1.00	24,500.00	102.45	25,099.07	599.07	0.07
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	45,325.00	1.00	45,325.00	102.45	46,433.29	1,108.29	0.12
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	21,070.00	1.00	21,070.00	102.45	21,585.20	515.20	0.06
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	45,325.00	1.00	45,325.00	102.45	46,433.29	1,108.29	0.12
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	49,000.00	1.00	49,000.00	102.45	50,198.15	1,198.15	0.13
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	49,000.00	1.00	49,000.00	102.45	50,198.15	1,198.15	0.13
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	22,050.00	1.00	22,050.00	102.45	22,589.17	539.17	0.06
ATEL PRIVATE DEBT PARTNERS II	ATEL00020	SA407	45,325.00	1.00	45,325.00	102.45	46,433.28	1,108.28	0.12
GOLUB CAPITAL PARTNERS INT'L XIV	GOLUB0091	SA468	1,440,000.00	1.00	1,440,000.00	100.00	1,440,000.00	0.00	3.83
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV008	SA426	191,676.07	1.00	191,676.07	124.44	238,529.11	46,853.04	0.64
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV008	SA426	130,837.59	1.00	130,837.59	124.44	162,819.36	31,981.77	0.43
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV008	SA426	127,930.57	1.00	127,930.57	124.44	159,201.75	31,271.18	0.42
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV008	SA426	252,000.00	1.00	252,000.00	124.44	313,598.54	61,598.54	0.84
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV008	SA426	68,756.25	1.00	68,756.25	124.44	85,562.94	16,806.69	0.23
NB SECONDARY OPPORTUNITIES V OFFSHORE	NBSOFV008	SA426	309,750.00	1.00	309,750.00	124.44	385,464.87	75,714.87	1.03
Security Type Sub-Total			2,939,468.97		2,939,468.97	2,076.01	3,213,928.67	274,459.70	8.55
Managed Account Sub-Total			4,591,456.20		36,825,113.01	5,376.24	37,551,609.99	726,496.98	99.99

Detail of Securities Held & Market Analytics

For the Month Ending **June 30, 2023**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]						
Securities Sub-Total	\$4,591,456.20	\$36,825,113.01	\$5,376.24	\$37,551,609.99	\$726,496.98	99.99%
Accrued Interest				\$0.00		
Total Investments				\$37,551,609.99		

Portfolio Summary and Statistics

For the Month Ending **July 31, 2023**

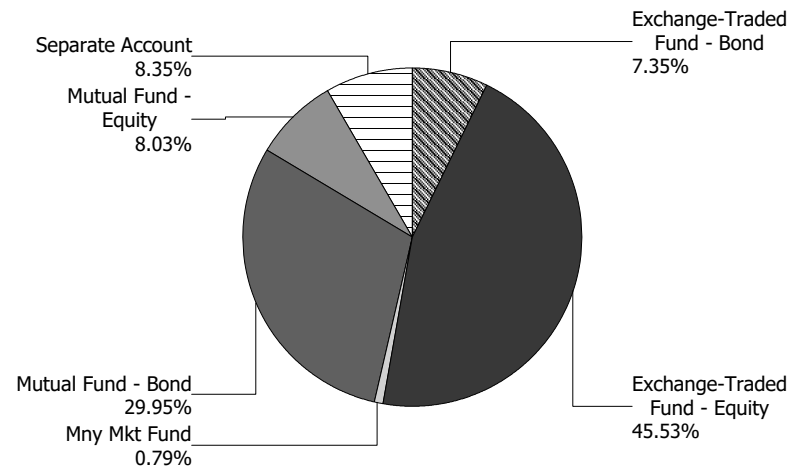
SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]

Account Summary

Description	Par Value	Market Value	Percent
Separate Account	2,880,369.44	3,199,139.43	8.35
Mutual Fund - Equity	106,306.51	3,077,828.55	8.03
Mutual Fund - Bond	1,207,844.55	11,476,979.48	29.95
Money Market Mutual Fund	303,955.10	303,955.10	0.79
Exchange-Traded Fund - Equity	147,077.00	17,443,981.55	45.53
Exchange-Traded Fund - Bond	35,877.00	2,815,355.40	7.35
Managed Account Sub-Total	4,681,429.60	38,317,239.51	100.00%
Accrued Interest		0.00	
Total Portfolio	4,681,429.60	38,317,239.51	

Unsettled Trades 0.00 0.00

Sector Allocation



Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Bond										
ISHARES CORE U.S. AGGREGATE		464287226	AGG	3,322.00	99.13	329,309.86	97.68	324,492.96	(4,816.90)	0.85
ISHARES CORE U.S. AGGREGATE		464287226	AGG	17,918.00	98.65	1,767,610.70	97.68	1,750,230.24	(17,380.46)	4.57
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	1,776.00	57.68	102,441.46	50.60	89,865.60	(12,575.86)	0.23
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	1,146.00	61.13	70,054.98	50.60	57,987.60	(12,067.38)	0.15
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	965.00	61.01	58,874.65	50.60	48,829.00	(10,045.65)	0.13
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	7,097.00	50.33	357,192.01	50.60	359,108.20	1,916.19	0.94
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	631.00	56.69	35,771.39	50.60	31,928.60	(3,842.79)	0.08
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	2,389.00	60.31	144,080.59	50.60	120,883.40	(23,197.19)	0.32
ISHARES INTERMEDIATE-TERM CO		464288638	IGIB	633.00	56.99	36,074.67	50.60	32,029.80	(4,044.87)	0.08

Security Type Sub-Total **35,877.00** **2,901,410.31** **549.56** **2,815,355.40** **(86,054.91)** **7.35**

Exchange-Traded Fund - Equity										
VANGUARD FTSE DEVELOPED MARKETS ETF		921943858	VEA	6,816.00	38.86	264,869.76	47.63	324,646.08	59,776.32	0.85
VANGUARD FTSE DEVELOPED MARKETS ETF		921943858	VEA	2,614.00	37.17	97,162.38	47.63	124,504.82	27,342.44	0.33
VANGUARD FTSE DEVELOPED MARKETS ETF		921943858	VEA	14,147.00	42.95	607,605.17	47.63	673,821.61	66,216.44	1.76
VANGUARD FTSE DEVELOPED MARKETS ETF		921943858	VEA	2,193.00	42.18	92,500.74	47.63	104,452.59	11,951.85	0.27
VANGUARD FTSE DEVELOPED MARKETS ETF		921943858	VEA	9,194.00	39.68	364,817.92	47.63	437,910.22	73,092.30	1.14
VANGUARD TOTAL INTL STOCK		921909768	VXUS	2,875.00	51.82	148,982.21	58.26	167,497.50	18,515.29	0.44
VANGUARD TOTAL INTL STOCK		921909768	VXUS	1,932.00	53.54	103,439.28	58.26	112,558.32	9,119.04	0.29
VANGUARD TOTAL INTL STOCK		921909768	VXUS	6,979.00	65.37	456,217.23	58.26	406,596.54	(49,620.69)	1.06
VANGUARD TOTAL INTL STOCK		921909768	VXUS	18,820.00	47.87	900,909.64	58.26	1,096,453.20	195,543.56	2.86
VANGUARD TOTAL INTL STOCK		921909768	VXUS	553.00	64.35	35,585.55	58.26	32,217.78	(3,367.77)	0.08
VANGUARD TOTAL INTL STOCK		921909768	VXUS	8,244.00	52.51	432,892.44	58.26	480,295.44	47,403.00	1.25
VANGUARD TOTAL INTL STOCK		921909768	VXUS	17,752.00	52.12	925,234.24	58.26	1,034,231.52	108,997.28	2.70
VANGUARD TOTAL INTL STOCK		921909768	VXUS	593.00	56.01	33,213.93	58.26	34,548.18	1,334.25	0.09
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	625.00	199.58	124,737.50	228.35	142,718.75	17,981.25	0.37
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	4,809.00	195.76	941,409.84	228.35	1,098,135.15	156,725.31	2.87
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	1,546.00	226.21	349,720.35	228.35	353,029.10	3,308.75	0.92
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	624.00	198.24	123,701.76	228.35	142,490.40	18,788.64	0.37
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	20,572.00	204.04	4,197,510.88	228.35	4,697,616.20	500,105.32	12.26

Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING										
Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Equity										
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	764.00	191.49	146,298.36	228.35	174,459.40	28,161.04	0.46
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	24,992.00	169.04	4,224,647.68	228.35	5,706,923.20	1,482,275.52	14.89
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	433.00	233.92	101,287.36	228.35	98,875.55	(2,411.81)	0.26
Security Type Sub-Total				147,077.00		14,672,744.22	2,531.03	17,443,981.55	2,771,237.33	45.52
Money Market Mutual Fund										
FIRST AMERICAN GOVERNMENT OBLIGATION - Z		31846V567	FGZXX	303,955.10	1.00	303,955.10	1.00	303,955.10	0.00	0.79
Security Type Sub-Total				303,955.10		303,955.10	1.00	303,955.10	0.00	0.79
Mutual Fund - Bond										
ARISTOTLE FUNDS FLOATING RATE INC I		04045F592	PLFRX	1.58	9.32	14.76	9.43	14.93	0.17	0.00
BAIRD CORE PLUS BOND - INST		057071870	BCOIX	390,784.23	11.13	4,350,660.22	9.95	3,888,303.13	(462,357.09)	10.15
BBH LIMITED DURATION I		05528X851	BBBIX	32,162.13	10.00	321,684.38	10.09	324,515.86	2,831.48	0.85
DOUBLELINE CORE FIXED INCOME I		258620301	DBLFX	185,960.17	10.55	1,962,060.15	9.21	1,712,693.16	(249,366.99)	4.47
MAINSTAY MACKAY HIGH YIELD CORP BD R6		56063N881	MHYSX	131,660.54	5.22	686,972.38	5.04	663,569.12	(23,403.26)	1.73
PRUDENTIAL TOTAL RETRN BND-Q		74440B884	PTRQX	267,901.89	13.99	3,748,153.31	11.83	3,169,279.40	(578,873.91)	8.27
VOYA INTERMEDIATE BOND R6		92913L569	IIBZX	199,374.00	10.13	2,019,182.45	8.62	1,718,603.88	(300,578.57)	4.49
Security Type Sub-Total				1,207,844.55		13,088,727.65	64.17	11,476,979.48	(1,611,748.17)	29.96
Mutual Fund - Equity										
HARDING LOEVNER INTERNATIONAL EQUITY POR		412295107	HLMIX	26,146.72	27.82	727,318.37	26.52	693,410.99	(33,907.38)	1.81
HRTFRD SCHR EM MRKT EQ-SDR		41665H789	SEMTX	43,458.78	17.24	749,204.67	16.40	712,723.97	(36,480.70)	1.86
JENSEN QUALITY GROWTH-Y		476313408	JENYX	21,482.31	53.05	1,139,543.10	61.41	1,319,228.54	179,685.44	3.44
JOHCM INTERNATIONAL SELECT I		46653M849	JOHIX	15,218.69	27.42	417,286.40	23.16	352,464.93	(64,821.47)	0.92
MFS EMERGING MARKETS DEBT R6		552746364	MEDHX	0.01	11.25	0.09	11.74	0.09	0.00	0.00
VANGUARD TOT INST ST IDX - ADM		921909818	VTIAX	0.00	33.33	0.03	31.26	0.03	0.00	0.00
Security Type Sub-Total				106,306.51		3,033,352.66	170.49	3,077,828.55	44,475.89	8.03

Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account										
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	21,070.00	1.00	21,070.00	113.03	23,815.97	2,745.97	0.06
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	24,500.00	1.00	24,500.00	113.03	27,692.99	3,192.99	0.07
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	45,325.00	1.00	45,325.00	113.03	51,232.04	5,907.04	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	45,325.00	1.00	45,325.00	113.03	51,232.03	5,907.03	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	22,050.00	1.00	22,050.00	113.03	24,923.69	2,873.69	0.07
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	45,325.00	1.00	45,325.00	113.03	51,232.04	5,907.04	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	49,000.00	1.00	49,000.00	113.03	55,385.98	6,385.98	0.14
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	45,325.00	1.00	45,325.00	113.03	51,232.03	5,907.03	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	21,618.49	1.00	21,618.49	113.03	24,435.94	2,817.45	0.06
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	49,980.00	1.00	49,980.00	113.03	56,493.70	6,513.70	0.15
ATEL PRIVATE DEBT PARTNERS II		ATEL00019	SA406	49,000.00	1.00	49,000.00	113.03	55,385.98	6,385.98	0.14
GOLUB CAPITAL PARTNERS INT'L XIV		GOLUB0090	SA467	1,394,100.00	1.00	1,394,100.00	100.00	1,394,100.00	0.00	3.64
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV007	SA425	252,000.00	1.00	252,000.00	124.75	314,360.03	62,360.03	0.82
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV007	SA425	55,556.72	1.00	55,556.72	124.75	69,304.81	13,748.09	0.18
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV007	SA425	130,837.59	1.00	130,837.59	124.75	163,214.71	32,377.12	0.43
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV007	SA425	309,750.00	1.00	309,750.00	124.75	386,400.86	76,650.86	1.01
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV007	SA425	127,930.57	1.00	127,930.57	124.75	159,588.32	31,657.75	0.42
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV007	SA425	191,676.07	1.00	191,676.07	124.75	239,108.31	47,432.24	0.62
Security Type Sub-Total				2,880,369.44		2,880,369.44	2,091.83	3,199,139.43	318,769.99	8.33
Managed Account Sub-Total				4,681,429.60		36,880,559.38	5,408.08	38,317,239.51	1,436,680.13	99.98

Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]						
Securities Sub-Total	\$4,681,429.60	\$36,880,559.38	\$5,408.08	\$38,317,239.51	\$1,436,680.13	99.98%
Accrued Interest				\$0.00		
Total Investments				\$38,317,239.51		

Portfolio Summary and Statistics

For the Month Ending **July 31, 2023**

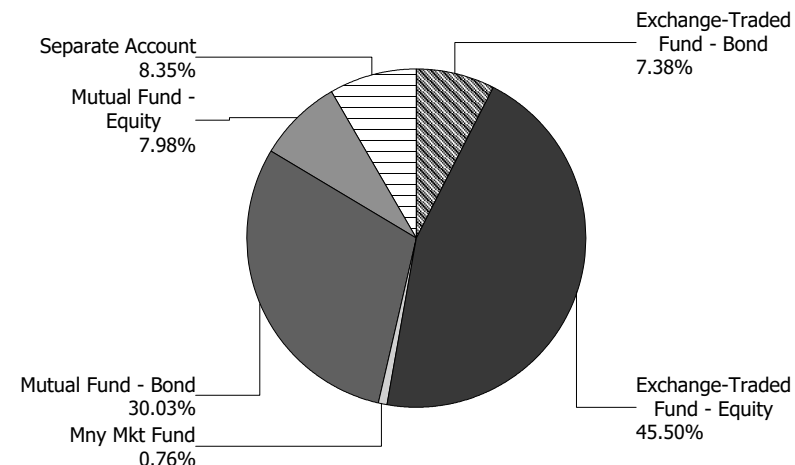
SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Account Summary

Description	Par Value	Market Value	Percent
Separate Account	2,880,369.44	3,199,139.43	8.35
Mutual Fund - Equity	105,327.86	3,056,227.88	7.98
Mutual Fund - Bond	1,210,457.29	11,501,962.10	30.03
Money Market Mutual Fund	291,555.51	291,555.51	0.76
Exchange-Traded Fund - Equity	147,161.00	17,423,234.39	45.50
Exchange-Traded Fund - Bond	36,002.00	2,825,870.52	7.38
Managed Account Sub-Total	4,670,873.10	38,297,989.83	100.00%
Accrued Interest		0.00	
Total Portfolio	4,670,873.10	38,297,989.83	

Unsettled Trades **0.00** **0.00**

Sector Allocation



Detail of Securities Held & Market Analytics

For the Month Ending July 31, 2023

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Bond									
ISHARES CORE U.S. AGGREGATE	464287226	AGG	17,957.00	98.65	1,771,458.05	97.68	1,754,039.76	(17,418.29)	4.58
ISHARES CORE U.S. AGGREGATE	464287226	AGG	3,372.00	99.13	334,266.36	97.68	329,376.96	(4,889.40)	0.86
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	7,130.00	50.33	358,852.90	50.60	360,778.00	1,925.10	0.94
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	633.00	56.99	36,074.67	50.60	32,029.80	(4,044.87)	0.08
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	1,779.00	57.68	102,614.50	50.60	90,017.40	(12,597.10)	0.24
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	1,113.00	61.13	68,037.69	50.60	56,317.80	(11,719.89)	0.15
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	631.00	56.69	35,771.39	50.60	31,928.60	(3,842.79)	0.08
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	982.00	61.01	59,911.82	50.60	49,689.20	(10,222.62)	0.13
ISHARES INTERMEDIATE-TERM CO	464288638	IGIB	2,405.00	60.31	145,045.55	50.60	121,693.00	(23,352.55)	0.32

Security Type Sub-Total **36,002.00** **2,912,032.93** **549.56** **2,825,870.52** **(86,162.41)** **7.38**

Exchange-Traded Fund - Equity									
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	2,614.00	37.17	97,162.38	47.63	124,504.82	27,342.44	0.33
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	2,211.00	42.18	93,259.98	47.63	105,309.93	12,049.95	0.28
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	9,189.00	39.68	364,619.52	47.63	437,672.07	73,052.55	1.14
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	6,915.00	38.86	268,716.90	47.63	329,361.45	60,644.55	0.86
VANGUARD FTSE DEVELOPED MARKETS ETF	921943858	VEA	14,143.00	42.95	607,433.37	47.63	673,631.09	66,197.72	1.76
VANGUARD TOTAL INTL STOCK	921909768	VXUS	18,935.00	47.87	906,414.66	58.26	1,103,153.10	196,738.44	2.88
VANGUARD TOTAL INTL STOCK	921909768	VXUS	1,714.00	53.54	91,767.56	58.26	99,857.64	8,090.08	0.26
VANGUARD TOTAL INTL STOCK	921909768	VXUS	632.00	64.35	40,669.20	58.26	36,820.32	(3,848.88)	0.10
VANGUARD TOTAL INTL STOCK	921909768	VXUS	8,570.00	52.51	450,010.70	58.26	499,288.20	49,277.50	1.30
VANGUARD TOTAL INTL STOCK	921909768	VXUS	580.00	56.01	32,485.80	58.26	33,790.80	1,305.00	0.09
VANGUARD TOTAL INTL STOCK	921909768	VXUS	17,679.00	52.12	921,429.48	58.26	1,029,978.54	108,549.06	2.69
VANGUARD TOTAL INTL STOCK	921909768	VXUS	2,875.00	51.82	148,982.21	58.26	167,497.50	18,515.29	0.44
VANGUARD TOTAL INTL STOCK	921909768	VXUS	6,883.00	65.37	449,941.71	58.26	401,003.58	(48,938.13)	1.05
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	1,551.00	226.21	350,851.40	228.35	354,170.85	3,319.45	0.92
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	24,762.00	169.04	4,185,768.48	228.35	5,654,402.70	1,468,634.22	14.76
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	500.00	199.58	99,790.00	228.35	114,175.00	14,385.00	0.30
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	433.00	233.92	101,287.36	228.35	98,875.55	(2,411.81)	0.26
VANGUARD TOTAL STOCK MKT ETF	922908769	VTI	4,931.00	195.76	965,292.56	228.35	1,125,993.85	160,701.29	2.94

Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Equity										
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	983.00	191.49	188,234.67	228.35	224,468.05	36,233.38	0.59
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	499.00	198.24	98,921.76	228.35	113,946.65	15,024.89	0.30
VANGUARD TOTAL STOCK MKT ETF		922908769	VTI	20,562.00	204.04	4,195,470.48	228.35	4,695,332.70	499,862.22	12.26
Security Type Sub-Total				147,161.00		14,658,510.18	2,531.03	17,423,234.39	2,764,724.21	45.51
Money Market Mutual Fund										
FIRST AMERICAN GOVERNMENT OBLIGATION - Z		31846V567	FGZXX	291,555.51	1.00	291,555.51	1.00	291,555.51	0.00	0.76
Security Type Sub-Total				291,555.51		291,555.51	1.00	291,555.51	0.00	0.76
Mutual Fund - Bond										
ARISTOTLE FUNDS FLOATING RATE INC I		04045F592	PLFRX	1.59	9.33	14.86	9.43	15.02	0.16	0.00
BAIRD CORE PLUS BOND - INST		057071870	BCOIX	391,624.10	11.13	4,359,533.86	9.95	3,896,659.82	(462,874.04)	10.17
BBH LIMITED DURATION I		05528X851	BBBIX	32,296.79	10.00	323,031.23	10.09	325,874.65	2,843.42	0.85
DOUBLELINE CORE FIXED INCOME I		258620301	DBLFX	186,283.98	10.55	1,965,850.20	9.21	1,715,675.47	(250,174.73)	4.48
MAINSTAY MACKAY HIGH YIELD CORP BD R6		56063N881	MHYSX	131,929.19	5.22	688,477.78	5.04	664,923.12	(23,554.66)	1.74
PRUDENTIAL TOTAL RETRN BND-Q		74440B884	PTRQX	268,498.94	13.99	3,755,986.74	11.83	3,176,342.49	(579,644.25)	8.29
VOYA INTERMEDIATE BOND R6		92913L569	IIBZX	199,822.68	10.13	2,024,104.01	8.62	1,722,471.53	(301,632.48)	4.50
Security Type Sub-Total				1,210,457.29		13,116,998.68	64.17	11,501,962.10	(1,615,036.58)	30.03
Mutual Fund - Equity										
HARDING LOEVNER INTERNATIONAL EQUITY POR		412295107	HLMIX	25,379.75	27.93	708,743.48	26.52	673,071.00	(35,672.48)	1.76
HRTFRD SCHR EM MRKT EQ-SDR		41665H789	SEMTX	43,169.65	17.15	740,258.52	16.40	707,982.26	(32,276.26)	1.85
JENSEN QUALITY GROWTH-Y		476313408	JENYX	21,526.42	53.05	1,142,053.35	61.41	1,321,937.38	179,884.03	3.45
JOHCM INTERNATIONAL SELECT I		46653M849	JOHIX	15,252.03	27.42	418,153.74	23.16	353,237.11	(64,916.63)	0.92
MFS EMERGING MARKETS DEBT R6		552746364	MEDHX	0.01	11.25	0.09	11.74	0.09	0.00	0.00
VANGUARD TOTAL STOCK MARKET INDEX		922908801	VITXS	0.00	75.00	0.03	111.17	0.04	0.01	0.00
Security Type Sub-Total				105,327.86		3,009,209.21	250.40	3,056,227.88	47,018.67	7.98

Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account										
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	21,070.00	1.00	21,070.00	113.03	23,815.97	2,745.97	0.06
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	45,325.00	1.00	45,325.00	113.03	51,232.03	5,907.03	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	24,500.00	1.00	24,500.00	113.03	27,692.99	3,192.99	0.07
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	21,618.49	1.00	21,618.49	113.03	24,435.94	2,817.45	0.06
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	45,325.00	1.00	45,325.00	113.03	51,232.04	5,907.04	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	45,325.00	1.00	45,325.00	113.03	51,232.04	5,907.04	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	49,980.00	1.00	49,980.00	113.03	56,493.70	6,513.70	0.15
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	49,000.00	1.00	49,000.00	113.03	55,385.98	6,385.98	0.14
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	22,050.00	1.00	22,050.00	113.03	24,923.69	2,873.69	0.07
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	45,325.00	1.00	45,325.00	113.03	51,232.03	5,907.03	0.13
ATEL PRIVATE DEBT PARTNERS II		ATEL00020	SA407	49,000.00	1.00	49,000.00	113.03	55,385.98	6,385.98	0.14
GOLUB CAPITAL PARTNERS INT'L XIV		GOLUB0091	SA468	1,394,100.00	1.00	1,394,100.00	100.00	1,394,100.00	0.00	3.64
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV008	SA426	55,556.72	1.00	55,556.72	124.75	69,304.81	13,748.09	0.19
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV008	SA426	252,000.00	1.00	252,000.00	124.75	314,360.03	62,360.03	0.82
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV008	SA426	309,750.00	1.00	309,750.00	124.75	386,400.86	76,650.86	1.01
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV008	SA426	130,837.59	1.00	130,837.59	124.75	163,214.71	32,377.12	0.43
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV008	SA426	191,676.07	1.00	191,676.07	124.75	239,108.31	47,432.24	0.62
NB SECONDARY OPPORTUNITIES V OFFSHORE		NBSOFV008	SA426	127,930.57	1.00	127,930.57	124.75	159,588.32	31,657.75	0.42
Security Type Sub-Total				2,880,369.44		2,880,369.44	2,091.83	3,199,139.43	318,769.99	8.34
Managed Account Sub-Total				4,670,873.10		36,868,675.95	5,487.99	38,297,989.83	1,429,313.88	100.00

Detail of Securities Held & Market Analytics

For the Month Ending **July 31, 2023**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAIN - [REDACTED]						
Securities Sub-Total	\$4,670,873.10	\$36,868,675.95	\$5,487.99	\$38,297,989.83	\$1,429,313.88	100.00%
Accrued Interest				\$0.00		
Total Investments				\$38,297,989.83		

SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILETO: Finance/Audit Committee
Board of Directors

RE: Ridership Report for July and August 2023

Summary:

Monthly Ridership			Monthly Variance	
	July-23	July-22	Net	Percent
Fixed Route	186,280	178,264	7,937	4.5%
SolVan	1,767	1,590	177	11.1%
SunRide	1,228	326	902	73.5%
Taxi Voucher*	173	209	(36)	(20.8)%
SunDial	9,836	8,241	1,595	19.4%
Total	199,205	188,630	10,575	5.6%

Monthly Ridership			Monthly Variance	
	Aug-23	Aug-22	Net	Percent
Fixed Route	189,171	201,793	(12,622)	(6.3)%
SolVan	2,164	1,660	504	30.4%
SunRide	1,471	489	982	66.8%
Taxi Voucher*	171	291	(120)	(70.2)%
SunDial	9,983	8,949	1,034	11.6%
Total	202,960	213,182	(10,222)	(4.8)%

*Taxi Voucher rides are included for the system total; however, they are not NTD reportable.

Yearly Ridership	
Fiscal Year 2024	402,244
Fiscal Year 2023	401,812
Ridership Increase	432

Fiscal year to date system ridership is up by 432 rides or 0.1% increase compared to the previous fiscal year. The baseline of the attached COVID-19 Recovery chart is calendar year 2020, this allows a comparison of three (3) years.

Recommendation: Receive and file.



SunLine Transit Agency Monthly Ridership Report July 2023

Fixed Route	Jul 2023	Jul 2022	FY 2024	FY 2023	Monthly KPI		Bikes		Wheelchairs	
			YTD	YTD	Passengers/ Rev. Hours	Passengers/ Rev. Miles	Monthly	FYTD	Monthly	FYTD
Route 1EV Coachella - Hwy 111 - Palm Desert Mall	46,003	-	46,003	-	16.7	1.2	2501		310	
Route 1WV Palm Springs - Hwy 111 - Palm Desert Mall	36,728	79,386	36,728	79,386	13.3	1.1	1,393	1,393	295	295
Route 2 Desert Hot Springs - Palm Springs - Cathedral City	57,517	50,275	57,517	50,275	15.7	1.2	2,274	2,274	433	433
Route 3 Desert Hot Springs - Desert Edge	3,985	4,362	3,985	4,362	17.3	0.6	175	175	51	51
Route 4 Westfield Palm Desert - Palm Springs	16,432	15,584	16,432	15,584	9.3	0.7	896	896	65	65
Route 5 Desert Hot Springs - CSUSB - Palm Desert	1,165	1,040	1,165	1,040	9.2	0.2	65	65	3	3
Route 6 Coachella - Fred Waring - Westfield Palm Desert	3,004	5,509	3,004	5,509	10.9	0.5	117	117	38	38
Route 7 Bermuda Dunes - Indian Wells - La Quinta	5,203	4,508	5,203	4,508	13.5	0.8	326	326	8	8
Route 8 North Indio - Coachella -Thermal/Mecca	12,984	13,411	12,984	13,411	8.8	0.6	408	408	87	87
Route 9 North Shore - Mecca - Oasis	2,270	3,470	2,270	3,470	4.9	0.2	41	41	8	8
Route 10 Indio - CSUSB - San Bernardino - Metrolink	989	719	989	719	4.9	0.1	19	19	8	8
Route 200 SB Palm Springs High School AM Tripper			-	-	-	-	-	-	-	-
Route 400 SB Raymond Cree / Palm Springs HS Tripper			-	-	-	-	-	-	-	-
Route 401 SB Palm Canyon / Stevens AM Tripper			-	-	-	-	-	-	-	-
Route 402 NB Palm Canyon / Stevens AM Tripper			-	-	-	-	-	-	-	-
Route 403 NB Vista Chino /Sunrise PM Tripper			-	-	-	-	-	-	-	-
Route 500 SB Westfield Palm Desert PM Tripper			-	-	-	-	-	-	-	-
Route 501 NB Palm Desert High School AM Tripper			-	-	-	-	-	-	-	-
Route 700 SB/NB Harris / Washington - Calle Madrid / Ave Vallejo AM Tripper			-	-	-	-	-	-	-	-
Route 701 SB/NB Harris / Washington - Calle Madrid / Ave Vallejo PM Tripper			-	-	-	-	-	-	-	-
Route 800 NB Shadow Hills High School AM Tripper			-	-	-	-	-	-	-	-
Route 801 SB Jackson / 44th PM Tripper			-	-	-	-	-	-	-	-
Route 802 SB Hwy 111 / Golf Center Pkwy PM Tripper			-	-	-	-	-	-	-	-
Route 803 NB Shadow Hills High School AM Tripper			-	-	-	-	-	-	-	-
Fixed Route Total	186,280	178,264	186,280	178,264	12	1	8,215	5,714	1,306	996
SoIVan	1,767	1,590	1,767	1,590	5.0	0.1				
SunRide	1,228	326	1,228	326	2.0	0.1				
Taxi Voucher	173	209	173	209						
SunDial	9,836	8,241	9,836	8,241	2.1	.01				
System Total	199,284	188,630	199,284	188,630	9.3	0.6				
	Jul-23	Jul-22								
Weekdays:	20	21								
Saturdays:	5	5								
Sundays:	6	5								
Total Days:	31	31								

Haul Pass COD contributed with 4,138 rides, CSUSB with 339 rides.
Mobile Ticketing contributed with 18,601 rides, the total for July 2023 includes 190 paratransit mobile tickets.



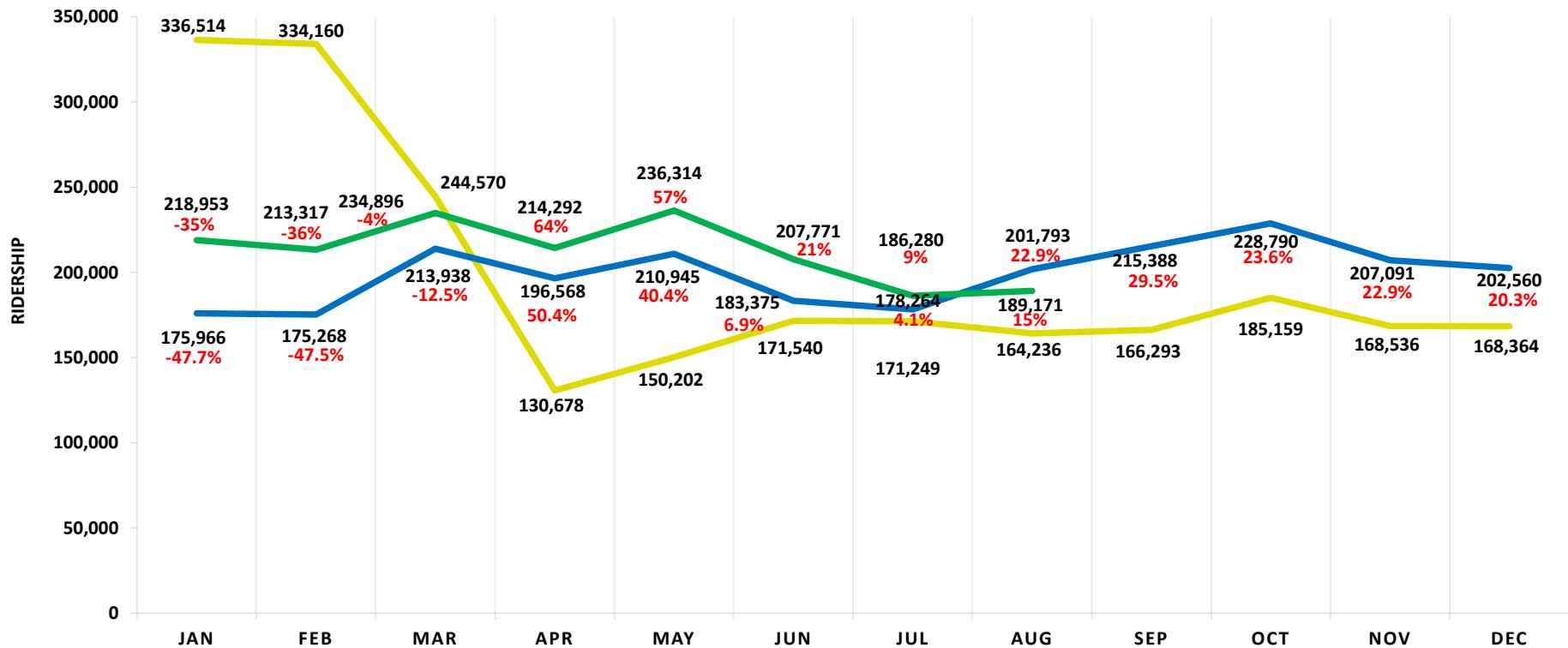
SunLine Transit Agency Monthly Ridership Report August 2023

Fixed Route	Aug 2023	Aug 2022	FY 2024	FY 2023	Monthly KPI		Bikes		Wheelchairs	
			YTD	YTD	Passengers/ Rev. Hours	Passengers/ Rev. Miles	Monthly	FYTD	Monthly	FYTD
Route 1EV Coachella - Hwy 111 - Palm Desert Mall	46,837	-	92,840	-	16.6	1.3	2,614	5,115	364	674
Route 1WV Palm Springs - Hwy 111 - Palm Desert Mall	35,111	82,465	71,839	161,851	13.5	1.1	1,585	2,978	439	734
Route 2 Desert Hot Springs - Palm Springs - Cathedral City	50,702	55,324	108,219	105,599	16.6	1.2	1,818	4,092	351	784
Route 3 Desert Hot Springs - Desert Edge	7,096	5,703	11,081	10,065	17.5	1.1	220	395	54	105
Route 4 Westfield Palm Desert - Palm Springs	14,999	17,504	31,431	33,088	9.3	0.6	893	1,789	74	139
Route 5 Desert Hot Springs - CSUSB - Palm Desert	1,893	1,633	3,058	2,673	9.7	0.4	71	136	5	8
Route 6 Coachella - Fred Waring - Westfield Palm Desert	3,476	6,829	6,480	12,338	10.6	0.6	115	232	15	53
Route 7 Bermuda Dunes - Indian Wells - La Quinta	6,428	5,691	11,631	10,199	13.5	1.0	337	663	13	21
Route 8 North Indio - Coachella -Thermal/Mecca	12,525	13,630	25,509	27,041	9.5	0.6	360	768	80	167
Route 9 North Shore - Mecca - Oasis	2,714	6,029	4,984	9,499	5.0	0.2	29	70	6	14
Route 10 Indio - CSUSB - San Bernardino - Metrolink	1,634	2,105	2,623	2,824	20.4	0.1	25	44	4	12
Route 200 SB Palm Springs High School AM Tripper	98	178	98	178	25.5	1	1	1	-	-
Route 400 SB Raymond Cree / Palm Springs HS Tripper		37	-	37	-	-	-	-	-	-
Route 401 SB Palm Canyon / Stevens AM Tripper			-	-	-	-	-	-	-	-
Route 402 NB Palm Canyon / Stevens AM Tripper		25	-	25	-	-	-	-	-	-
Route 403 NB Vista Chino /Sunrise PM Tripper		60	-	60	-	-	-	-	-	-
Route 500 SB Westfield Palm Desert PM Tripper	227	148	227	148	48.6	6.2	2	2	1	1
Route 501 NB Palm Desert High School AM Tripper			-	-	-	-	-	-	-	-
Route 700 SB/NB Harris / Washington - Calle Madrid / Ave Vallejo AM Tripper	216	194	216	194	19.4	2.5	-	-	-	-
Route 701 SB/NB Harris / Washington - Calle Madrid / Ave Vallejo PM Tripper	646	599	646	599	53.3	7.0	13	13	1	1
Route 800 NB Shadow Hills High School AM Tripper	1,279	684	1,279	684	106.6	10.4	-	-	-	-
Route 801 SB Jackson / 44th PM Tripper	1,531	1,388	1,531	1,388	127.6	14.8	-	-	-	-
Route 802 SB Hwy 111 / Golf Center Pkwy PM Tripper	484	288	484	288	40.3	4.2	-	-	-	-
Route 803 NB Shadow Hills High School AM Tripper	1,275	1,279	1,275	1,279	128.0	12.6	-	-	-	-
Fixed Route Total	189,171	201,793	375,451	380,057	13.5	0.9	8,083	16,298	1,407	2,713
SoIVan	2,164	1,660	3,931	3,250						
SunRide	1,471	489	2,699	815	1.0	0.2				
Taxi Voucher	171	291	344	500						
SunDial	9,983	8,949	19,819	17,190	2.1	0.1				
System Total	202,960	213,182	402,244	401,812						
	Aug-23	Aug-22								
Weekdays:	22	23								
Saturdays:	4	4								
Sundays:	4	4								
Total Days:	30	31								

Haul Pass COD contributed with 4,881 rides, CSUSB with 1,131 rides.
 Mobile Ticketing contributed with 11,984 rides, the total for August 2023 includes 192 paratransit mobile tickets.

Fixed Route Ridership COVID-19 Recovery

— CY 2020
 — CY 2022
 — CY 2023
 %VAR. 2020 vs 2022
 %VAR. 2020 vs 2023



The COVID-19 pandemic caused a major national and global disruption with closures of businesses, schools and entertainment venues due to the implementation of national and statewide public health policies. Variances are in red close to their corresponding ridership number. 2022 and 2023 are referring to the baseline of 2020.

CY 2021 has been removed to reflect the two (2) most recent years in recovery. CY 2020 will remain on the chart since it is the baseline needed to compare ridership recovery for CY 2022 & CY 2023.

Decrease in ridership due to extreme weather conditions - Tropical Storm Hilary.

SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Finance/Audit Committee
Board of Directors

RE: Paratransit Operational Notes for July & August 2023

Summary:

The attached report summarizes Paratransit's operation for the month of July and August 2023. This report identifies that for the month of July and August, the on-time performance for Paratransit did meet the internal service goal of 85% which is comparable to the fixed route service goal. The on-time performance for the month of July was 93.2% and the on-time performance for the month of August was 89.0%. Fiscal-year-to-date, Paratransit has maintained an on-time performance of 91.1%.

Total vehicle miles for July 2023 increased by 8,393 compared to July 2022. Total trips for the month of July were 9,222. When compared to July 2022, this is an increase of 1,394 trips or 17.8%.

Total vehicle miles for August 2023 increased by 5,170 compared to August 2022. Total trips for the month of August were 9,543. When compared to August 2022, this is an increase of 922 trips or 10.7%.

Total passengers for the month of July were 9,836. When compared to July 2022, this is an increase of 1,595 passengers or 19.4%. Mobility device boardings for July 2023 increased by 213 or 16% compared to July 2022. Field supervisors performed 44 onboard inspections and 51 Pre-Trip and Trailing evaluations. With the goal of 60 on board inspections and 60 Pre-Trip and Trailing evaluations, the workforce shortage of four (4) field supervisors in the month of July created a variance for the department's onboard inspections and Pre-Trip and Trailing evaluation goals by 16%.

Total passengers for the month of August were 9,983. When compared to August 2022, this is an increase of 1,034 passengers or 11.6%. Mobility device boardings for August 2023 increased by 121 or 9% compared to August 2022. Field supervisors performed 42 onboard inspections and 51 Pre-Trip and Trailing evaluations. With the goal of 60 on board inspections and 60 safety evaluations,

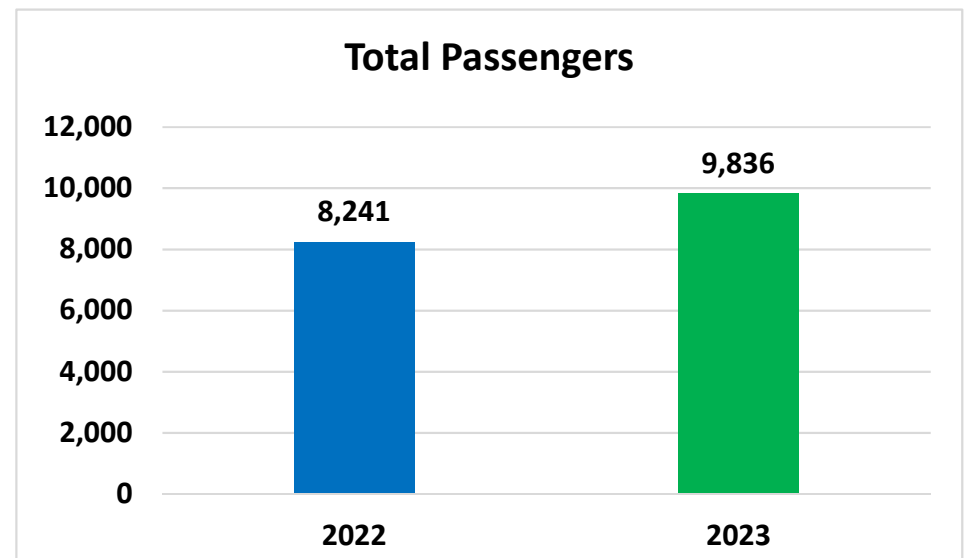
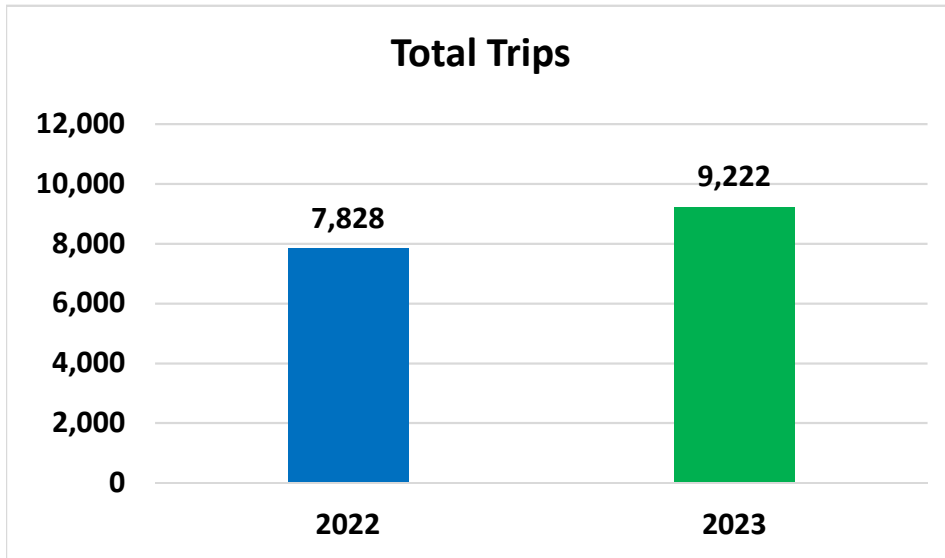
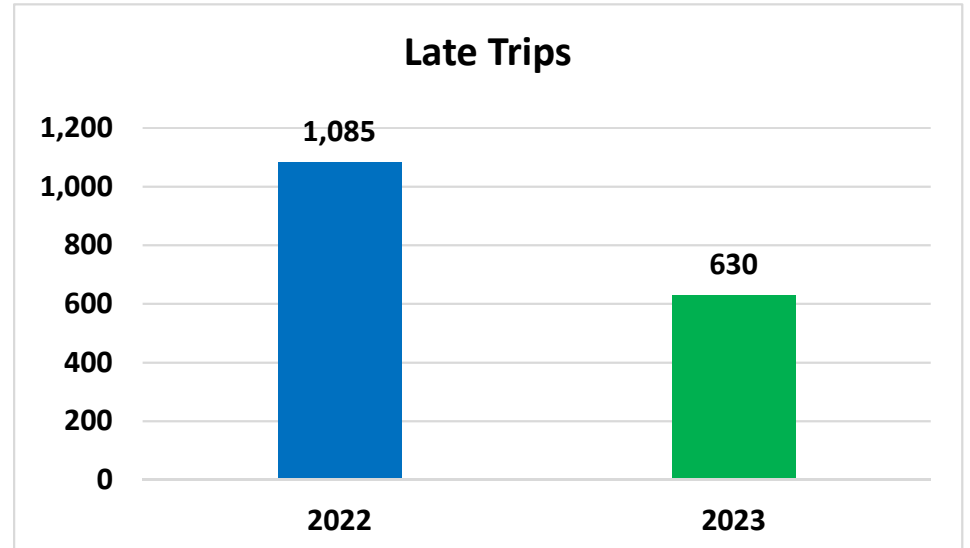
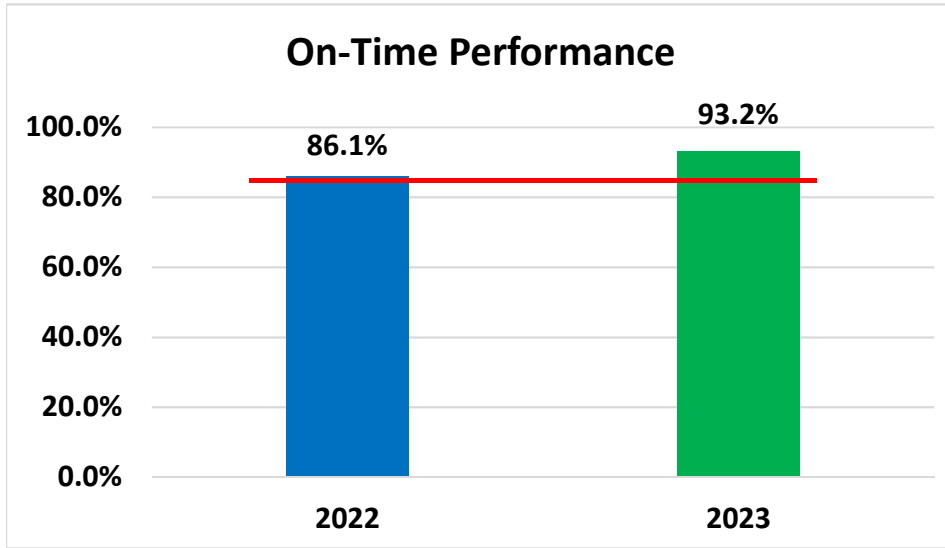
the workforce shortage of four (4) field supervisors in the month of August created a variance for the department's onboard inspections and Pre-Trip and Trailing evaluation goals by 18%.

Recommendation:

Receive and file.

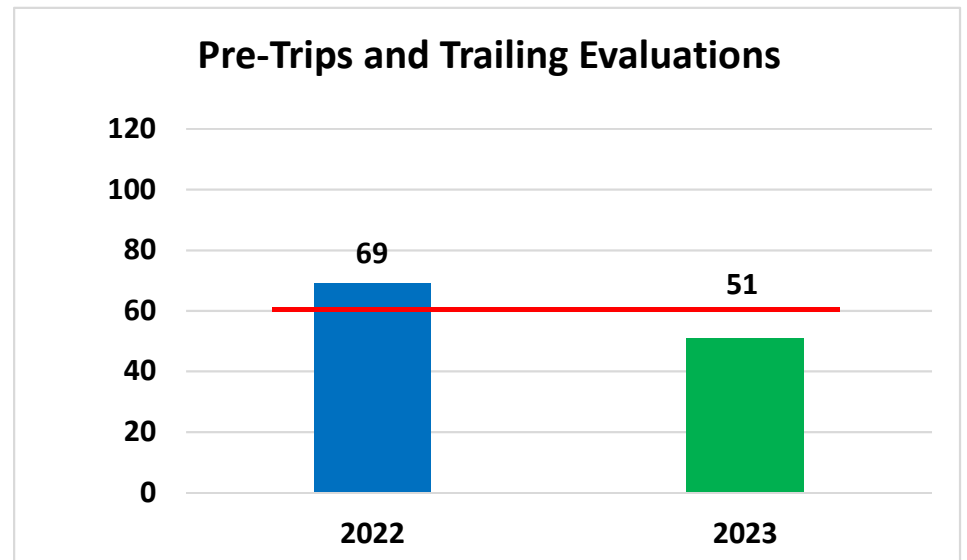
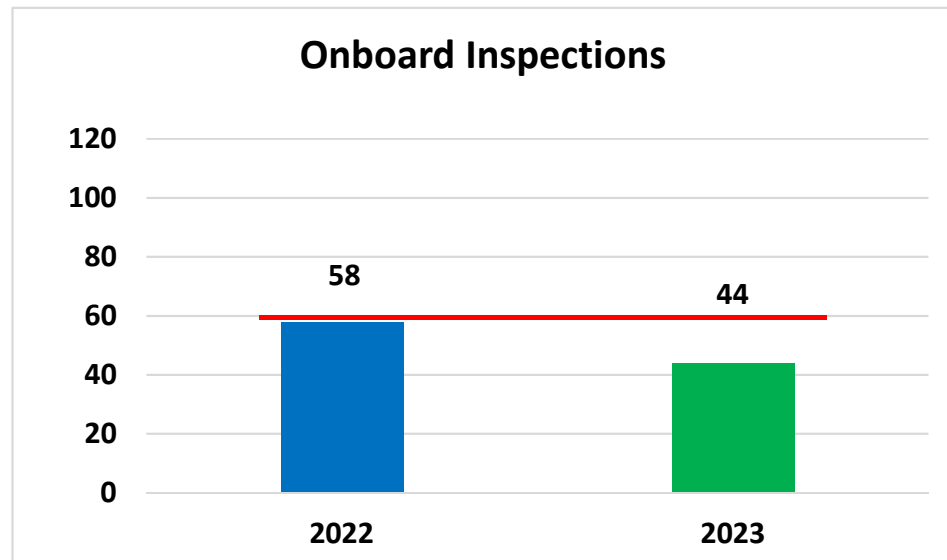
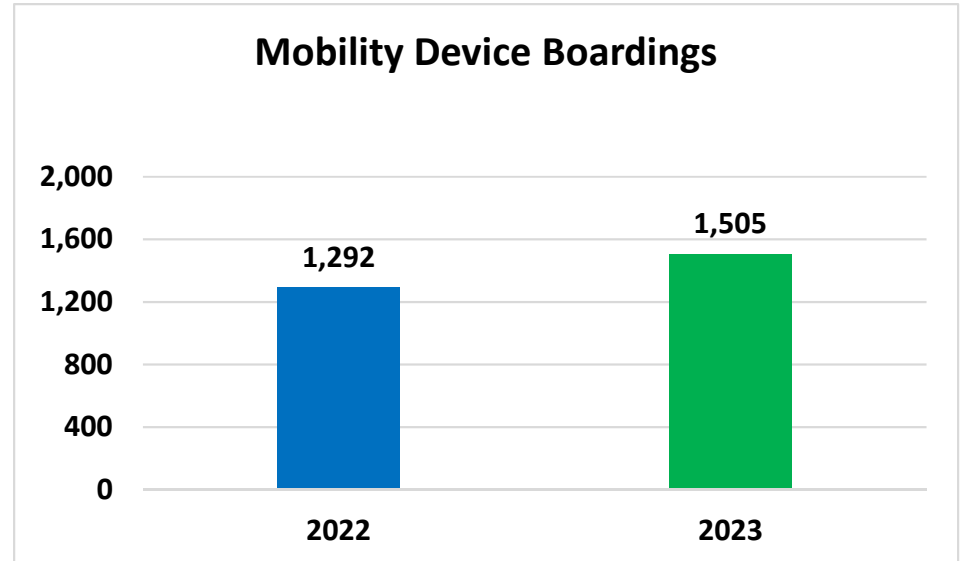
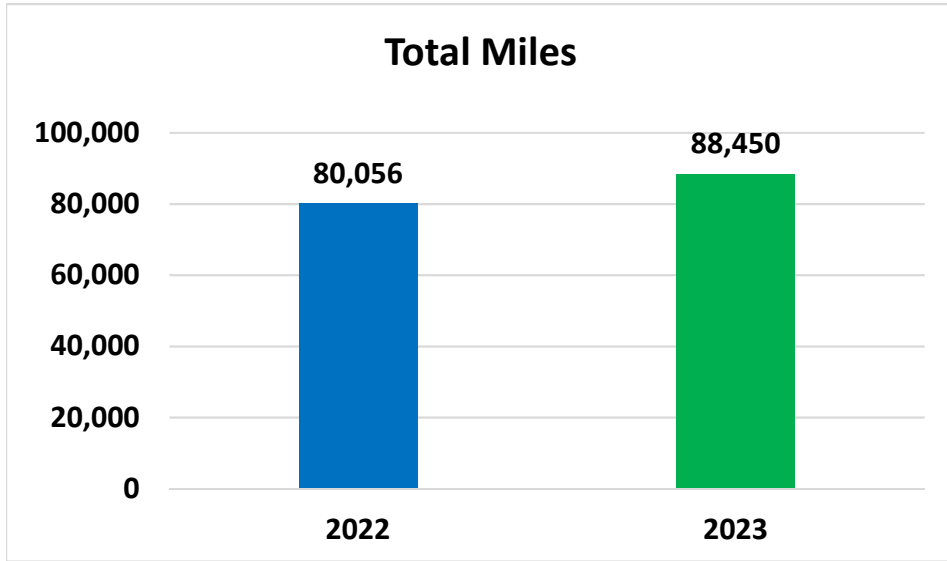
Paratransit Operational Charts

July 2022 vs. July 2023



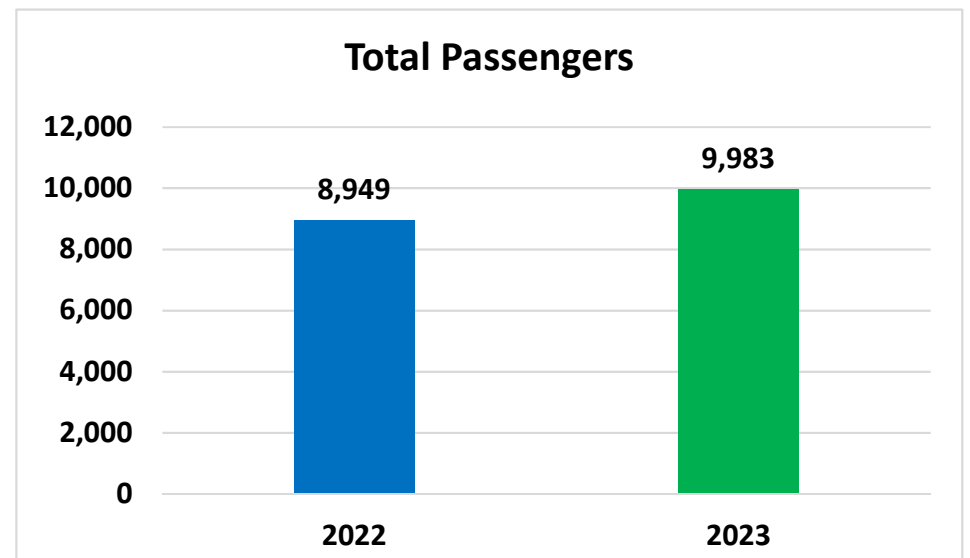
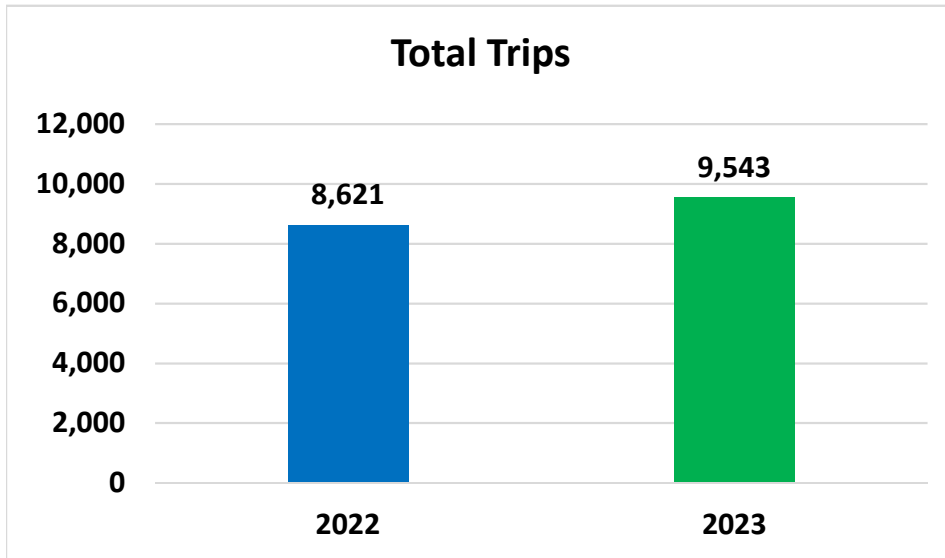
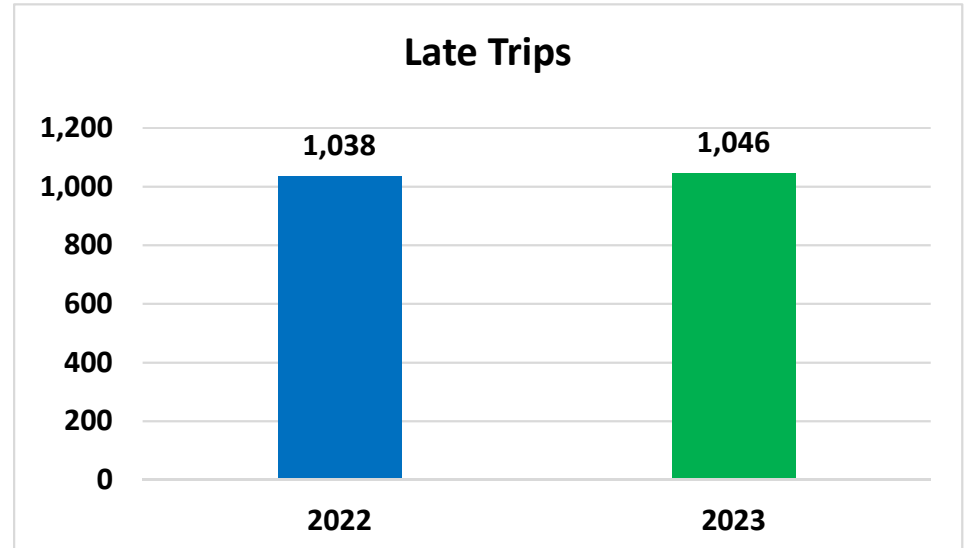
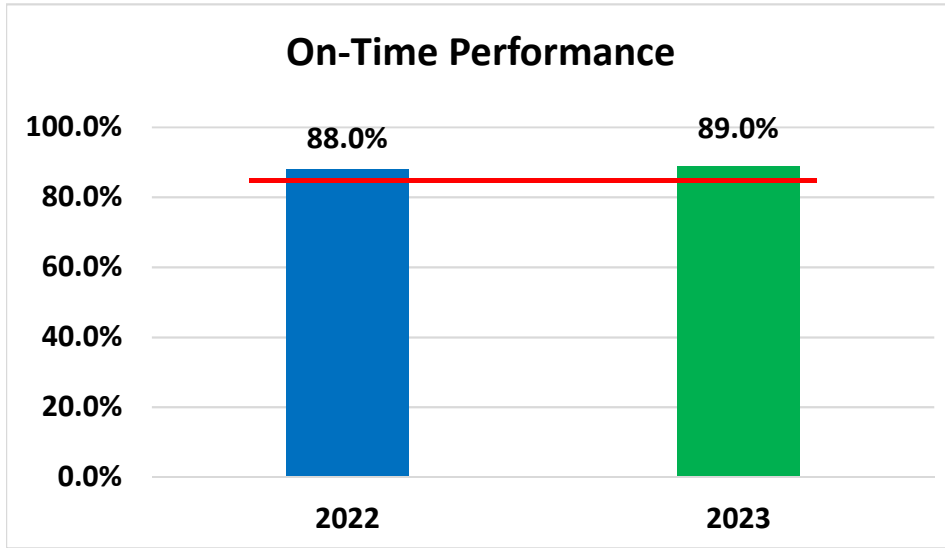
Paratransit Operational Charts

July 2022 vs. July 2023



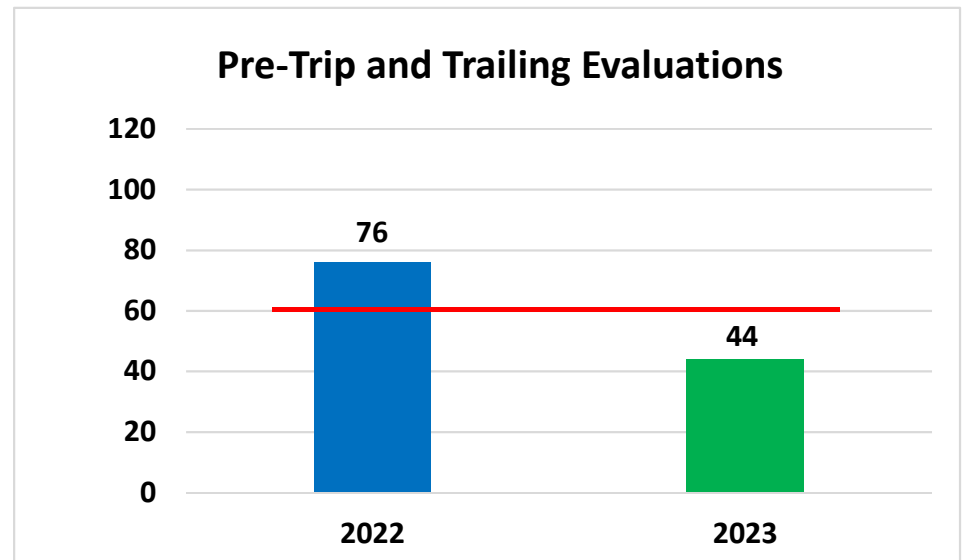
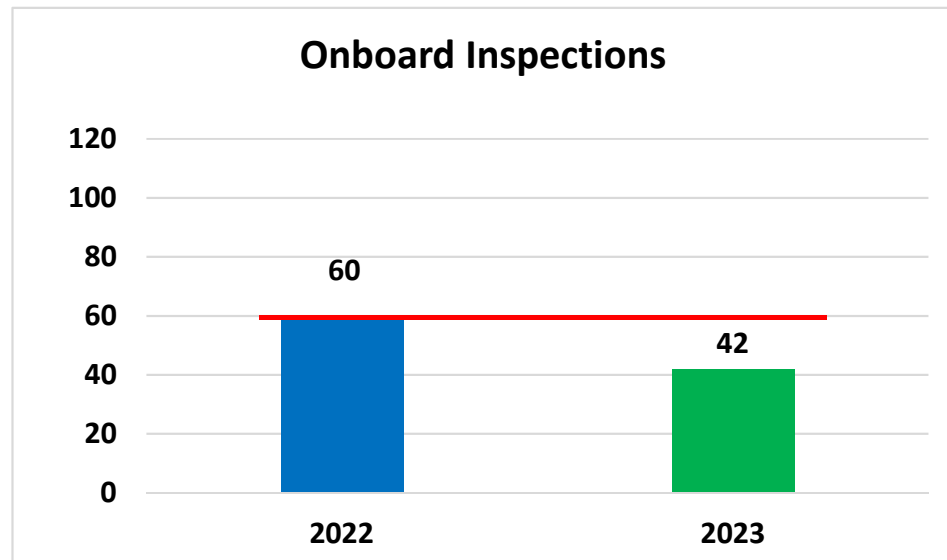
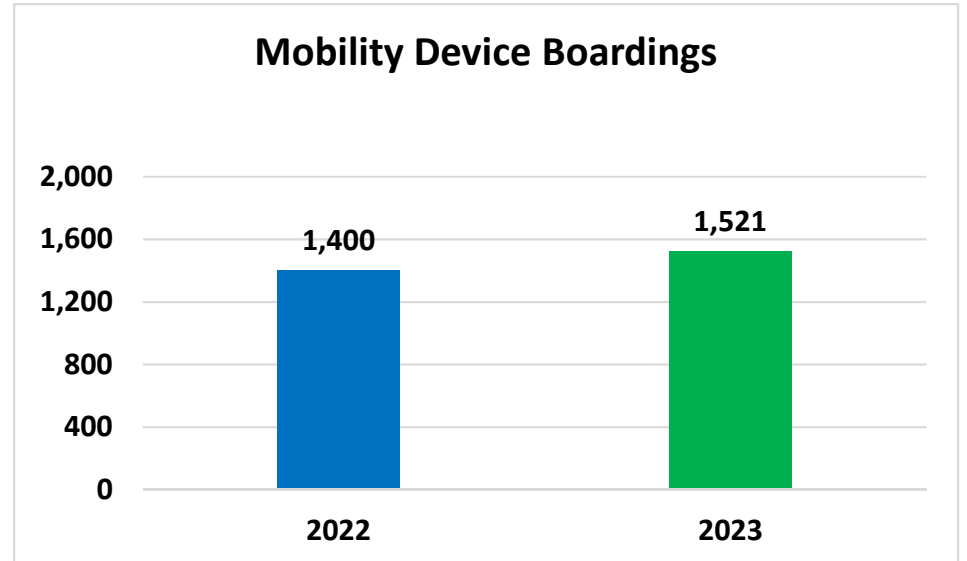
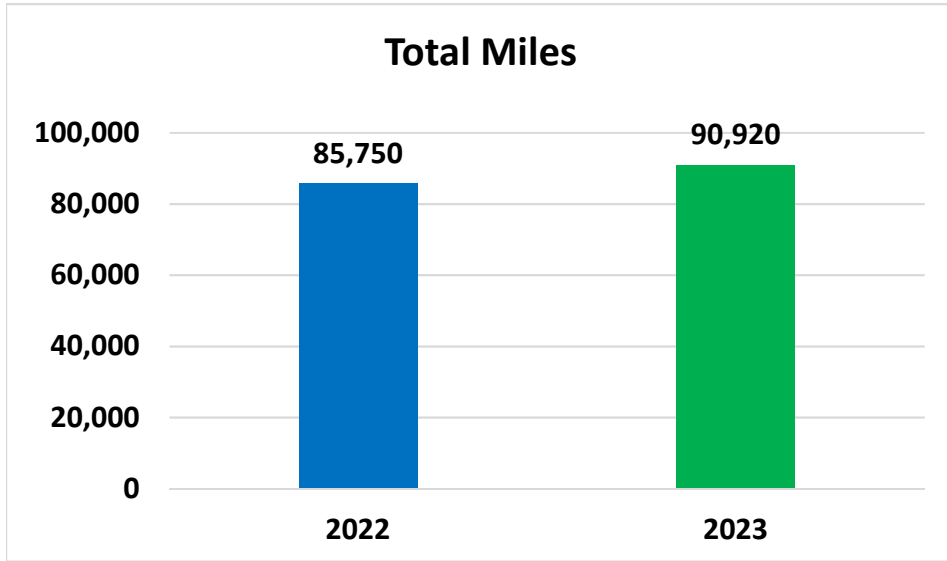
Paratransit Operational Charts

August 2022 vs. August 2023



Paratransit Operational Charts

August 2022 vs. August 2023



SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Finance/Audit Committee
Board of Directors

RE: Metrics for July and August 2023

Summary:

The metrics packet includes data highlighting on-time performance, early departures, late departures, late cancellations, operator absences, fixed route customer complaints, paratransit customer complaints, advertising revenue, and system performance. SunRide performance includes system-wide metrics, trip booking method and geo-fence metrics for Desert Hot Springs/Desert Edge, Palm Desert, Coachella, Mecca/North Shore, Indio, Cathedral City and Palm Springs. Included in this packet is ridership data for the mobile ticketing usage of the Token Transit application and the Haul Pass programs with the various High Schools in the Coachella Valley, College of the Desert (COD) and California State University San Bernardino (CSUSB) Palm Desert Campus.

SunRide

July and August 2023:

- SunRide system-wide had its best month to date with 1,388 rides by 1,471 riders; up 201% when compared to August 2022.
- Mecca/North Shore continues to show growth as it provides coverage for the Route 9 service interruption between 10:00 am and 2:00 pm, with 69 rides by 92 passengers, up 64% since this service change was effective in May.
- Palm Desert had its second highest month on record with 472 rides by 496 passengers, up 40% compared to July 2023 and up 397% compared to August 2022.
- Cathedral City continues to strengthen with 138 rides by 139 passengers, up 44% from July.
- Indio and Palm Springs also had their best months to date, increasing 31% and 11% respectively when compared to July.

Fixed Route**July 2023:**

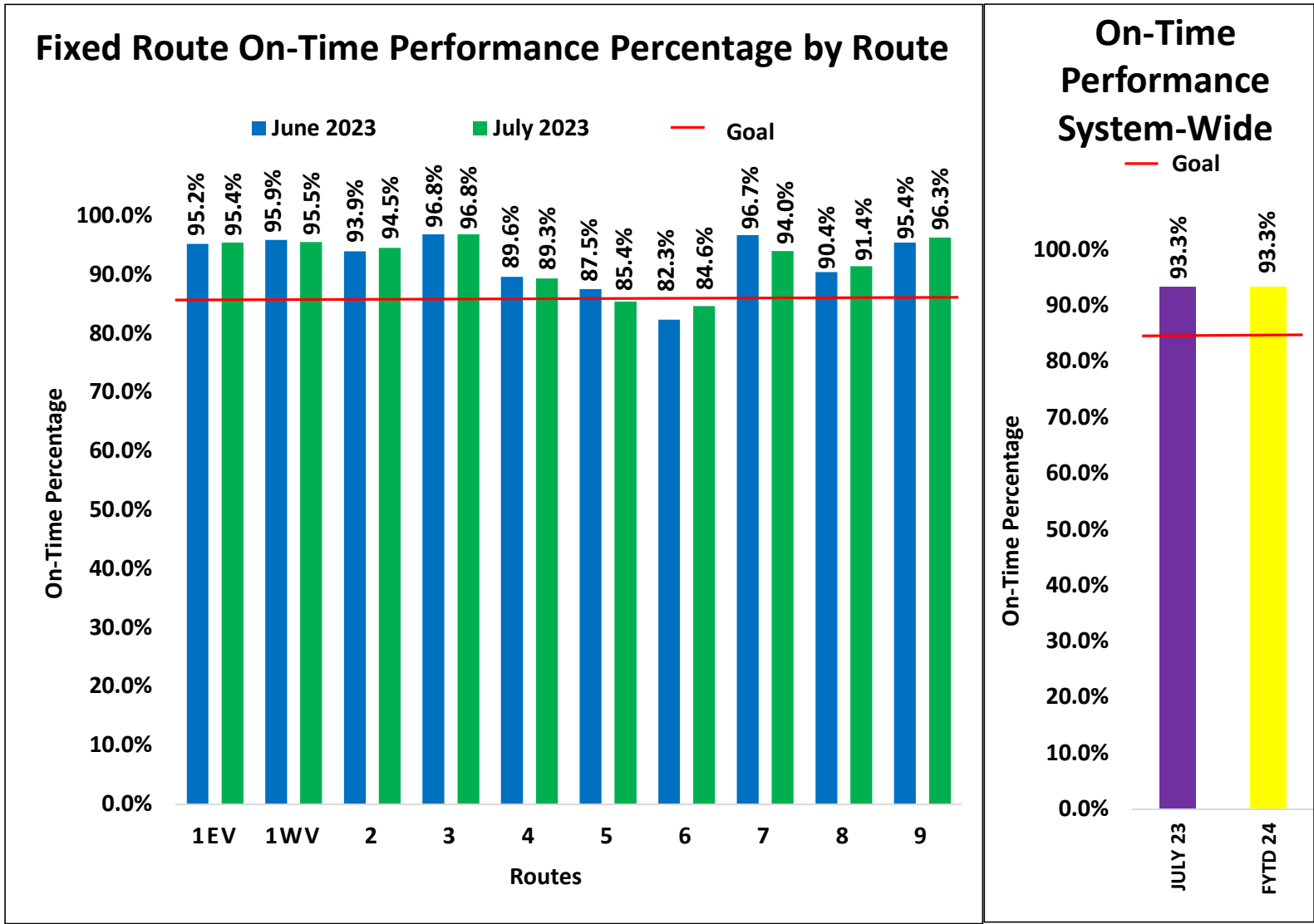
- Fixed route's July 2023 on-time performance had a slight decrease of 0.1% when compared to June 2023.
 - For the month of July 2023, the Agency's on-time performance was 93.3%, exceeding its service standard goal of 85%.
 - Route 6 did not meet their on-time performance for the month at 84.6%, however, the route had an increase of 2.3% when compared to the previous month.
- July 2023 early departures had a 0.1% increase when compared to June 2023.
- July 2023 late departures remained the same at 6.2% when compared to June 2023.
- For the month of July 2023, 22% of SunLine's fixed route operator workforce was absent when compared to July 2022 at 26%.
- For the month of July 2023, workforce was at a total of 141 operators when compared to July 2022 at 146 operators.

August 2023:

- Fixed route's on-time performance had a decrease of 2.2% from July 2023 to August 2023. Although all routes experienced heavy delays due to weather conditions, detours and road closures, the Agency's on-time performance was 91.1%, exceeding its service standard goal of 85%.
 - Routes 2, 3, 4, 5, 6 and 9 were the most impacted routes during the tropical storm Hilary.
- August 2023 early departures decreased by 0.1% when compared to July 2023. This is attributed to the supervisors interacting with operators about early departures in the field.
- Late departures for August 2023 had an increase of 2.2% when compared to July 2023.
- For the month of August 2023, 23% of SunLine's fixed route operator workforce was absent when compared to August 2022 at 28%.
- For the month of August 2023, workforce was at a total of 145 operators when compared to August 2022 at 140 operators.
- Note that there is a decrease in ridership for August. This is attributed to the extreme weather conditions from tropical storm Hilary.

Recommendation:

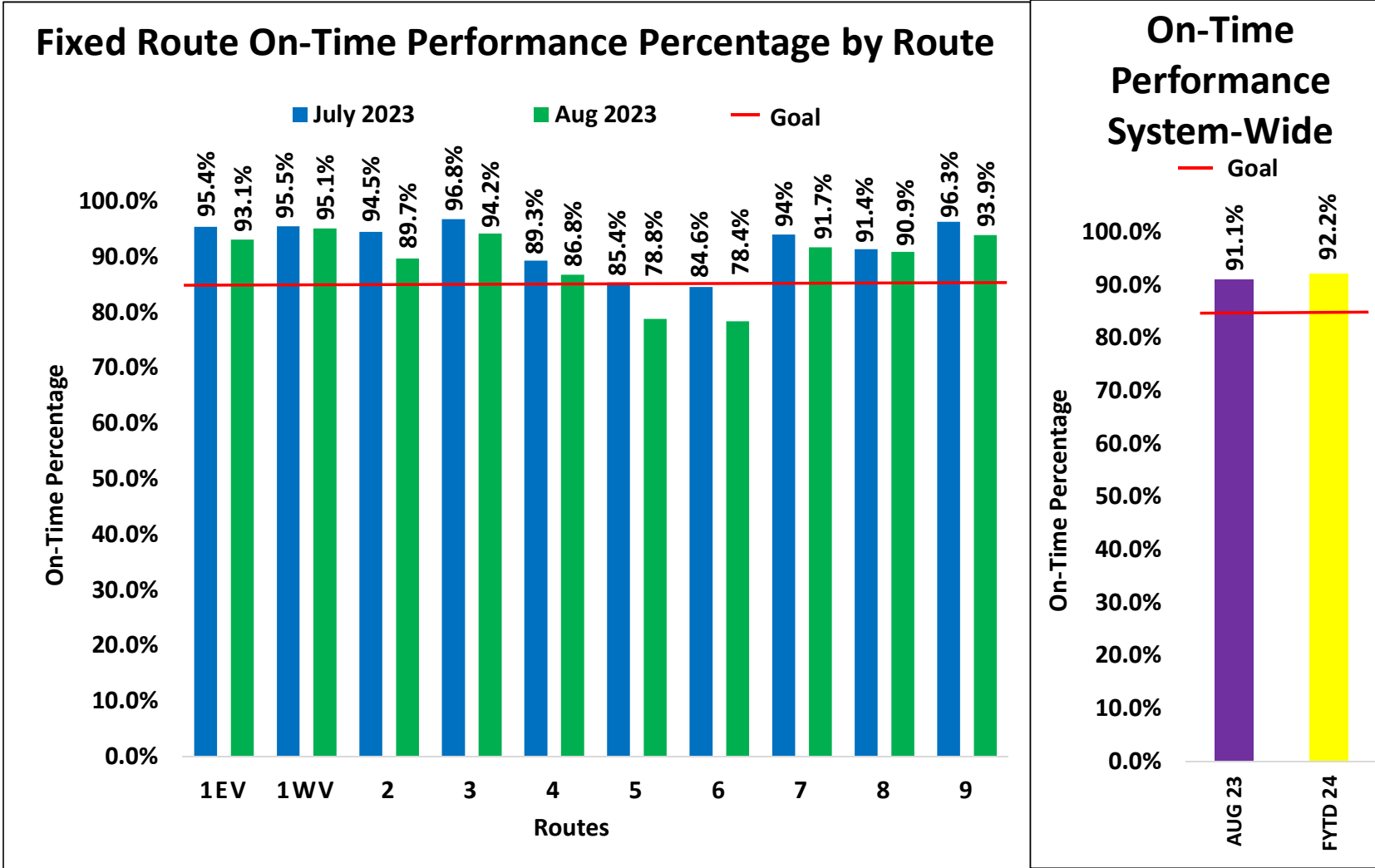
Receive and file.



On-Time: When a trip departs a time point within a range of zero (0) minutes early to five (5) minutes late.

Goal: Minimum target for On-Time Performance is 85%.

Note: For the month of July 2023, the Agency's on-time performance was at 93.3% when compared to July 2022 at 90.5%. This is an increase of 2.8%.



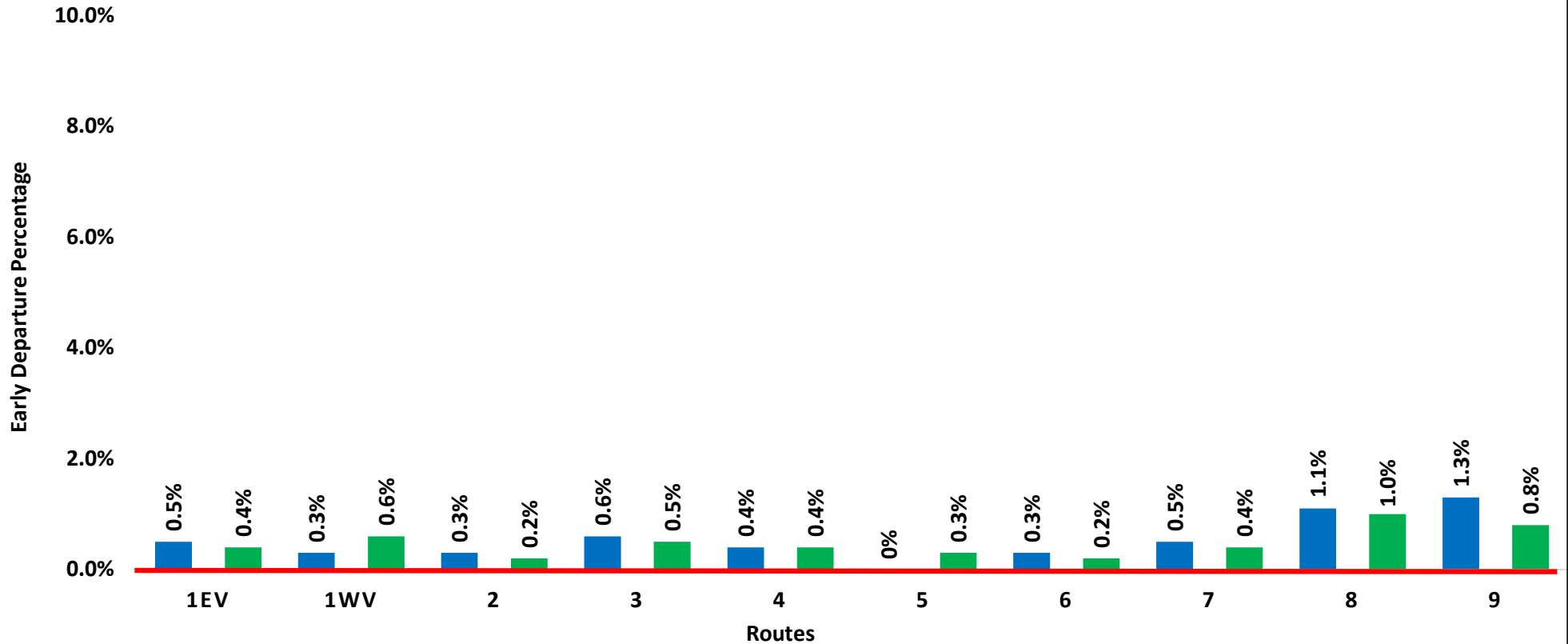
On-Time: When a trip departs a time point within a range of zero (0) minutes early to five (5) minutes late.

Goal: Minimum target for On-Time Performance is 85%.

Note: For the month of August 2023, the Agency's on-time performance was at 88.2% when compared to August 2022 at 87.6%. This is an increase of 0.6%.

Fixed Route Early Departure Percentage by Route

■ June 2023 ■ July 2023

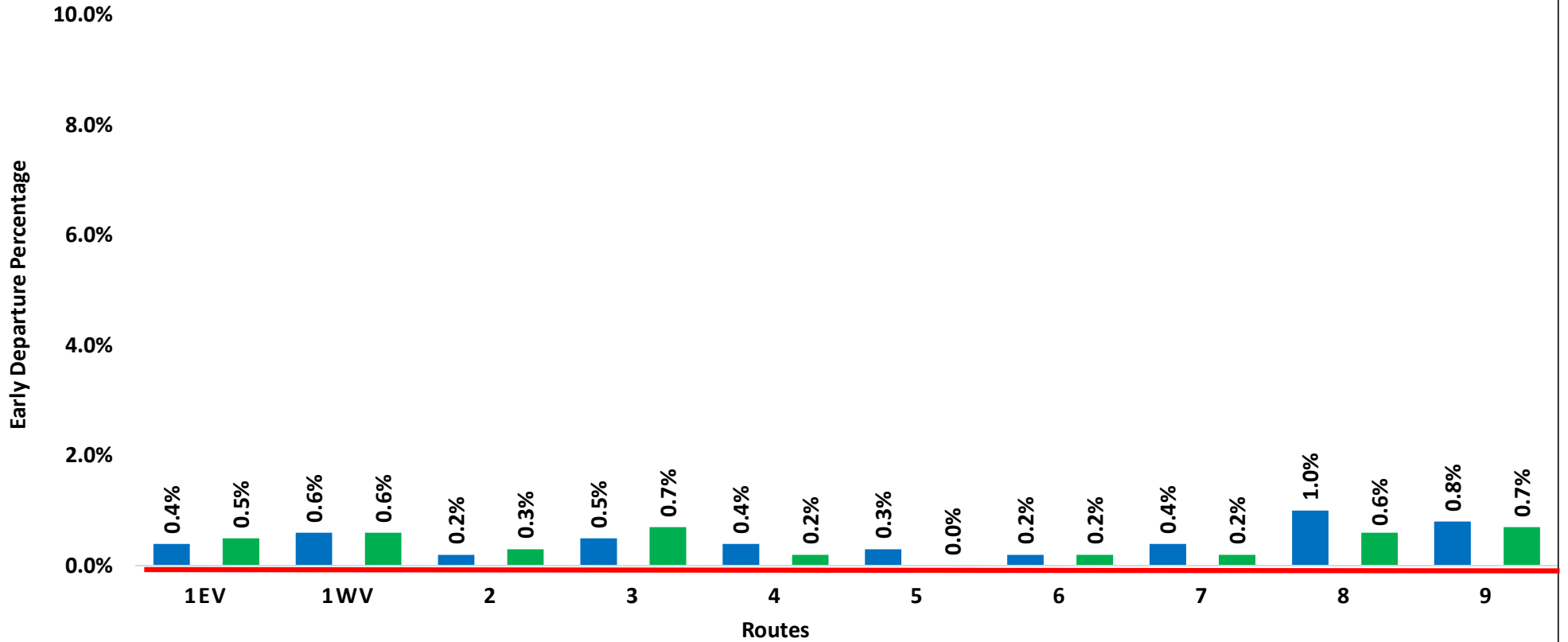


Early Departure: When a bus leaves a time point ahead of the scheduled departure time.

Goal: To reduce early departures to 0%.

Fixed Route Early Departure Percentage by Route

■ July 2023 ■ Aug 2023 — Goal

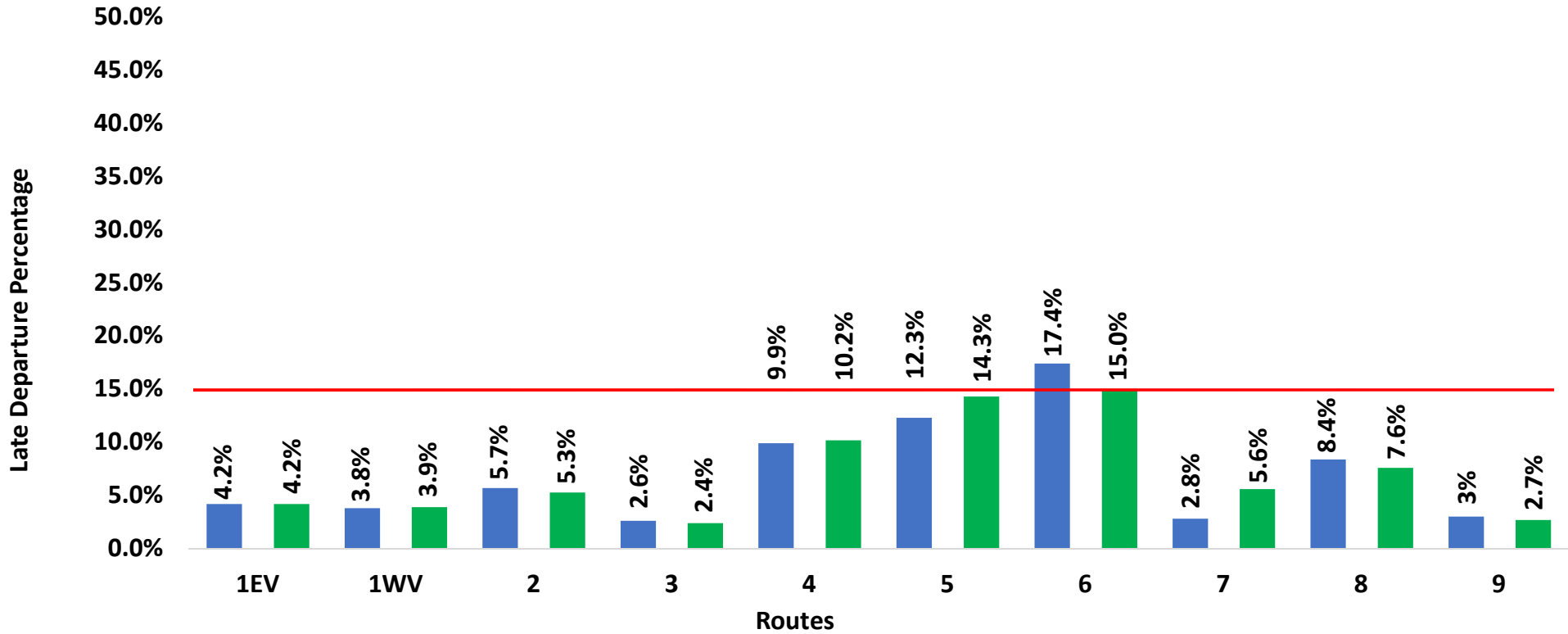


Early Departure: When a bus leaves a time point ahead of the scheduled departure time.

Goal: To reduce early departures to 0%.

Fixed Route Late Departure Percentage by Route

■ June 2023 ■ July 2023 — Goal

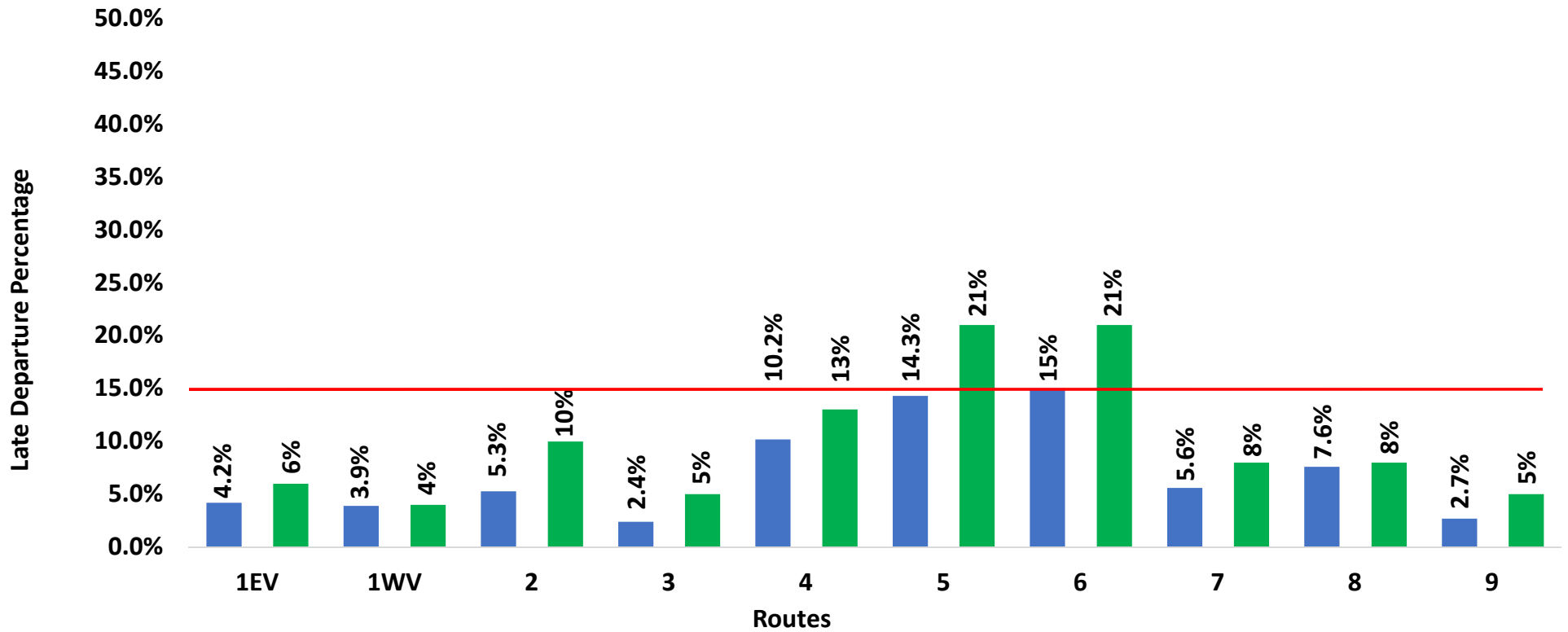


Late Departure: When a bus leaves a time point after the scheduled departure time and the route is running late with a departure greater than five (5) minutes.

Goal: To ensure late departures remain below 15%.

Fixed Route Late Departure Percentage by Route

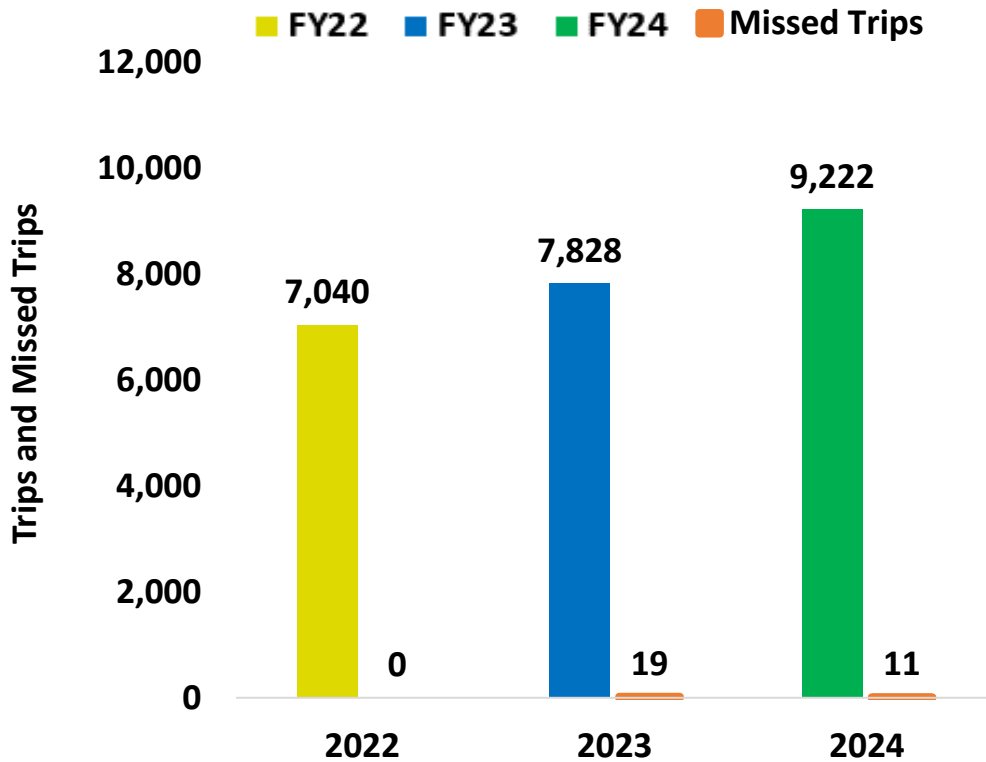
■ July 2023
 ■ Aug 2023
 — Goal



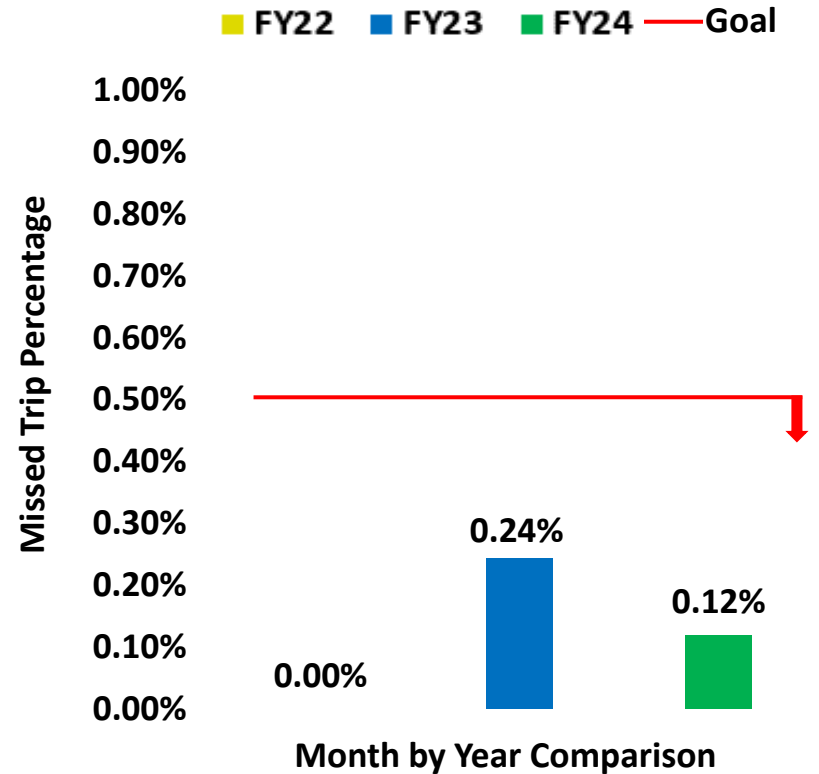
Late Departure: When a bus leaves a time point after the scheduled departure time and the route is running late with a departure greater than five (5) minutes.

Goal: To ensure late departures remain below 15%.

Paratransit Total Trips vs. Missed Trips July



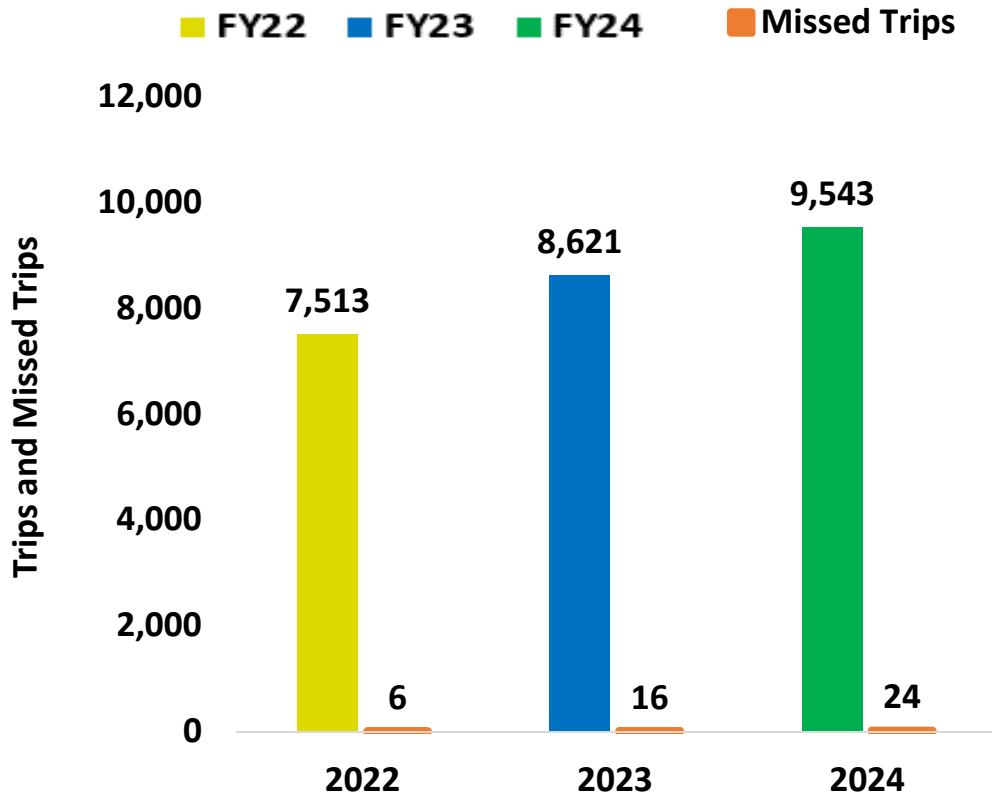
Paratransit Missed Trips by Percentage



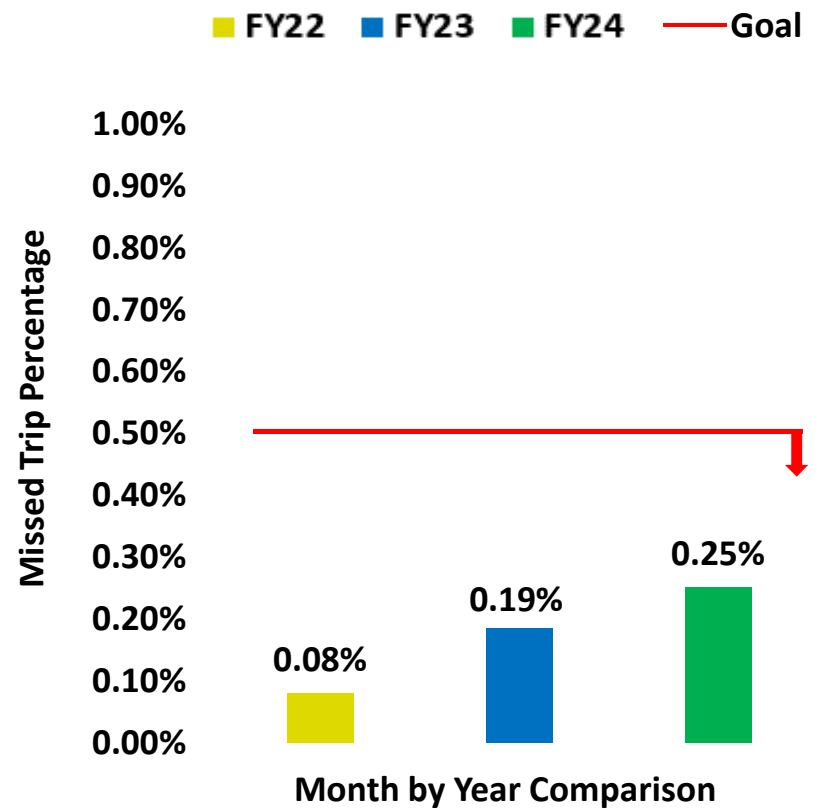
Missed Trip: A trip is considered missed by the Agency when the vehicle arrives outside of the pick-up window and the rider does not take the trip. Similarly, if a vehicle arrives before the beginning of the pick-up window and the rider does not board and the vehicle departs, it is a missed trip.

Goal for Missed Trips: 0.50% or below, which is the industry standard for missed trips.

Paratransit Total Trips vs. Missed Trips August



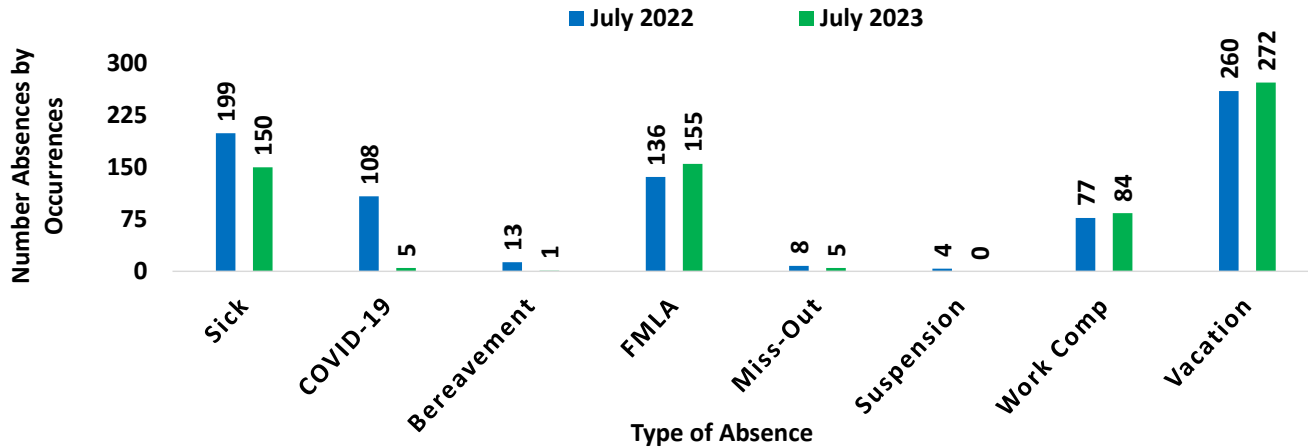
Paratransit Missed Trips by Percentage



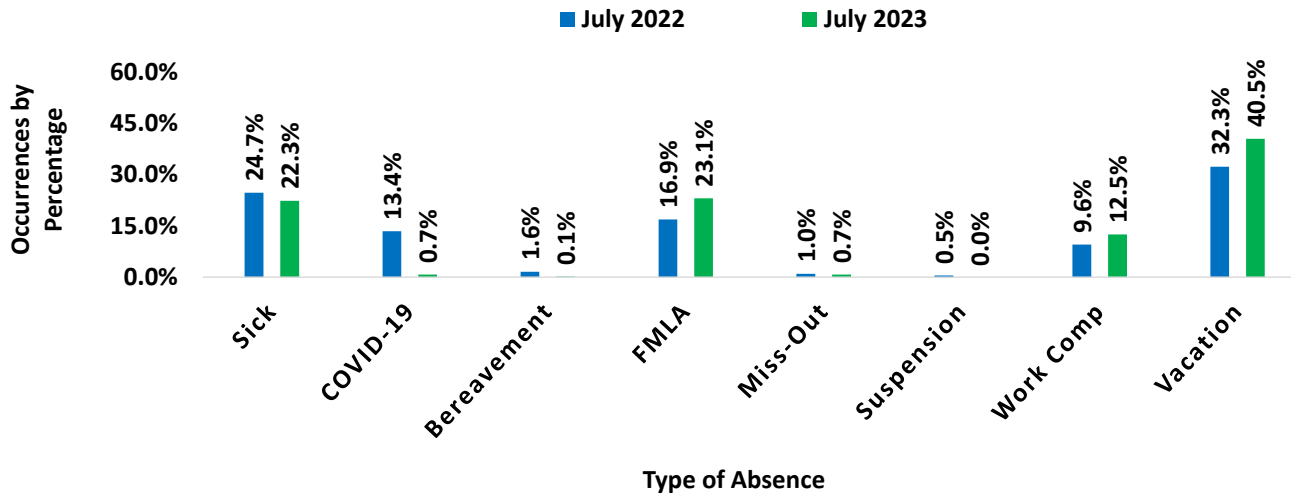
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Goal for Missed Trips: 0.50% or below, which is the industry standard for missed trips.

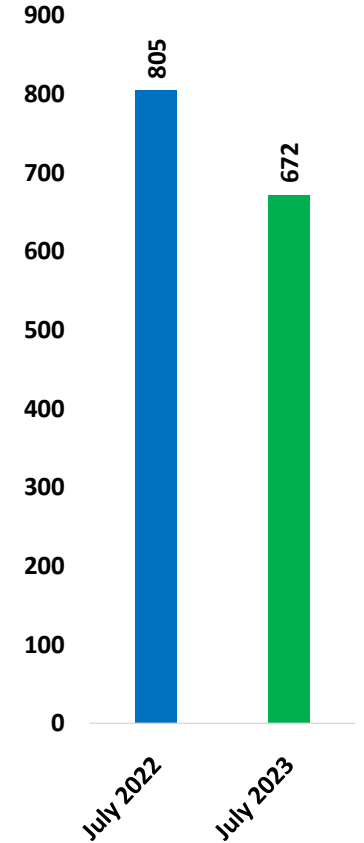
Fixed Route Operator Absence by Type



Fixed Route Operator Absence Type by Percentage

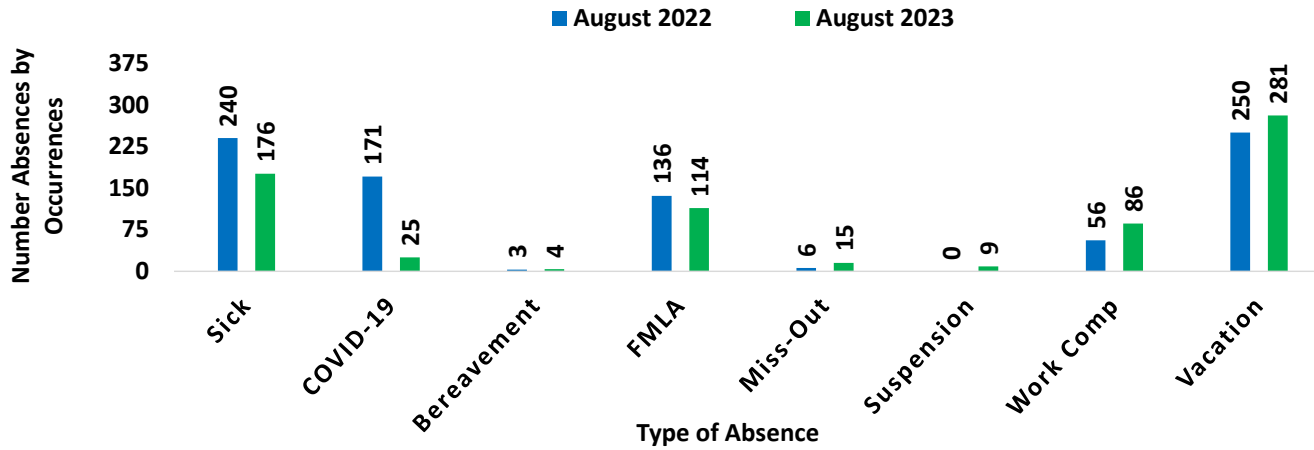


Fixed Route Total Absence Occurrences

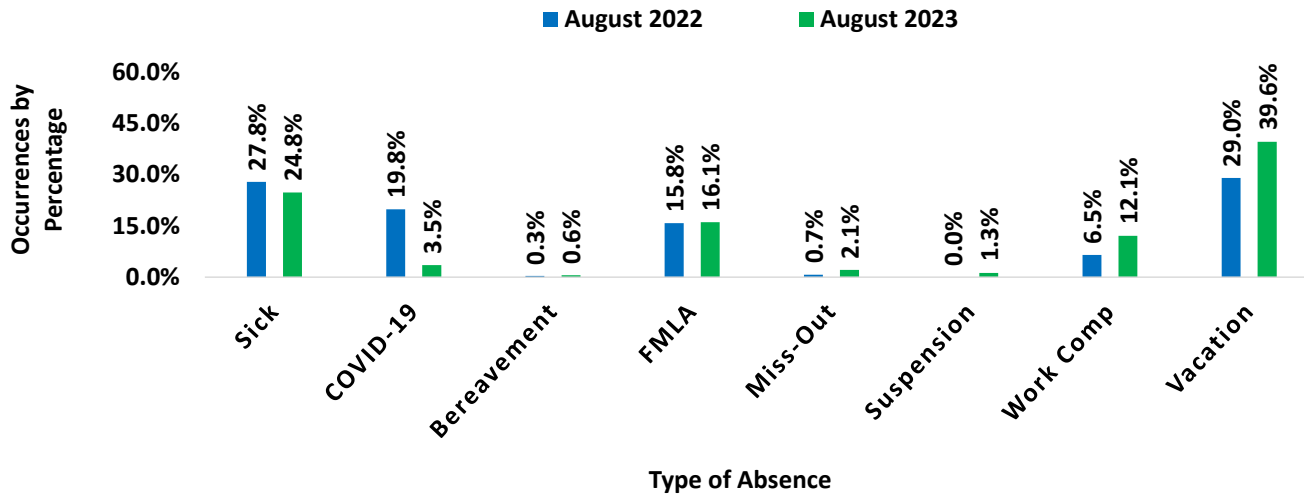


This chart includes unplanned/unscheduled and COVID-19 absences for Fixed Route drivers. For the month of July 2023, 22% of SunLine's fixed route operator workforce was absent when compared to July 2022 at 26%. Workforce for July 2023 was at a total of 141 operators when compared to July 2022 at 146 operators.

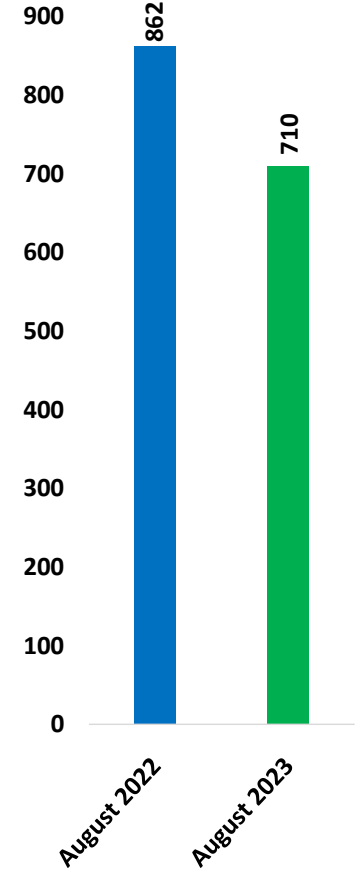
Fixed Route Operator Absence by Type



Fixed Route Operator Absence Type by Percentage

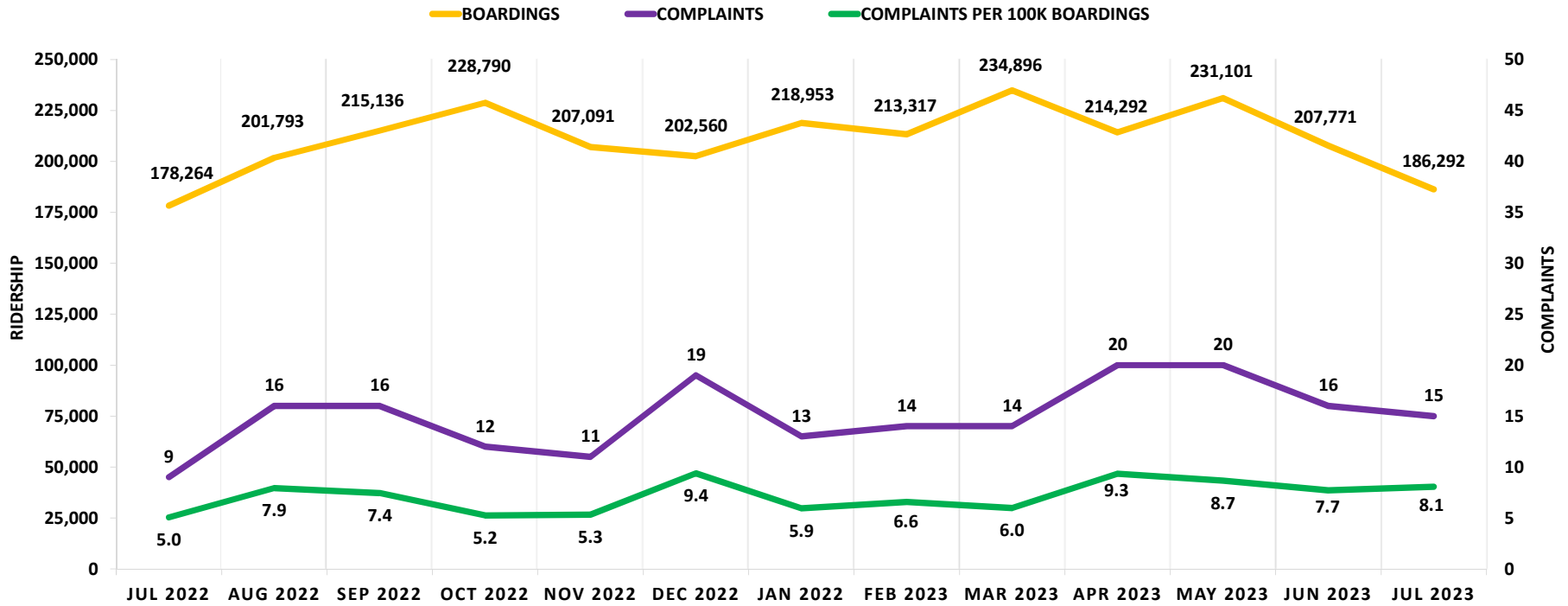


Fixed Route Total Absence Occurrences



This chart includes unplanned/unscheduled and COVID-19 absences for Fixed Route drivers. For the month of August 2023, 23% of SunLine's fixed route operator workforce was absent when compared to August 2022 at 28%. Workforce for August 2023 was at a total of 145 operators when compared to August 2022 at 140 operators.

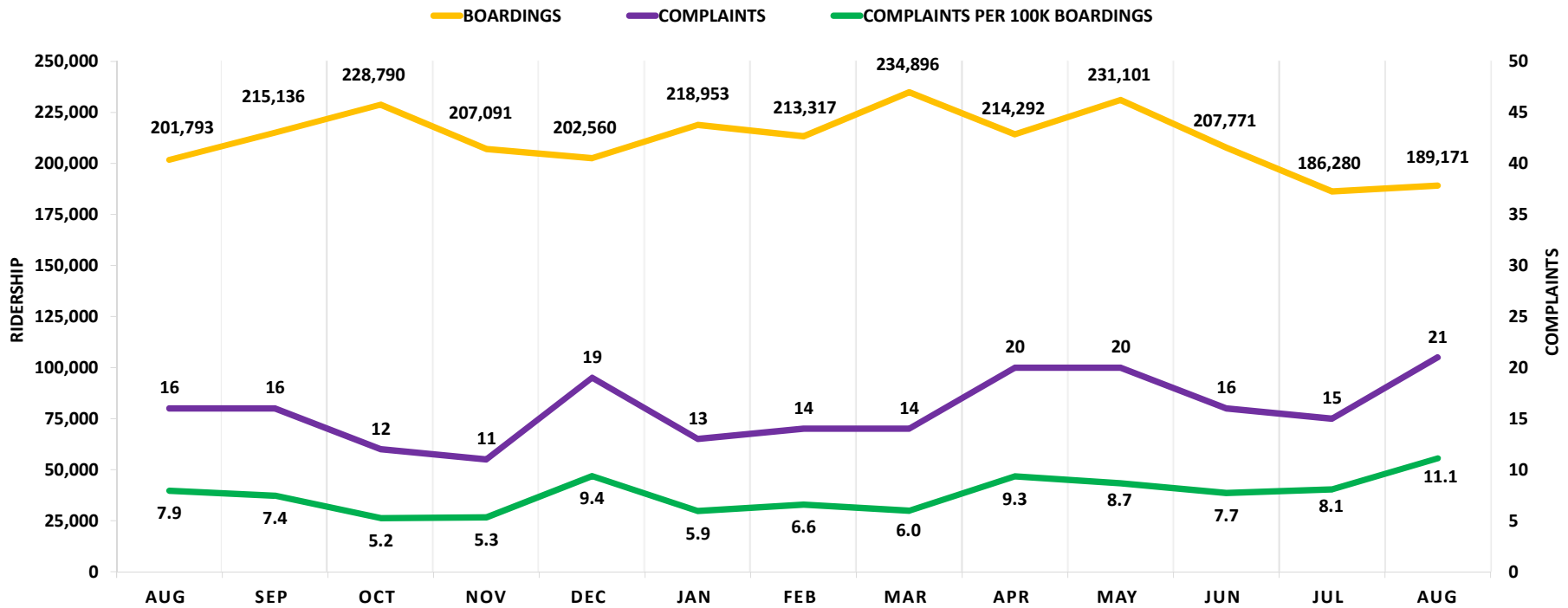
Fixed Route Customer Complaints July 2023



This chart represents the number of boardings and total valid complaints, as well as the number of valid complaints per 100,000 boardings for the fixed route system.

For the month of July, 99.99% of our total boardings did not receive a complaint.

Fixed Route Customer Complaints August 2022 to August 2023

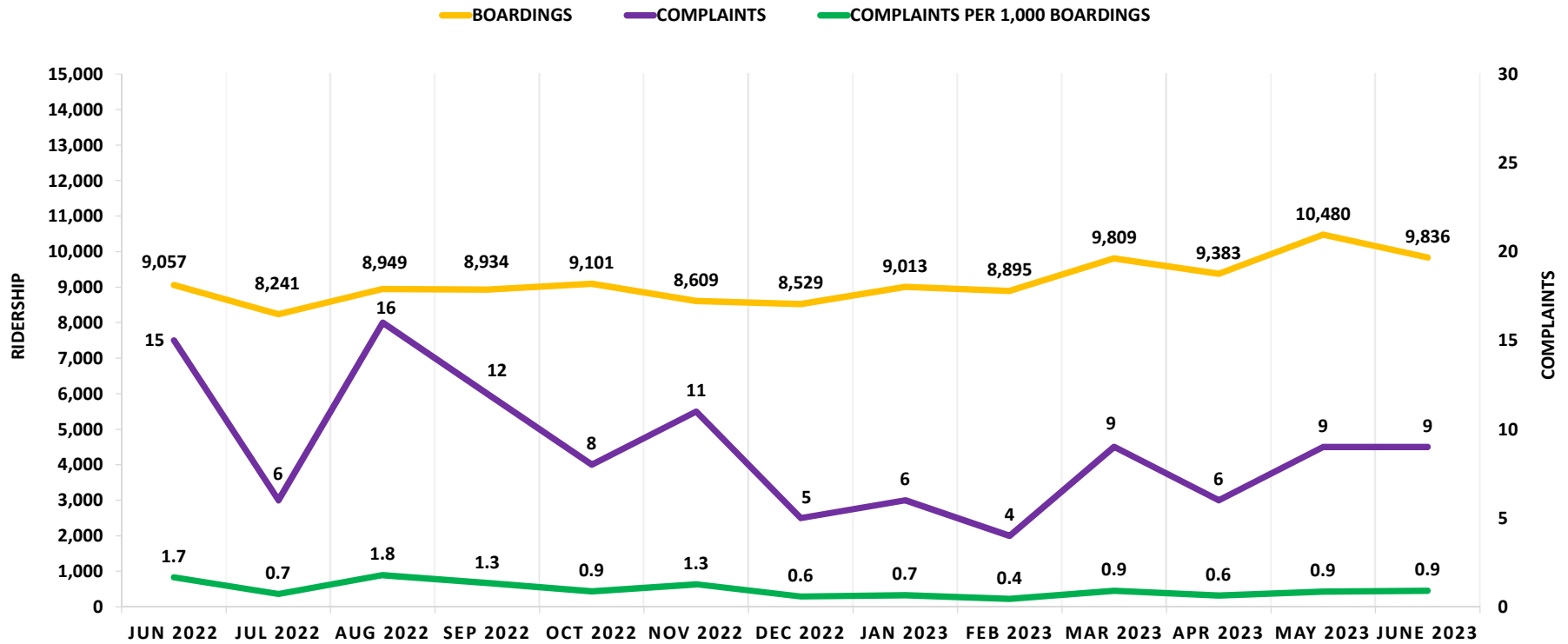


This chart represents the number of boardings and total valid complaints, as well as the number of valid complaints per 100,000 boardings for the fixed route system.

For the month of August we saw an increase in customer complaints, of the 21 complaints nine (9) were due to service interruptions .

For the month of August, 99.99% of our total boardings did not receive a complaint.

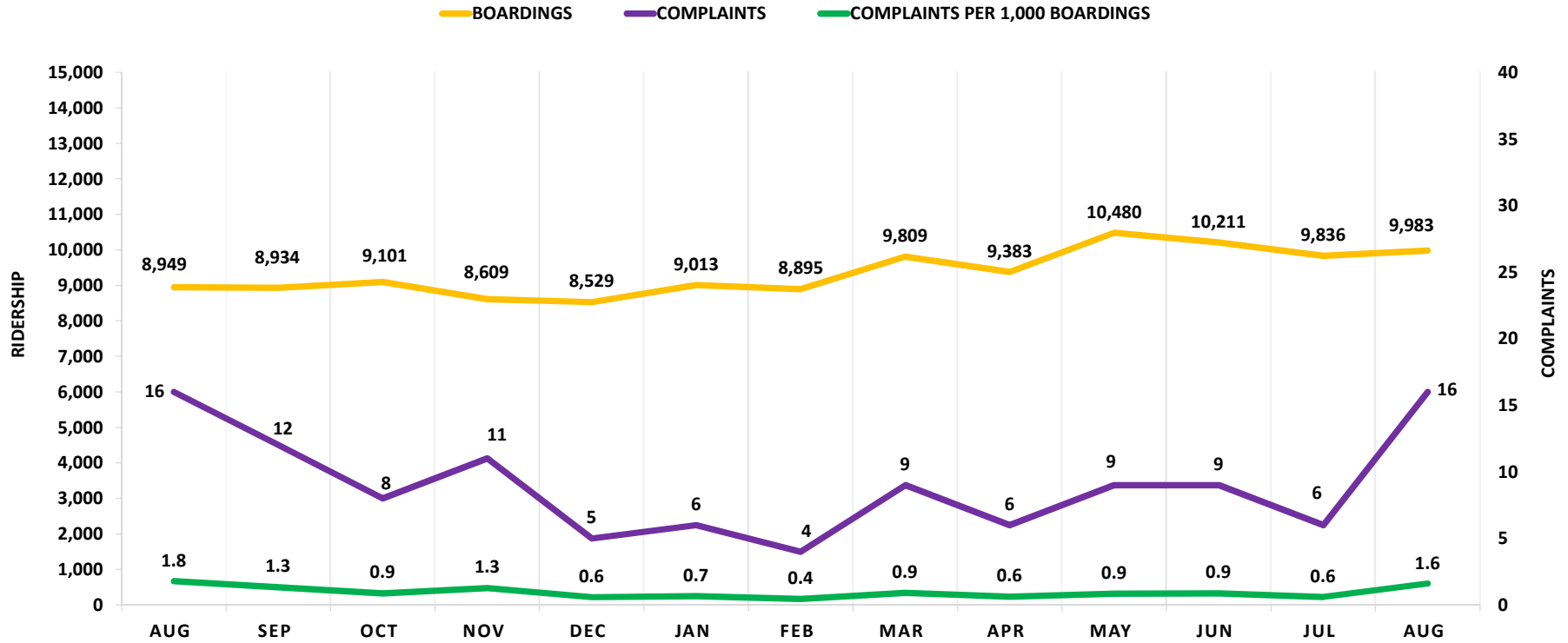
Paratransit Customer Complaints June 2023



This chart represents the total number of boardings and valid complaints, as well as the number of valid complaints per 1,000 boardings for the paratransit service.

For the month of June, 99.91% of our total boardings did not receive a complaint.

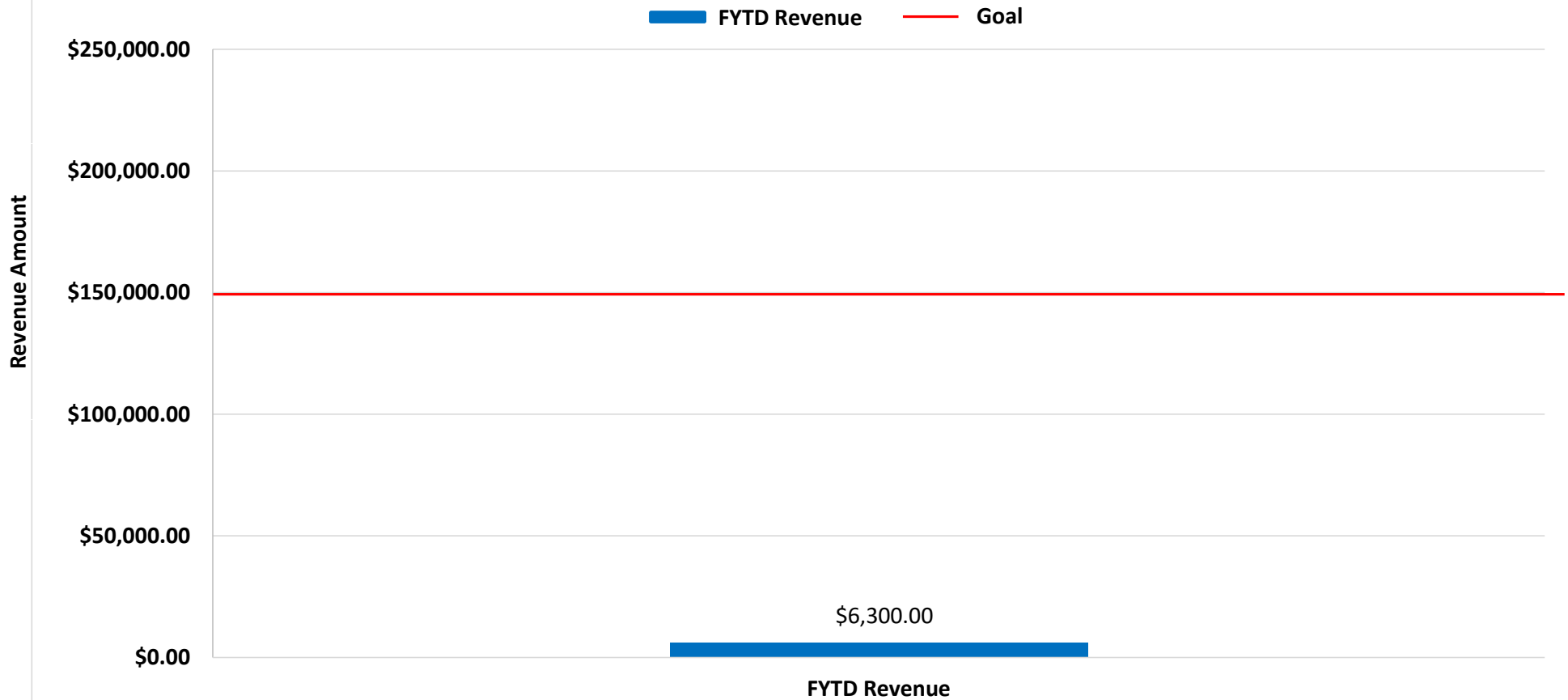
Paratransit Customer Complaints August 2022 to August 2023



This chart represents the total number of boardings and valid complaints, as well as the number of valid complaints per 1,000 boardings for the paratransit service.

For the month of August, 99.84% of our total boardings did not receive a complaint.

Advertising Revenue FYTD Revenue vs Yearly Goal July 2023

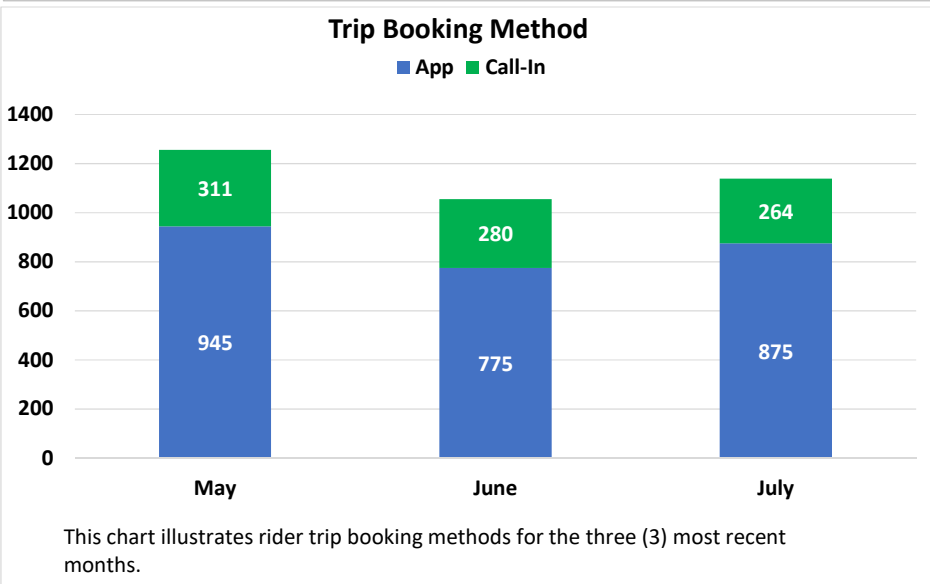
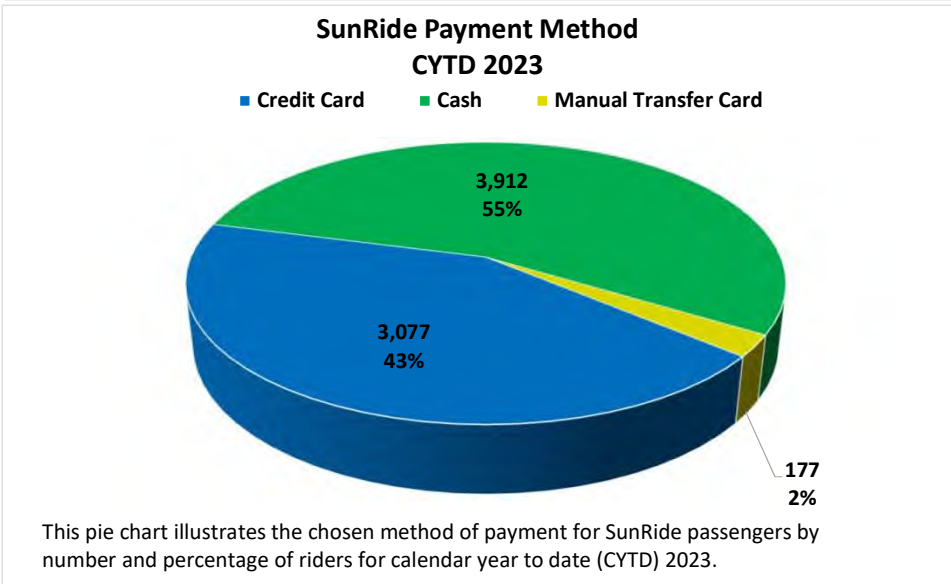
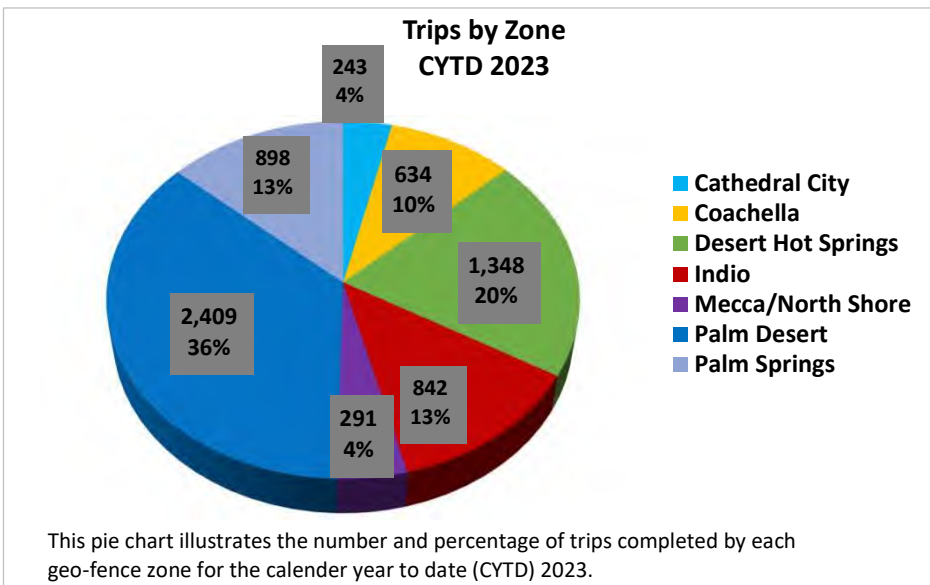
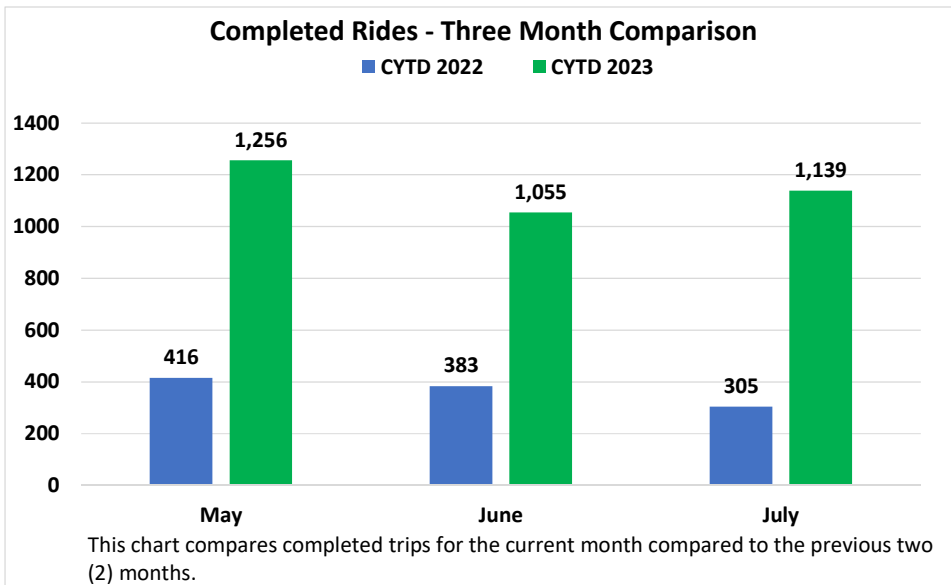


Advertising revenue tracks revenue of invoiced contracts for bus shelter and bus wrap advertising. The graph tracks FYTD revenue versus our yearly goal. The yearly goal for FY24 is \$150,000 (*advertising revenues follow Finance Department reporting from the previous two (2) months*).

SunRide System-Wide Metrics CYTD 2023

Total Completed Trips: 6,665

Total Number of Passengers: 7,166

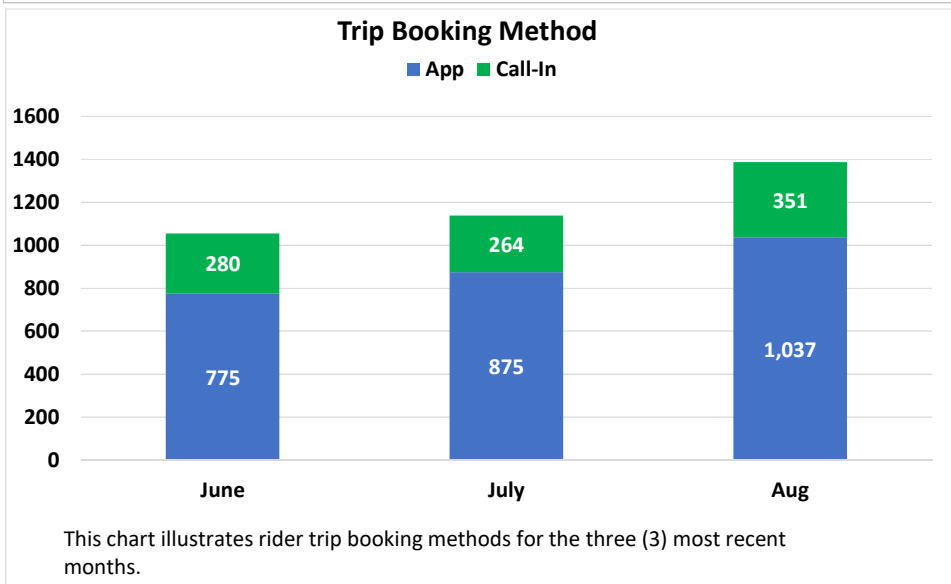
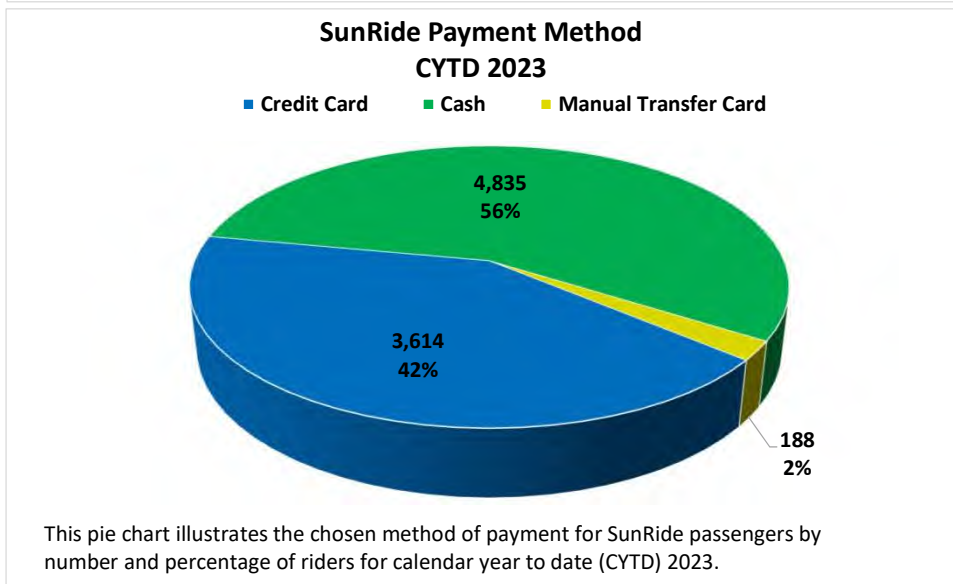
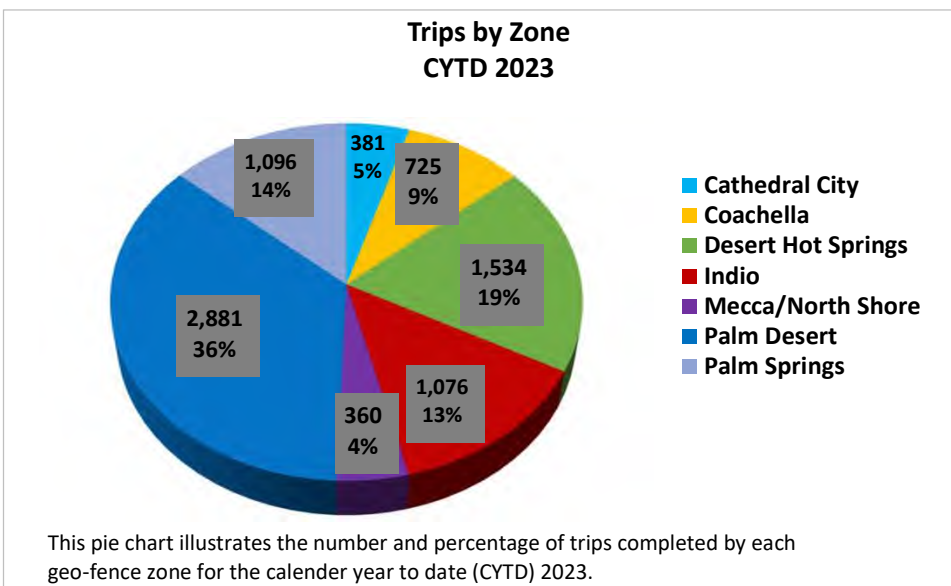
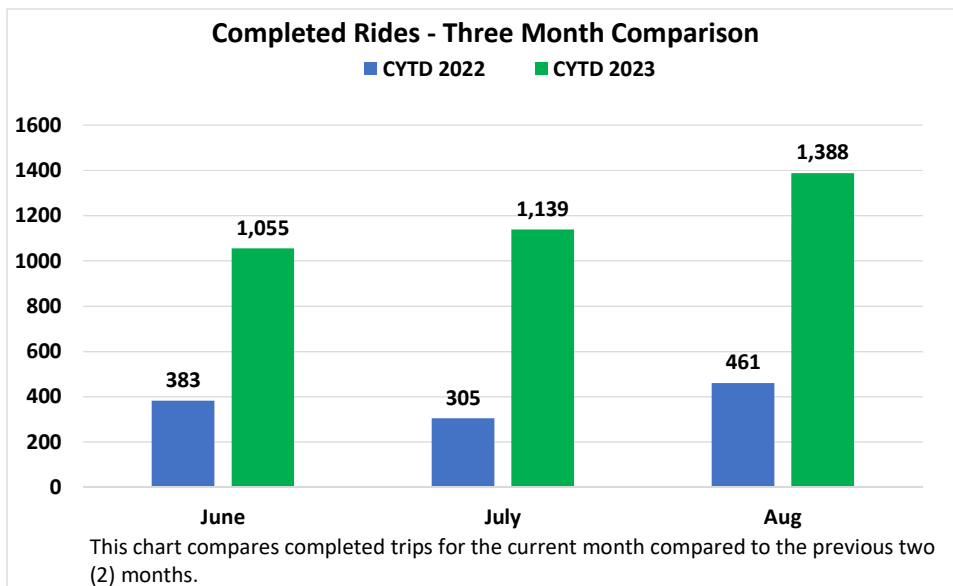


Percentage of Trips System-wide as Ridesharing: 13%

SunRide System-Wide Metrics CYTD 2023

Total Completed Trips: 8,053

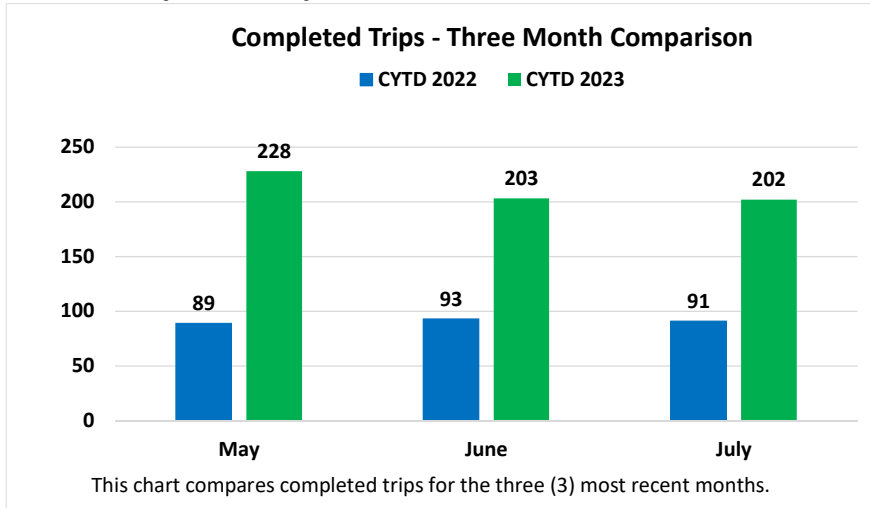
Total Number of Passengers: 8,637



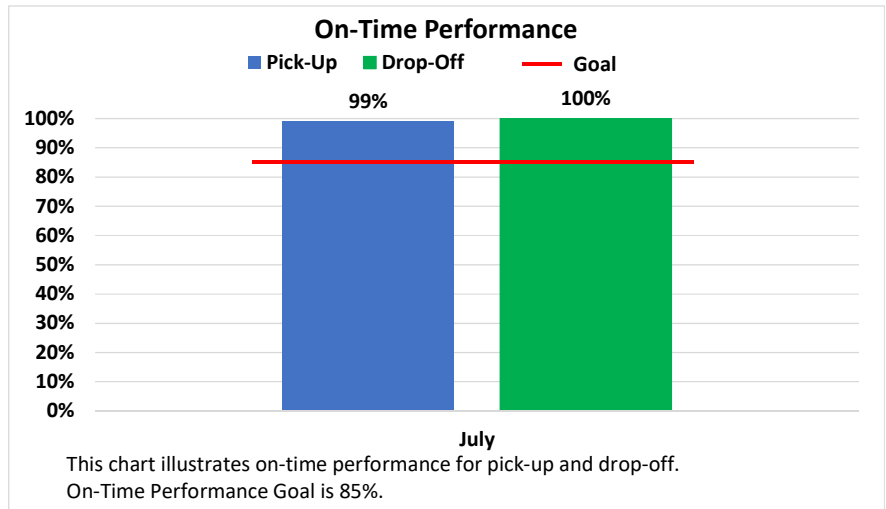
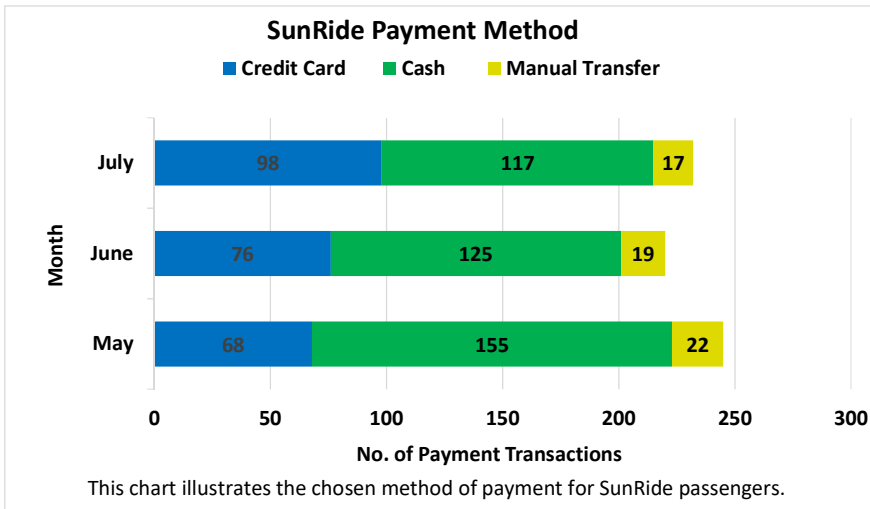
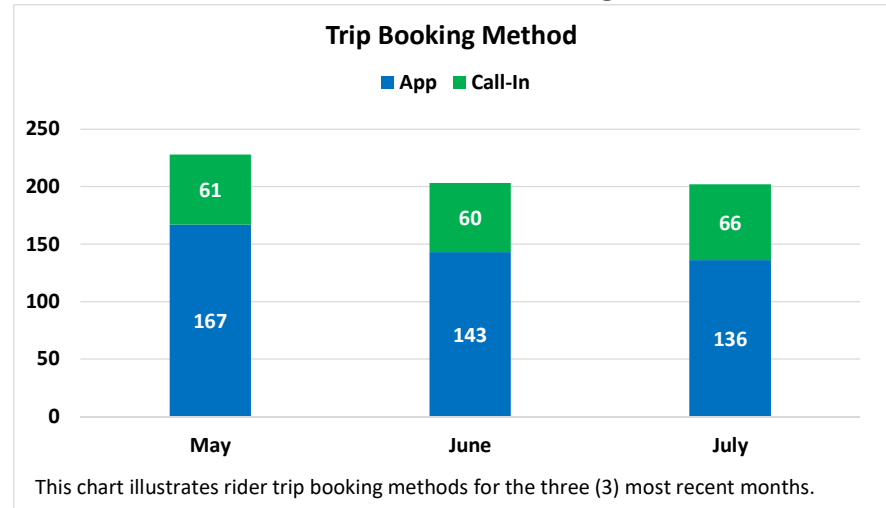
Percentage of Trips System-wide as Ridesharing: 13%.

Desert Hot Springs/Desert Edge Geo-Fence Metrics CYTD 2023

Total Completed Trips: 1,348



Total Number of Passengers: 1,505



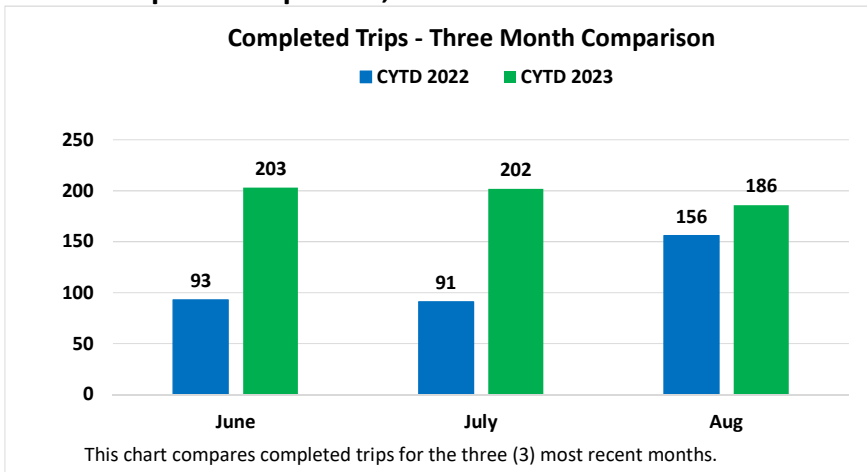
Percentage of Trips as Ridesharing: 11%

Customer Satisfaction Rating
Avg. rider trip rating 4.9
Goal: 4.5

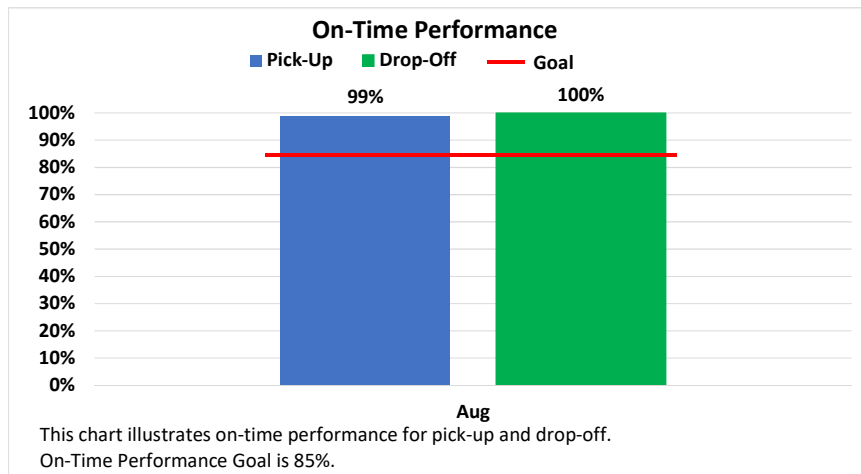
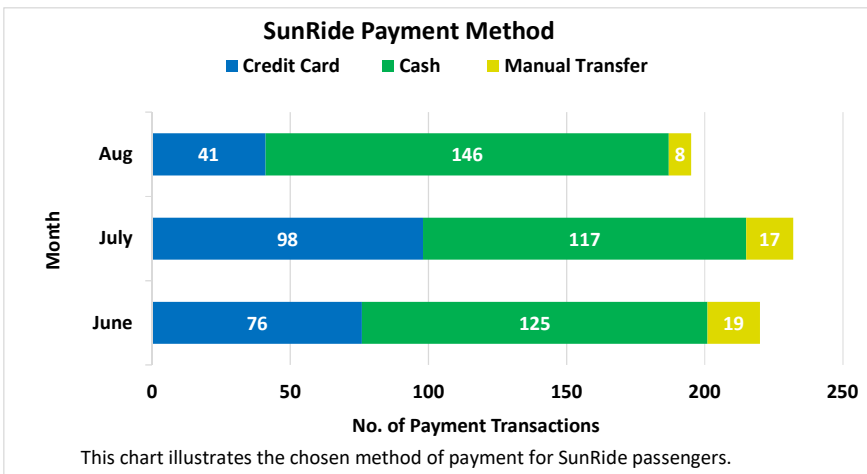
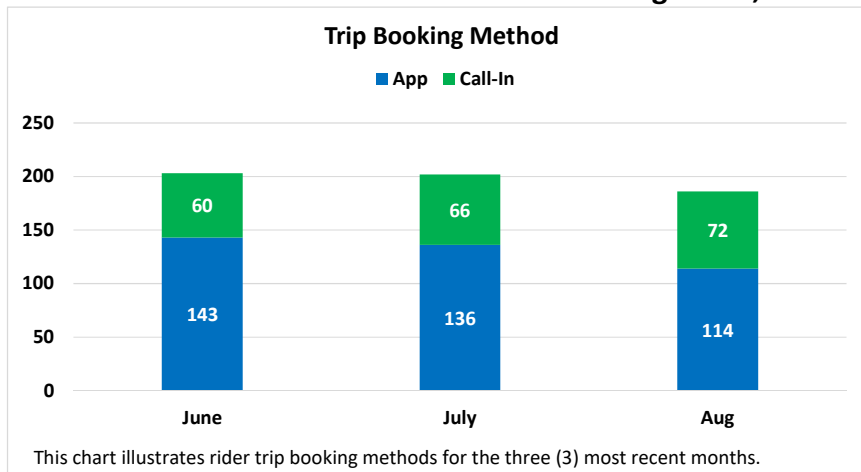


Desert Hot Springs/Desert Edge Geo-Fence Metrics CYTD 2023

Total Completed Trips: 1,534



Total Number of Passengers: 1,700



Percentage of Trips as Ridesharing: Two (2) percent.

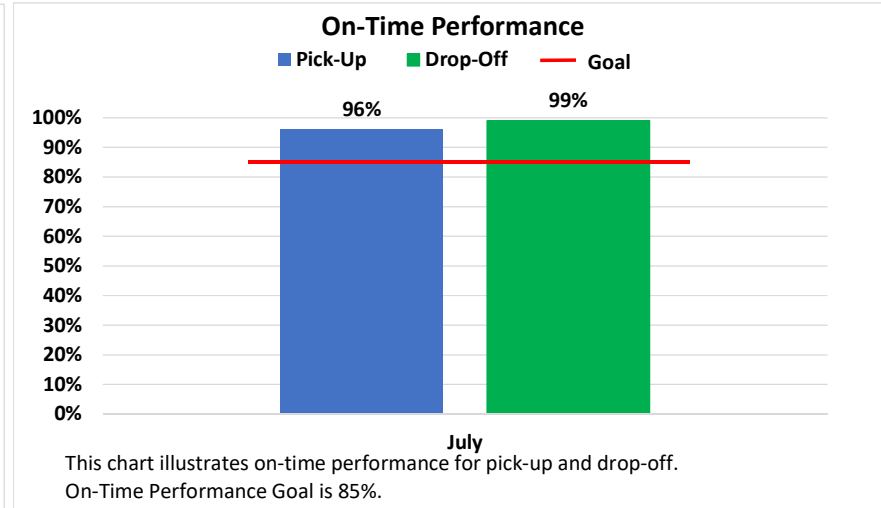
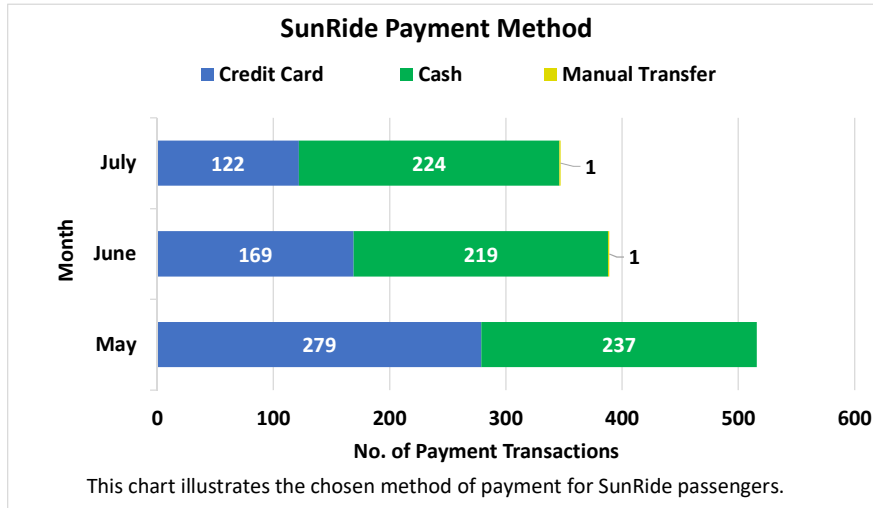
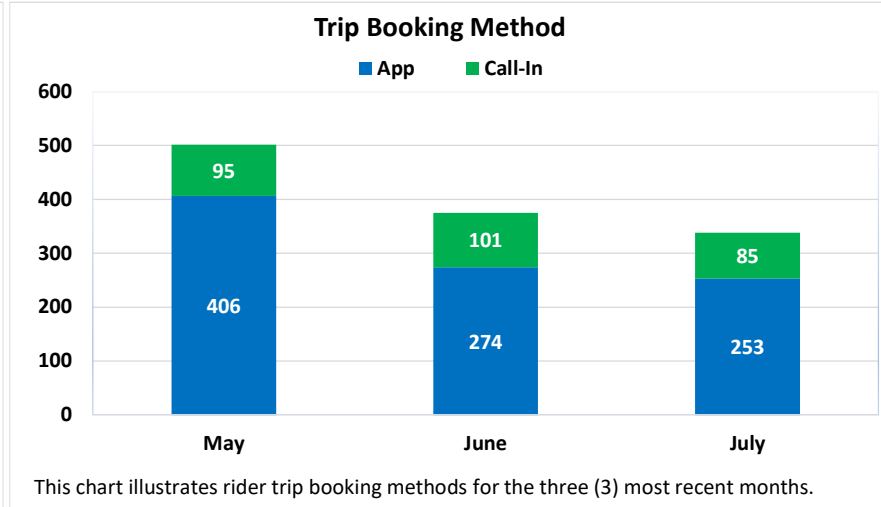
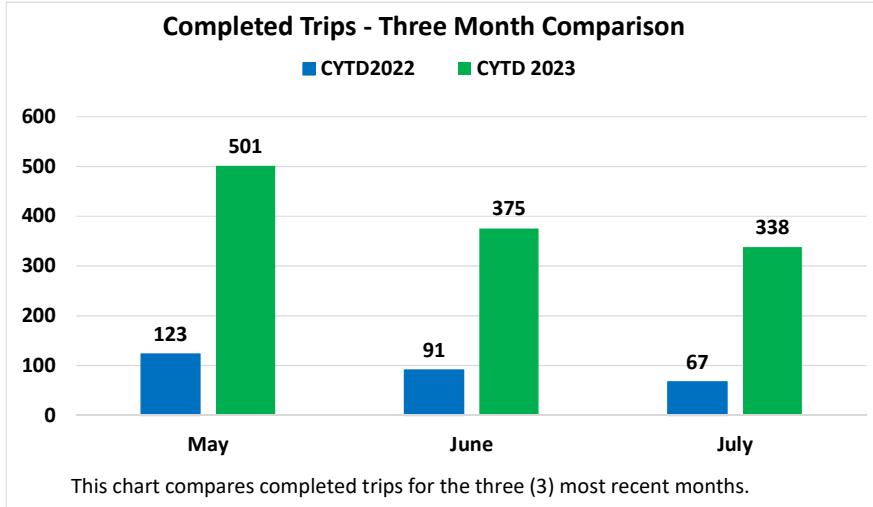
Customer Satisfaction Rating
Avg. rider trip rating 4.9
Goal: 4.5



Palm Desert Geo-Fence Metrics CYTD 2023

Total Completed Trips: 2,409

Total Number of Passengers: 2,510



Percentage of Trips as Ridesharing: 31%

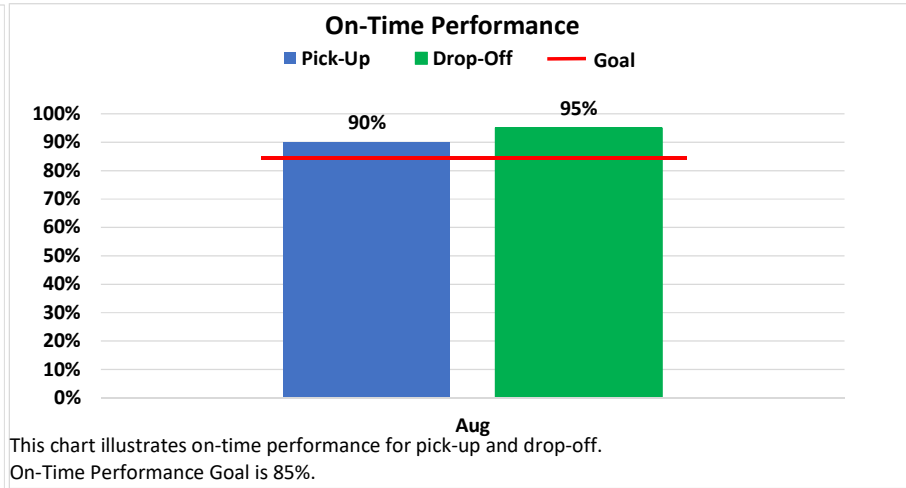
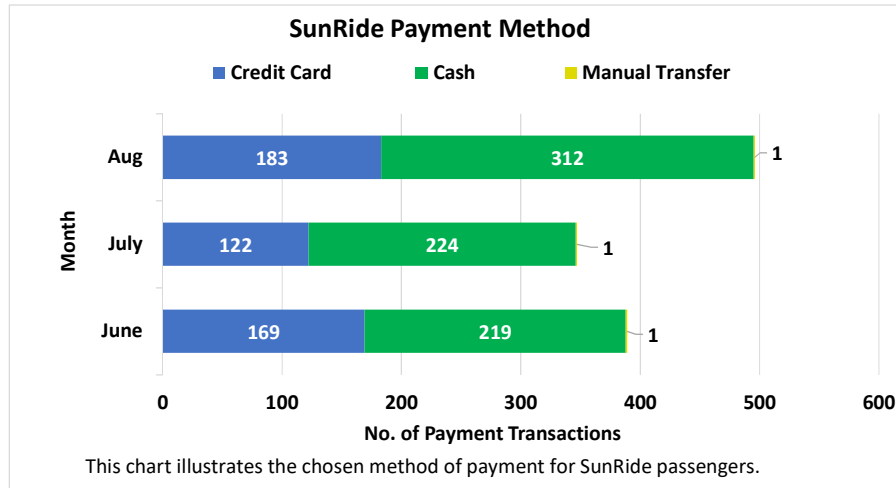
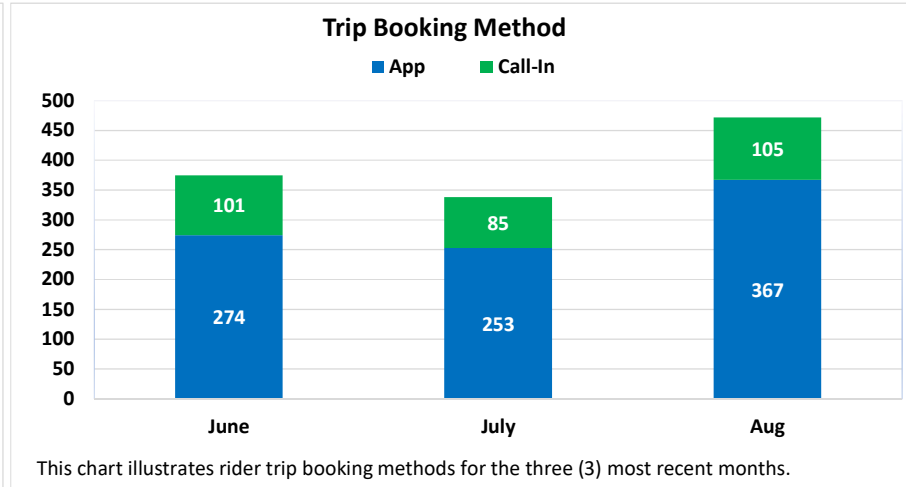
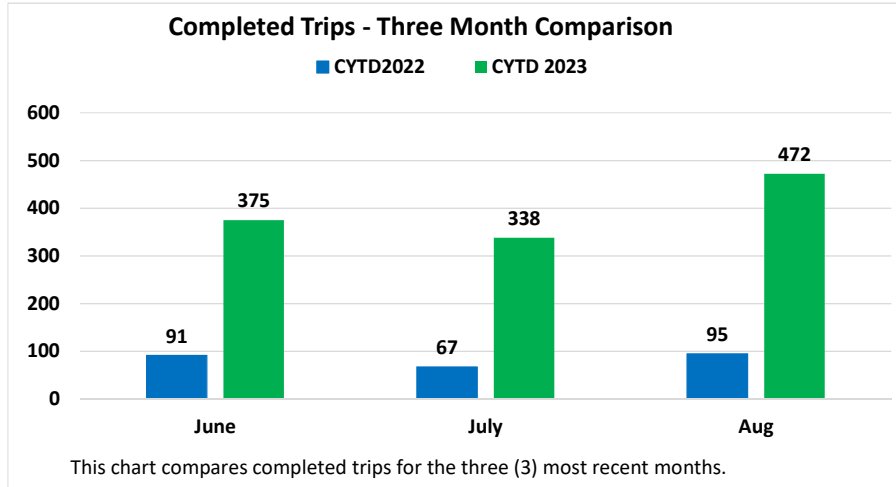
Customer Satisfaction Rating
Avg. rider trip rating: 4.6
Goal: 4.5



Palm Desert Geo-Fence Metrics CYTD 2023

Total Completed Trips: 2,881

Total Number of Passengers: 3,006



Percentage of Trips as Ridesharing: 45%.

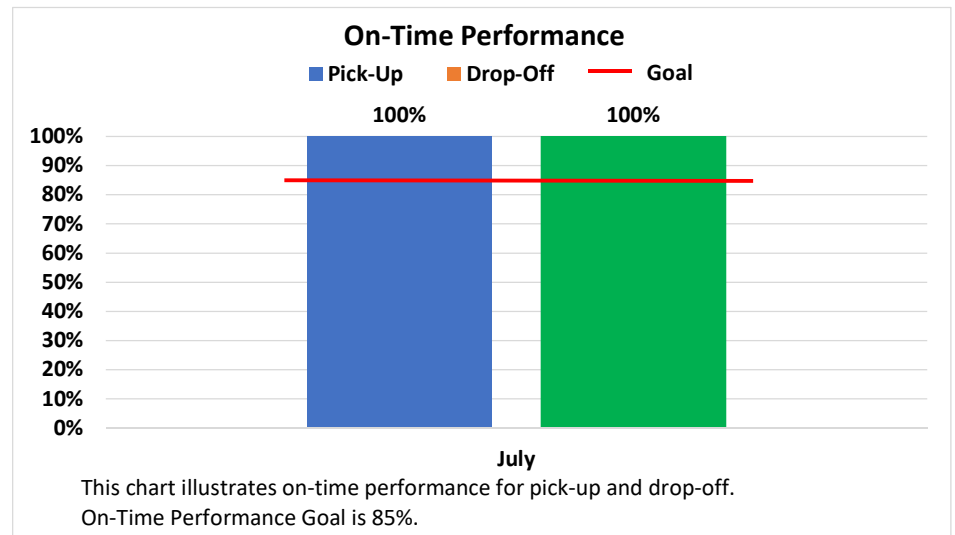
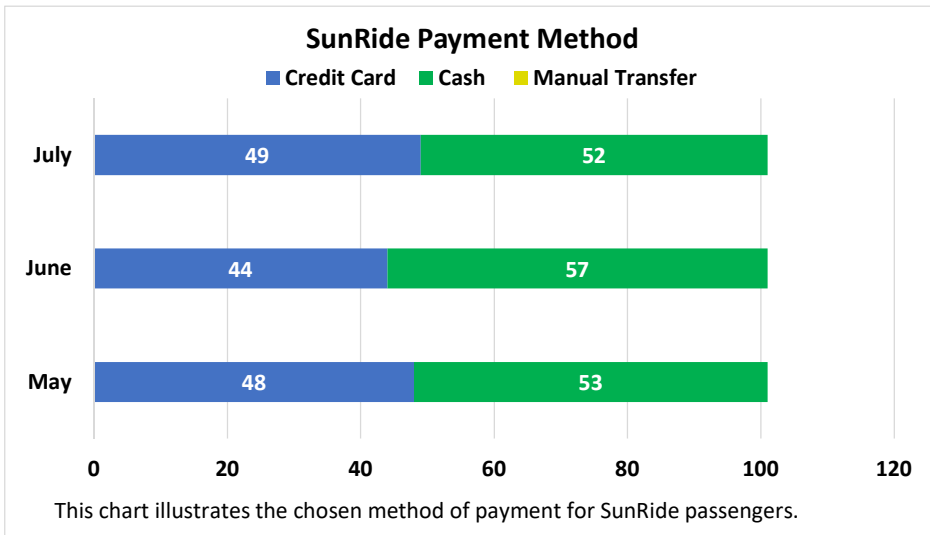
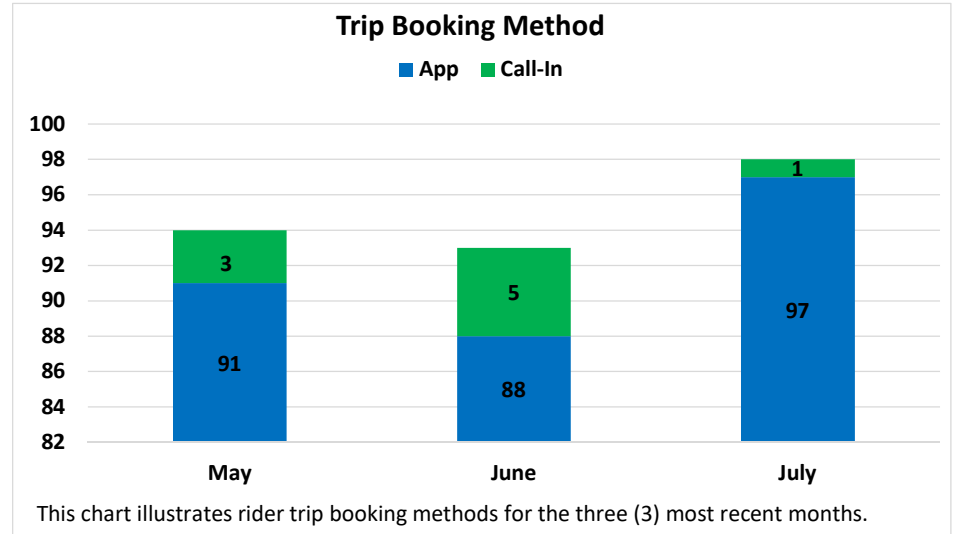
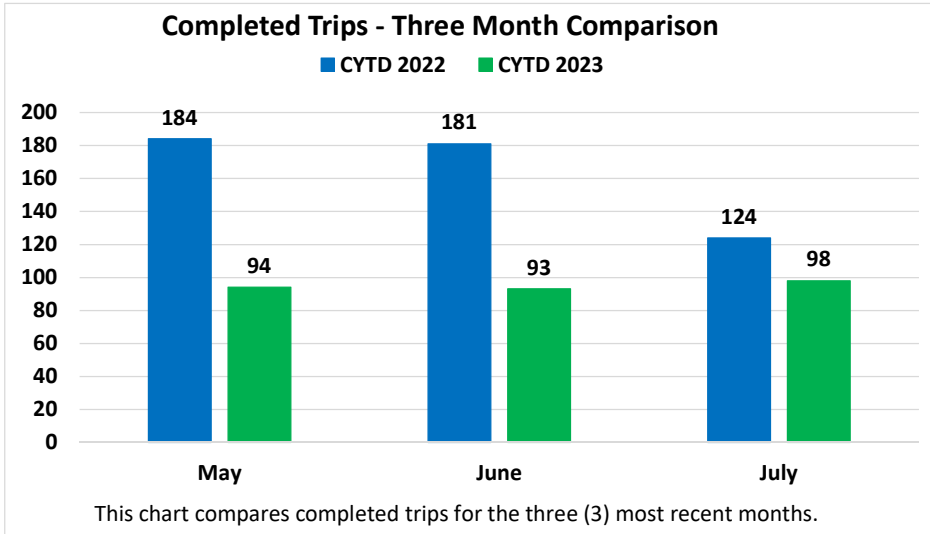
Customer Satisfaction Rating
Avg. rider trip rating: 4.9
Goal: 4.5



Coachella Geo-Fence Metrics CYTD 2023

Total Completed Trips: 634

Total Number of Passengers: 680



Percentage of Trips as Ridesharing: Four (4) percent

Customer Satisfaction Rating

Avg. rider trip rating: 4.9

Goal: 4.5

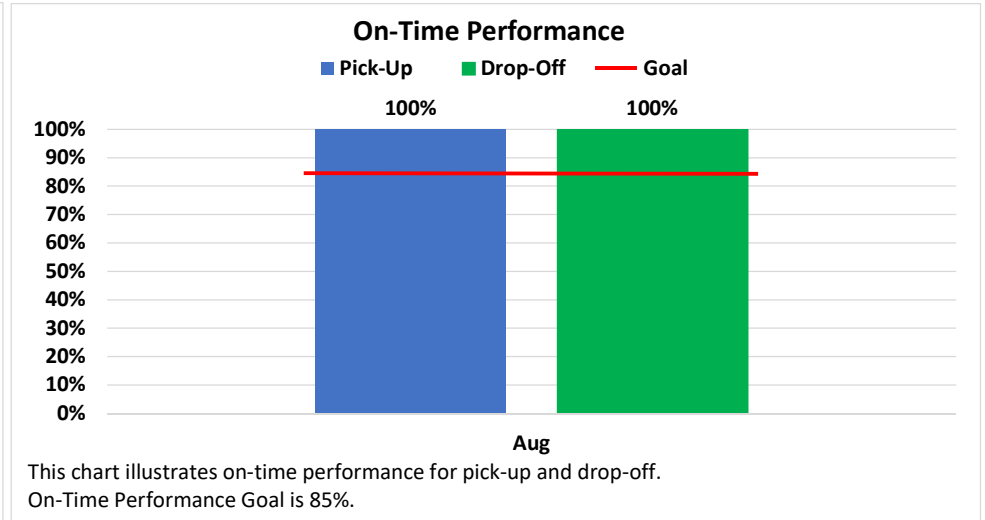
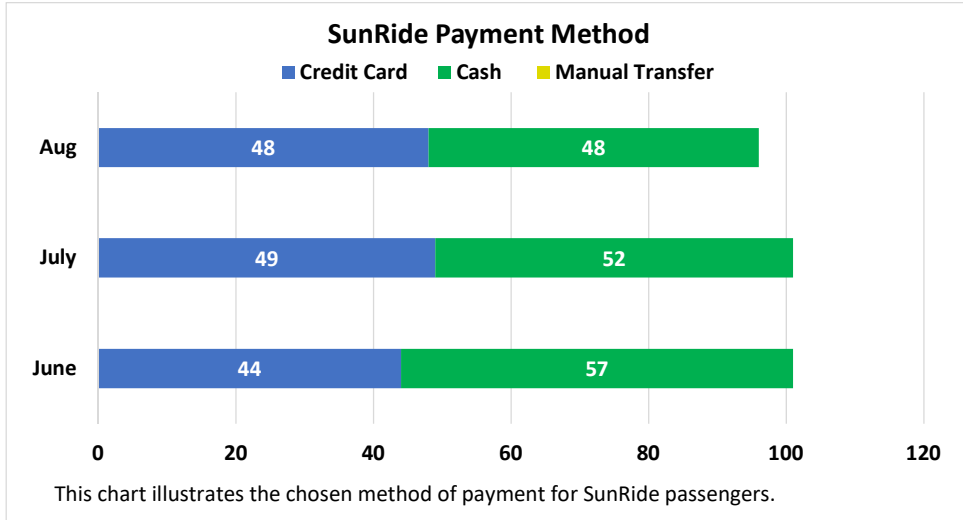
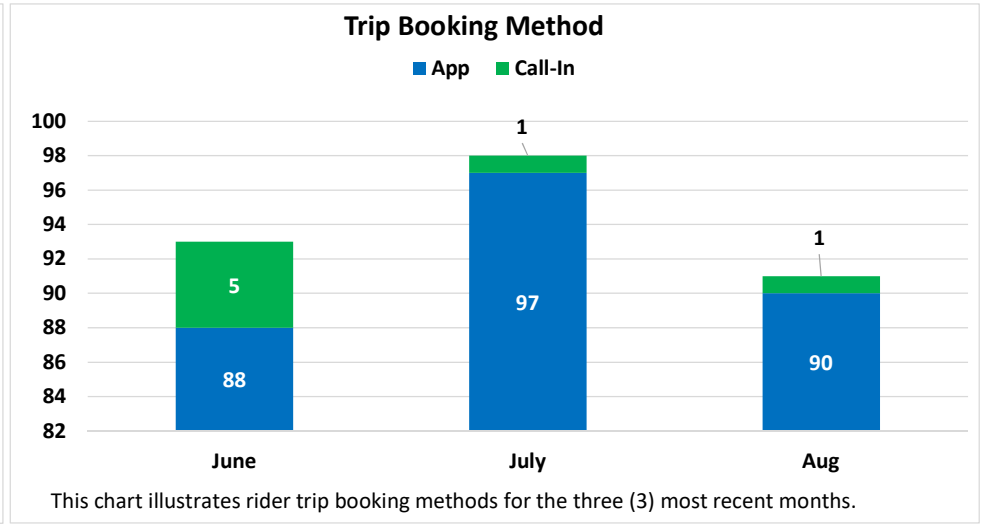
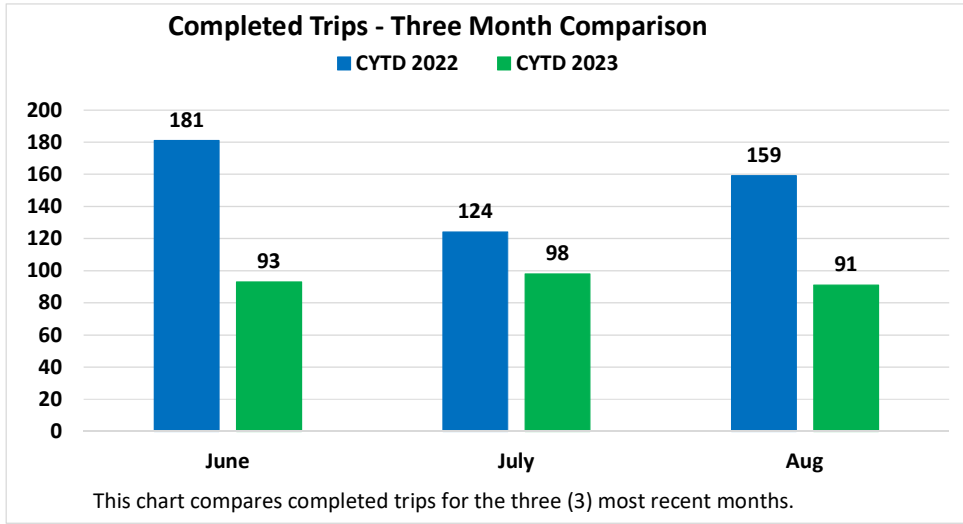


EXCEEDS GOAL!

Coachella Geo-Fence Metrics CYTD 2023

Total Completed Trips: 725

Total Number of Passengers: 776



Percentage of Trips as Ridesharing: Nine (9) percent.

Customer Satisfaction Rating
Avg. rider trip rating: 4.9
Goal: 4.5

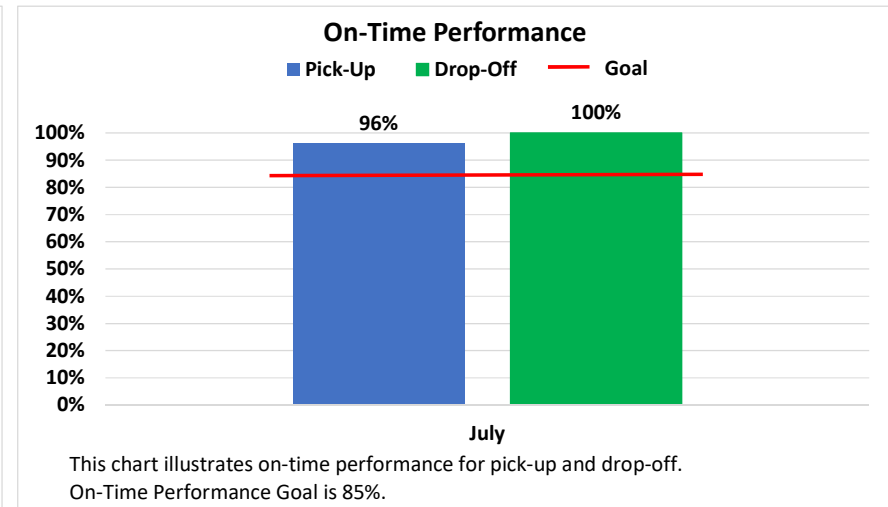
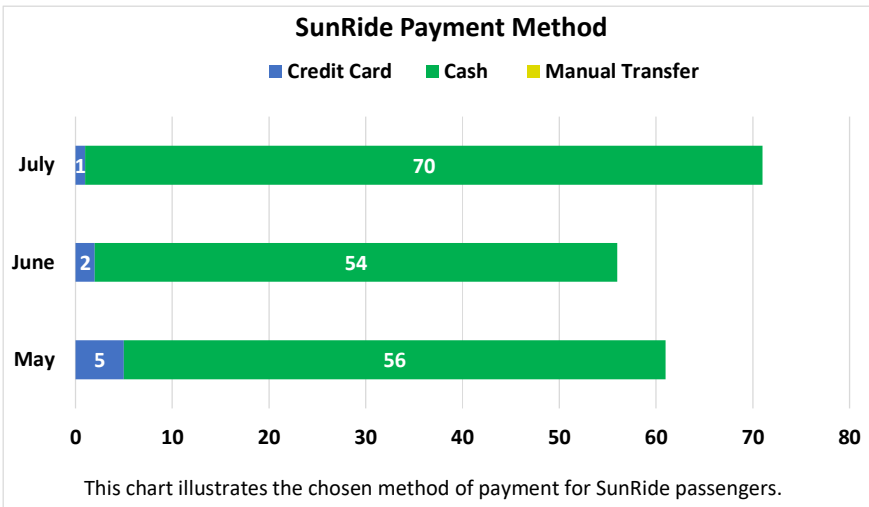
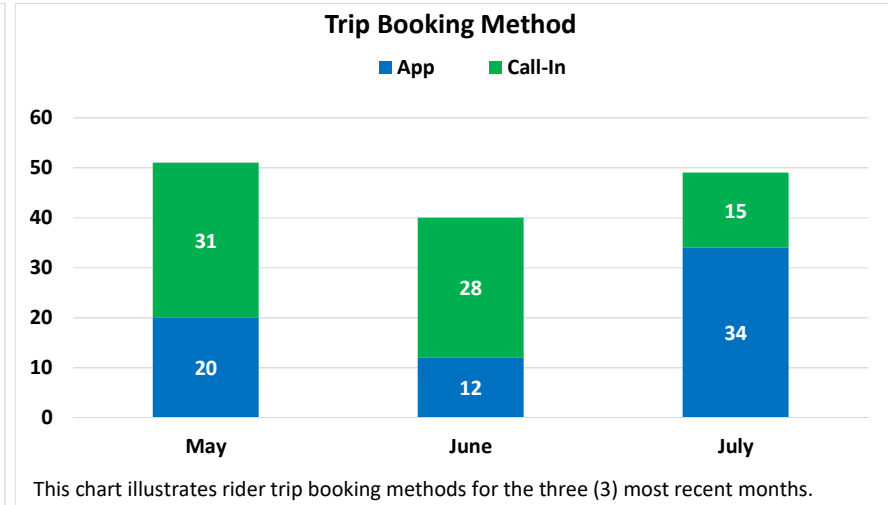
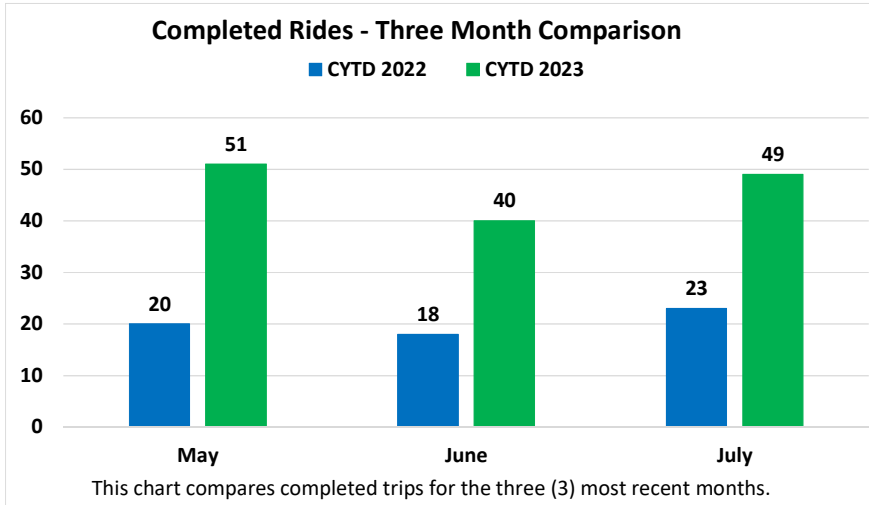


EXCEEDS GOAL!

Mecca/North Shore Geo-Fence Metrics CYTD 2023

Total Completed Trips: 291

Total Number of Passengers: 345



Percentage of Trips as Ridesharing: Eight (8) percent

Customer Satisfaction Rating
Avg. rider trip rating: 4.6
Goal: 4.5

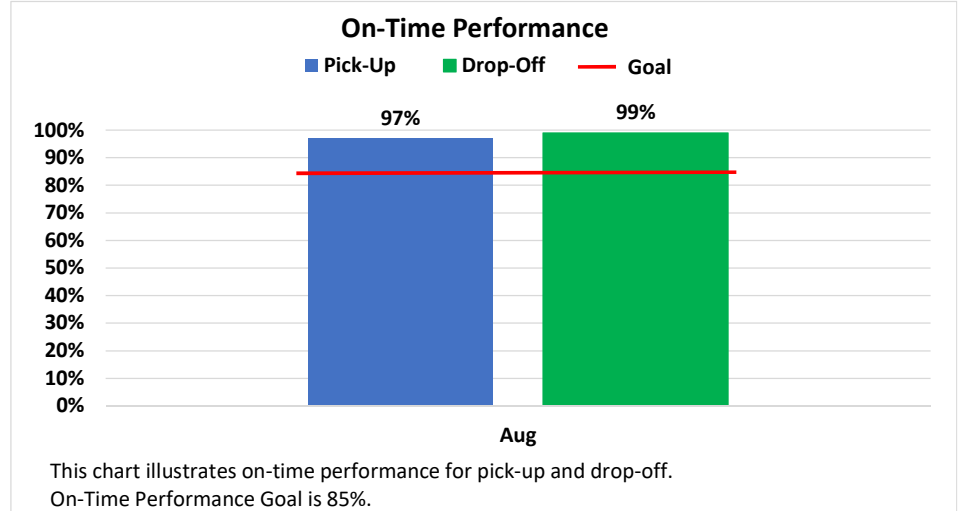
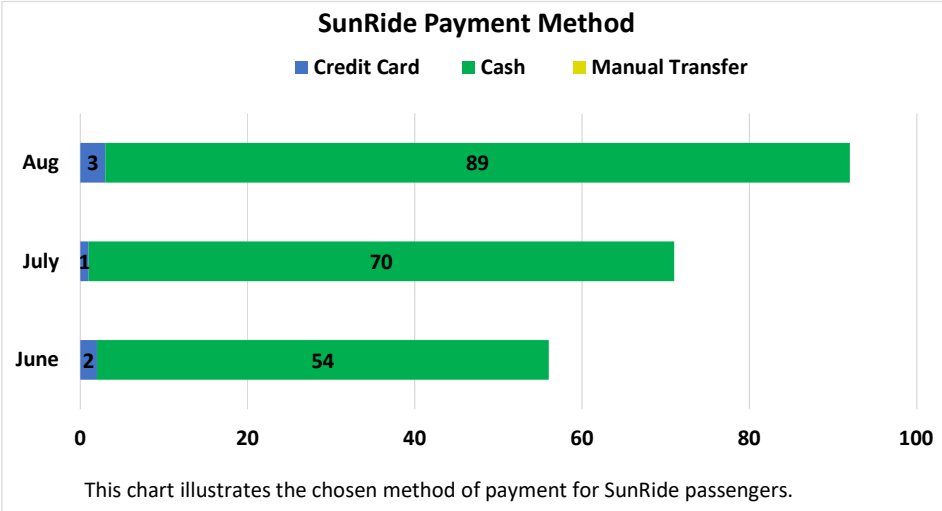
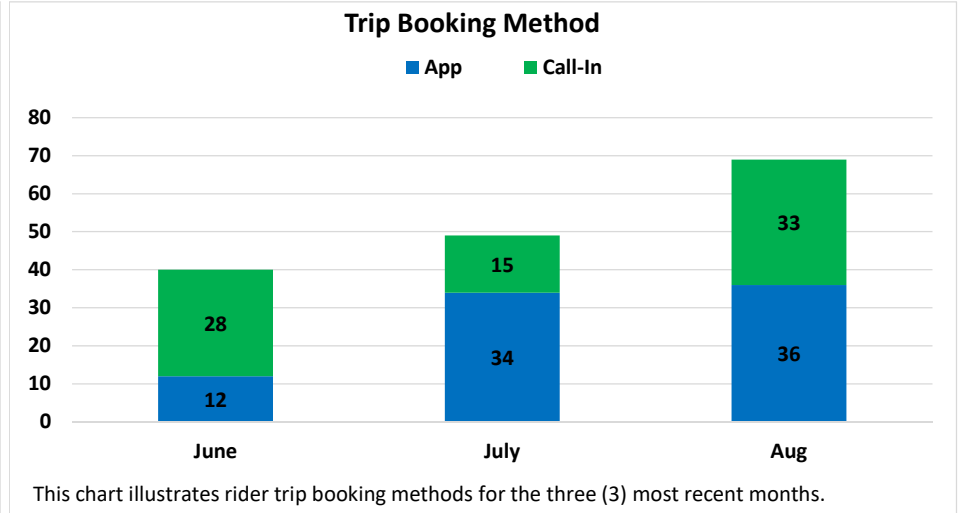
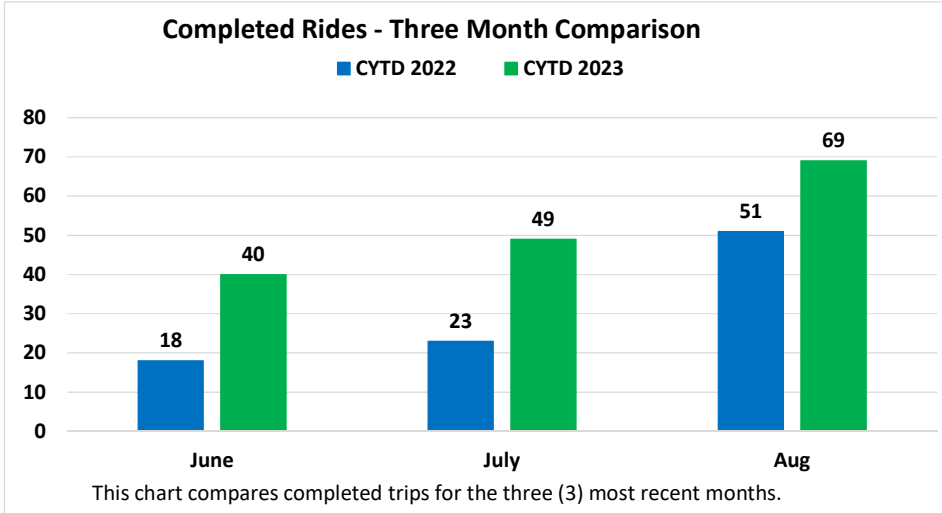


EXCEEDS GOAL!

Mecca/North Shore Geo-Fence Metrics CYTD 2023

Total Completed Trips: 360

Total Number of Passengers: 437



Percentage of Trips as Ridesharing: Nine (9) percent.

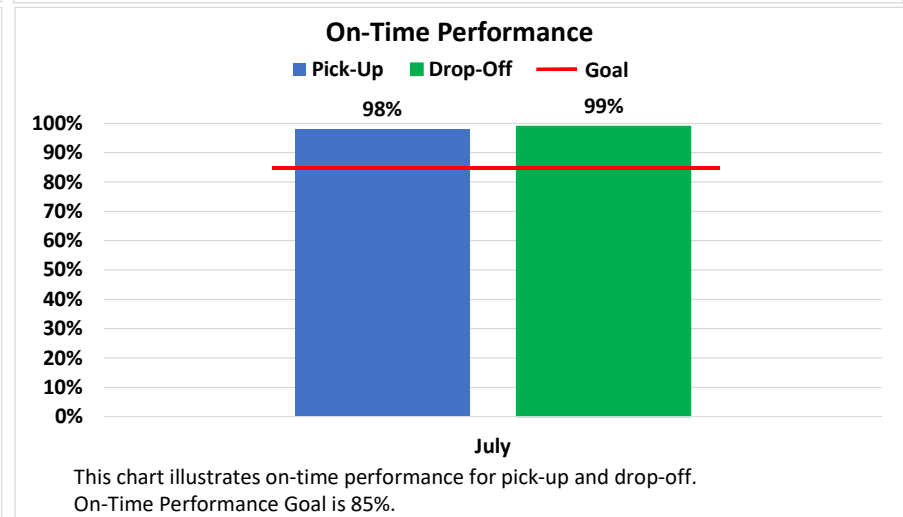
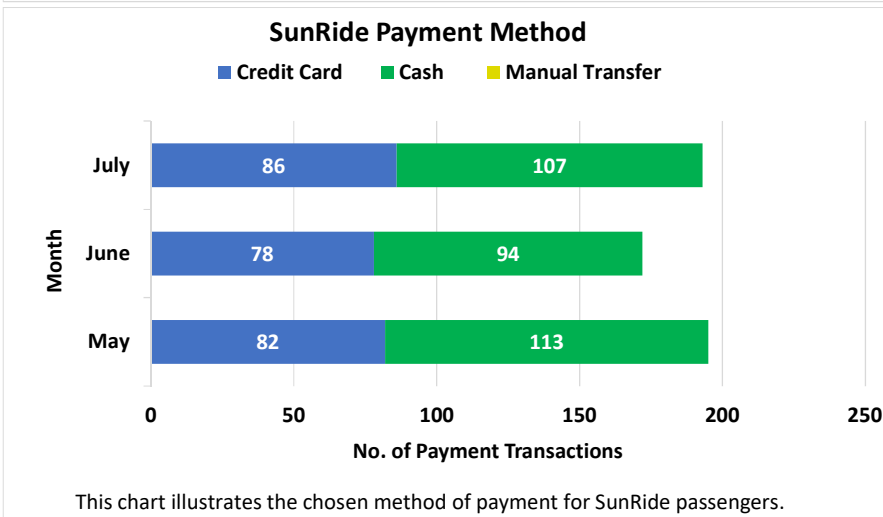
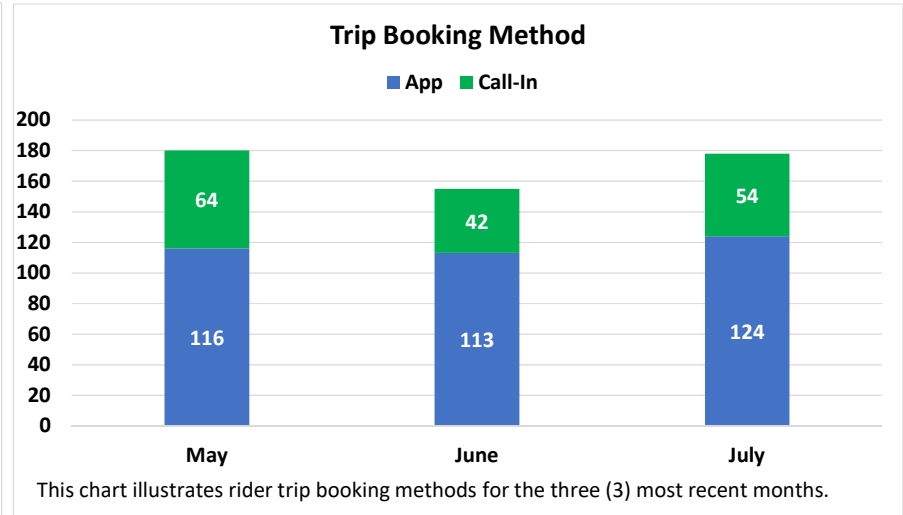
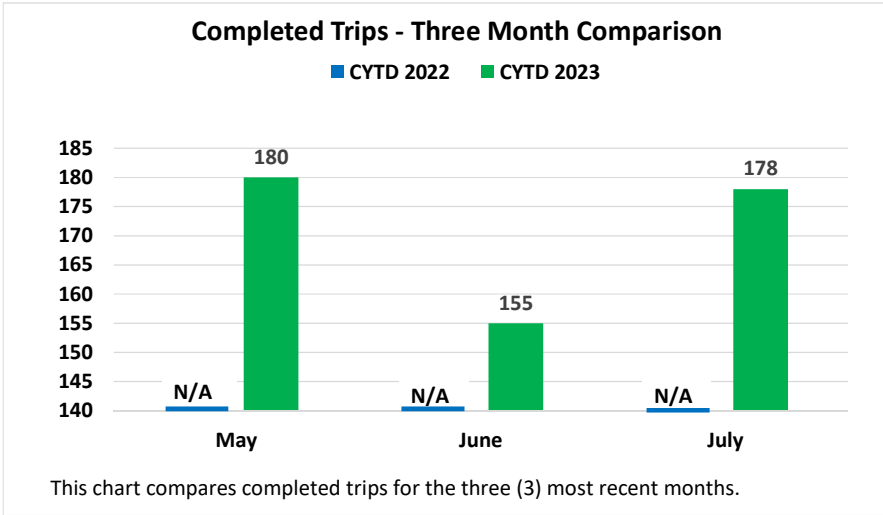
Customer Satisfaction Rating
Avg. rider trip rating: 4.8
Goal: 4.5



Indio Geo-Fence Metrics CYTD 2023

Total Completed Trips: 842

Total Number of Passengers: 903



Percentage of Trips as Ridesharing: 11%

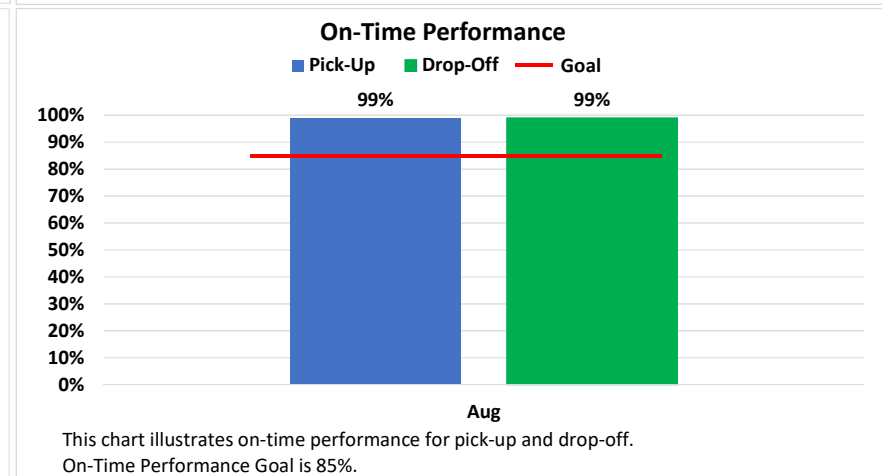
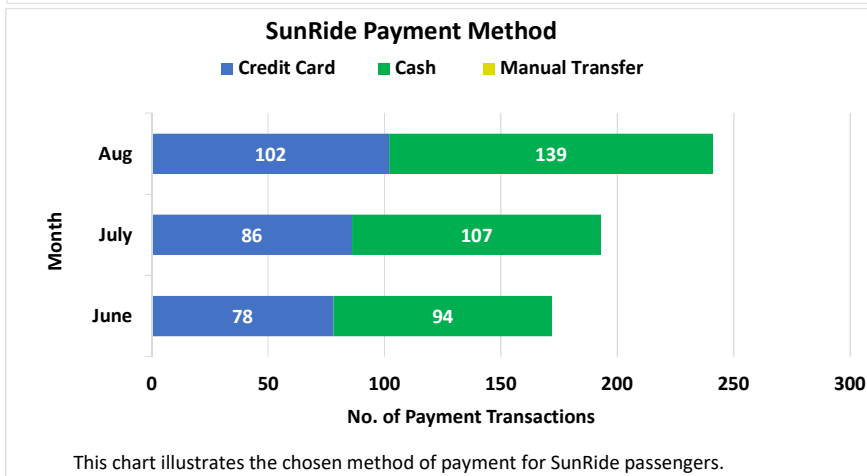
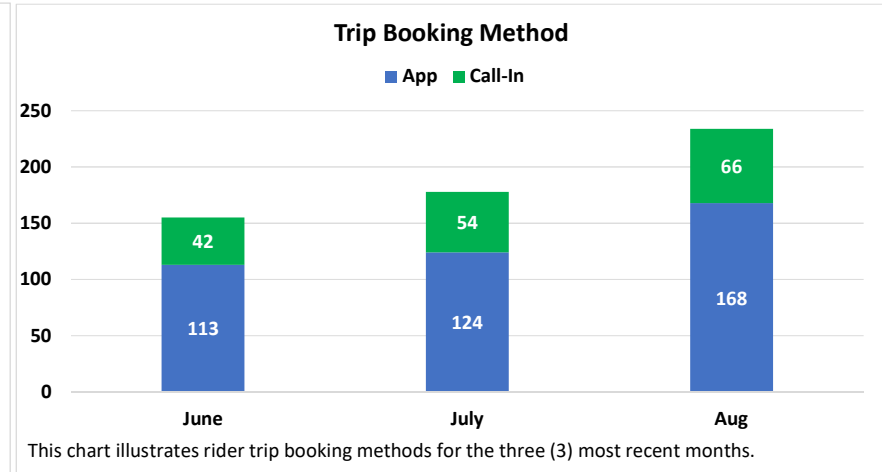
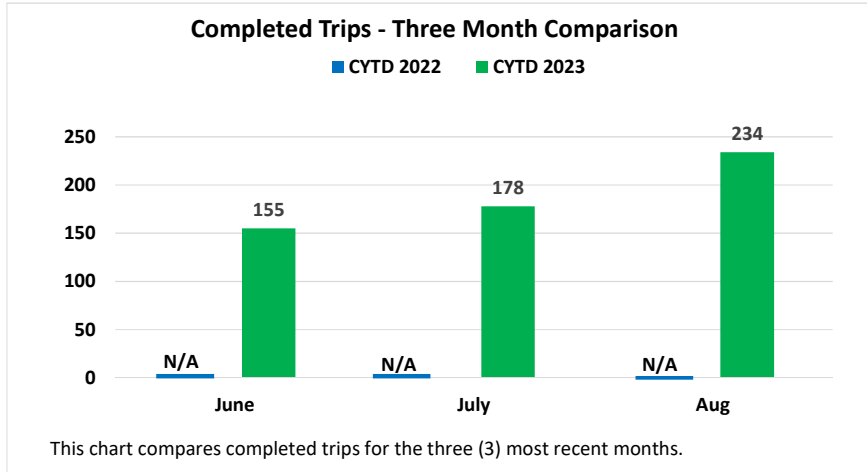
Customer Satisfaction Rating
Avg. rider trip rating 5.0
Goal: 4.5



Indio Geo-Fence Metrics CYTD 2023

Total Completed Trips: 1,076

Total Number of Passengers: 1,144



Percentage of Trips as Ridesharing: 19%.

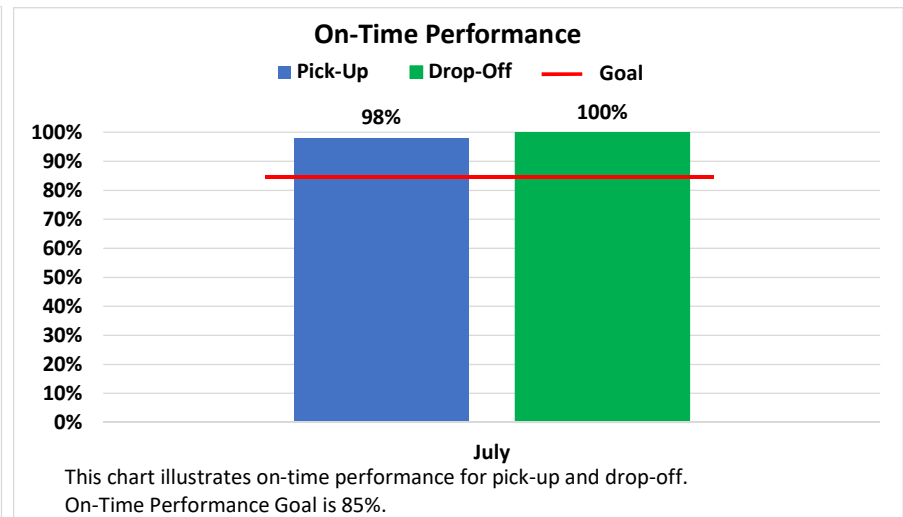
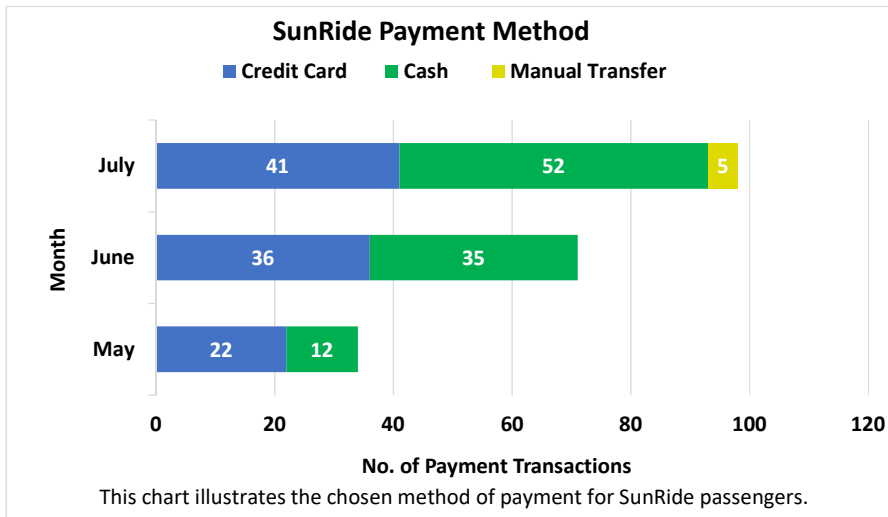
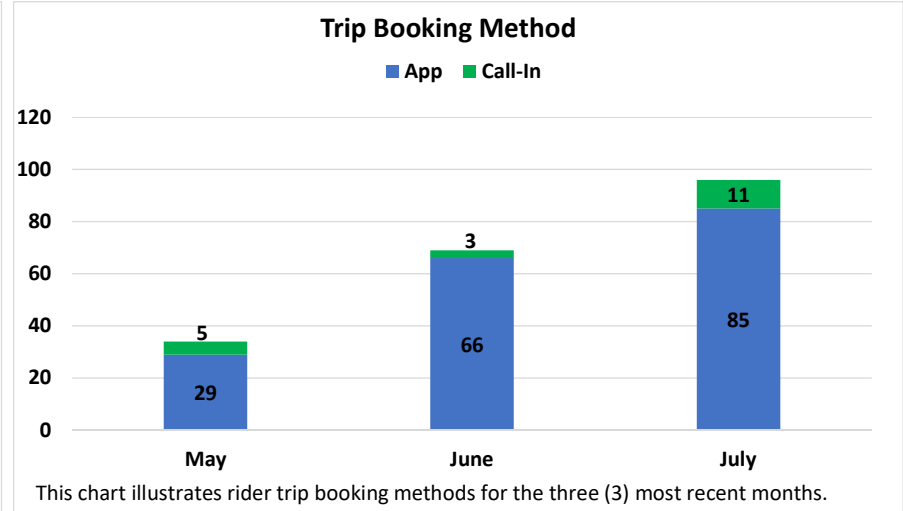
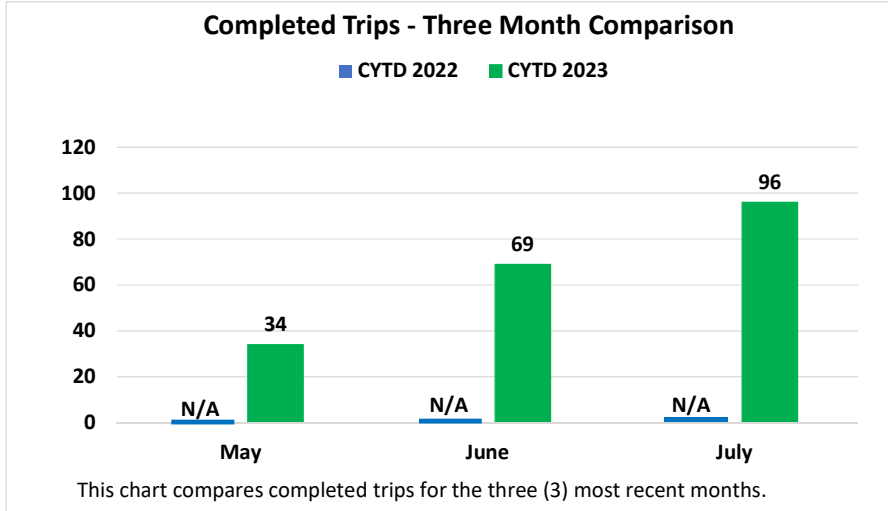
Customer Satisfaction Rating
Avg. rider trip rating 4.9
Goal: 4.5



Cathedral City Geo-Fence Metrics CYTD 2023

Total Completed Trips: 243

Total Number of Passengers: 249



Percentage of Trips as Ridesharing: Six (6) percent

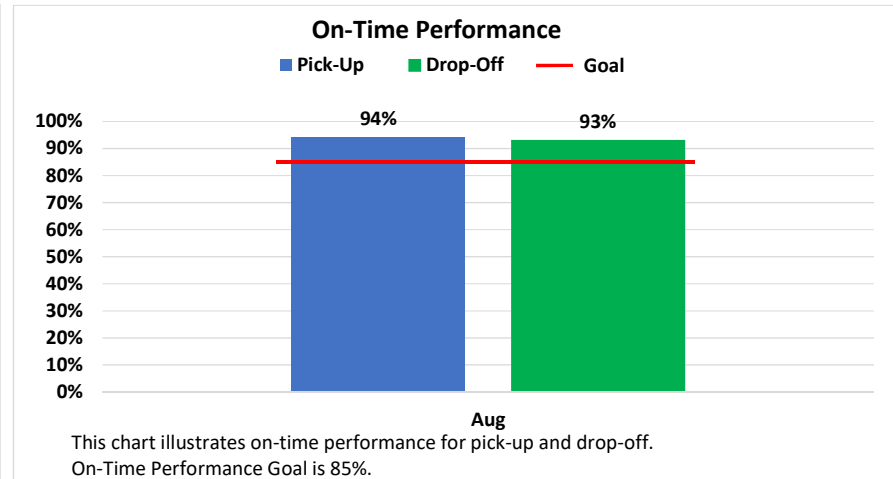
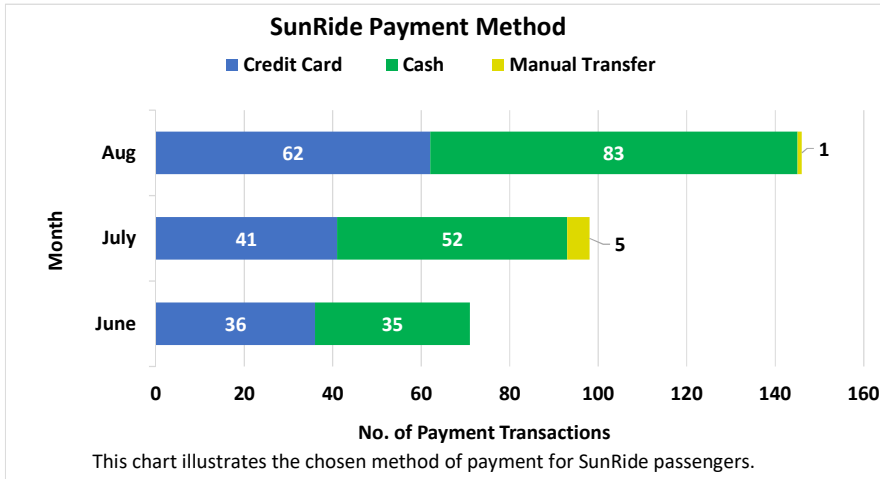
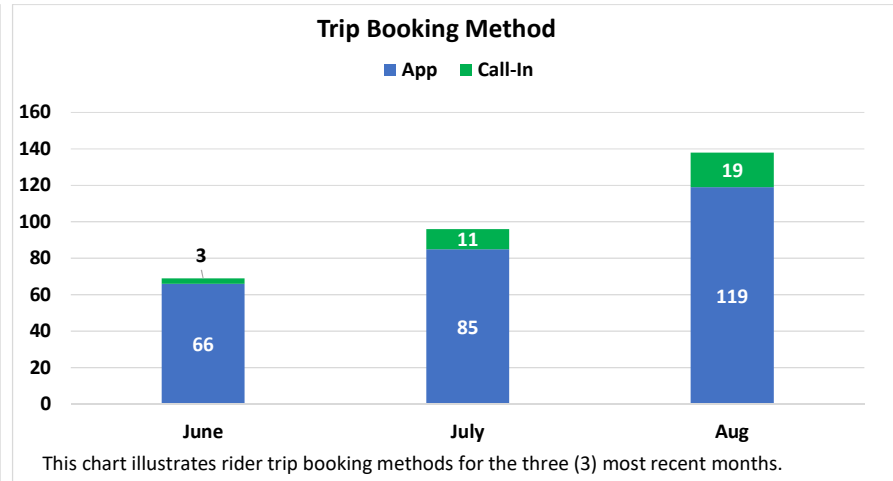
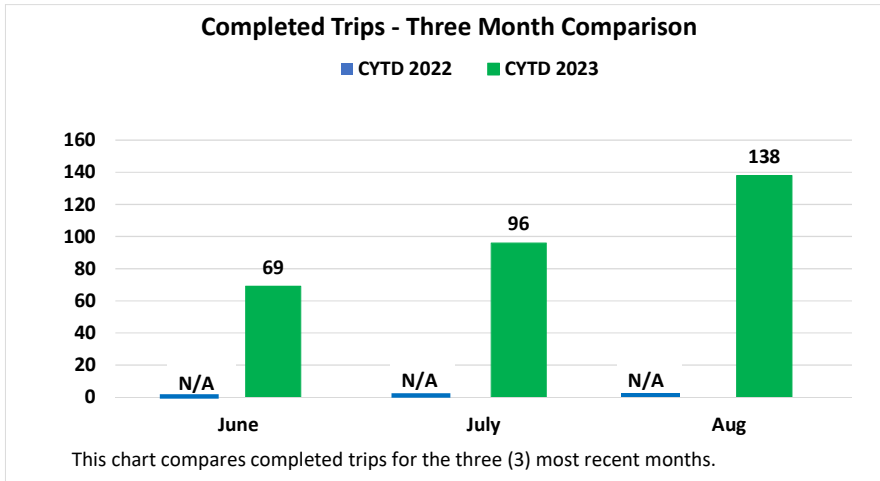
Customer Satisfaction Rating
Avg. rider trip rating 4.9
Goal: 4.5



Cathedral City Geo-Fence Metrics CYTD 2023

Total Completed Trips: 381

Total Number of Passengers: 395



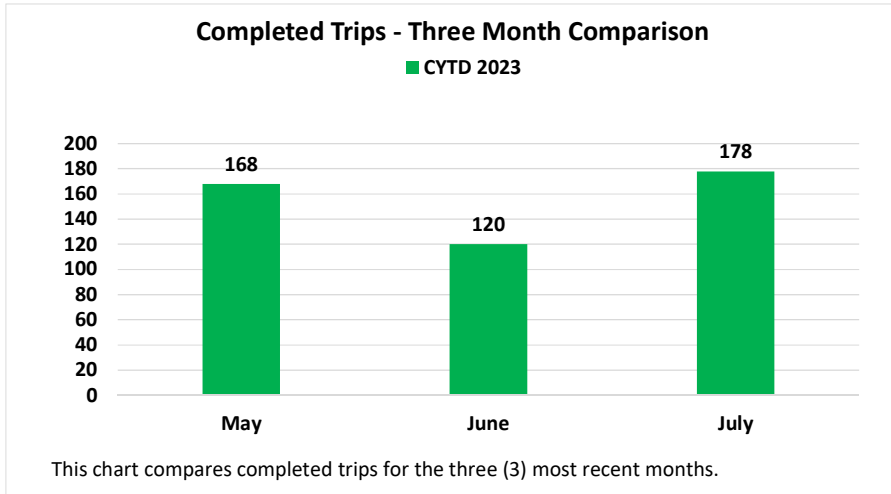
Percentage of Trips as Ridesharing: 12%.

Customer Satisfaction Rating
Avg. rider trip rating 4.9
Goal: 4.5

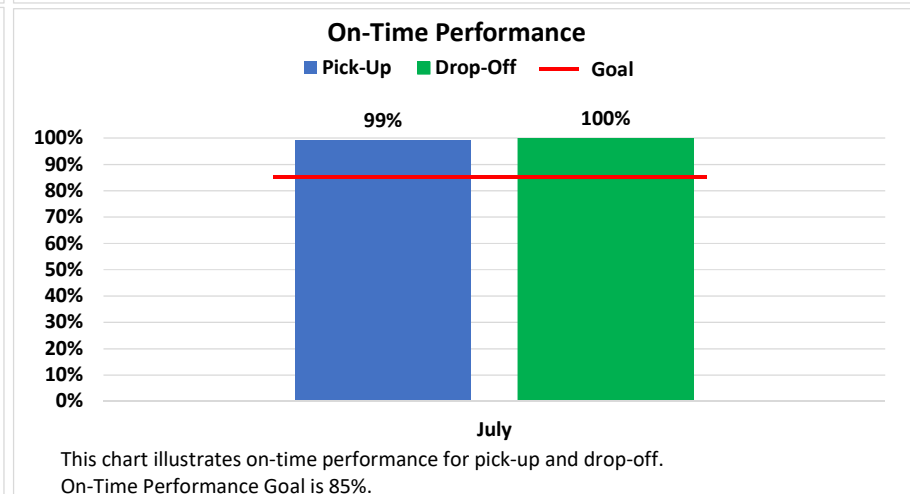
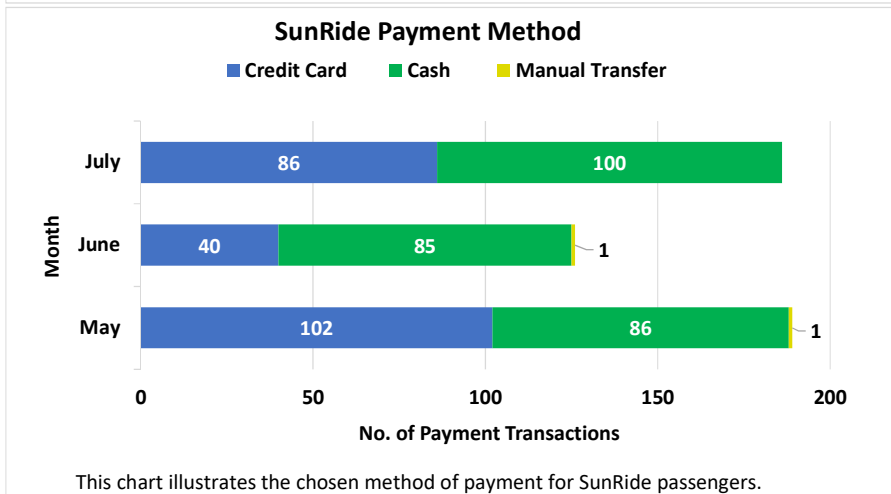
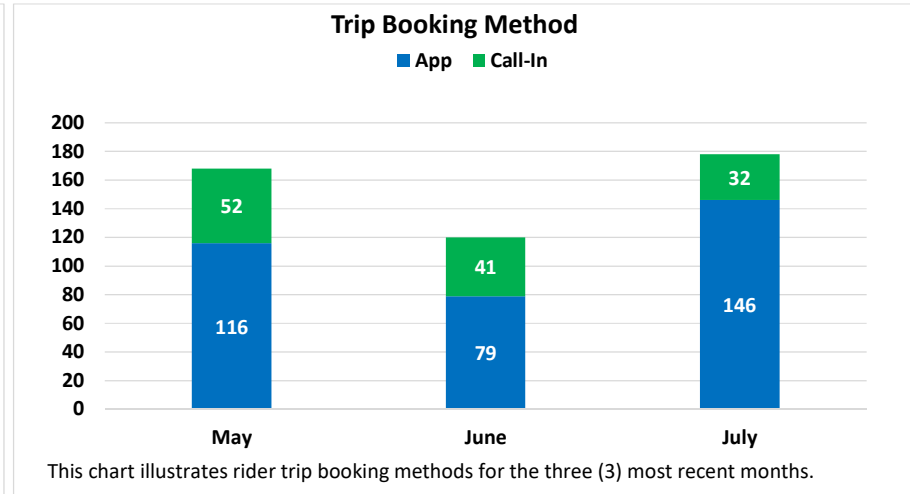


Palm Springs Geo-Fence Metrics CYTD 2023

Total Completed Trips: 898



Total Number of Passengers: 974



Percentage of Trips as Ridesharing: 18%

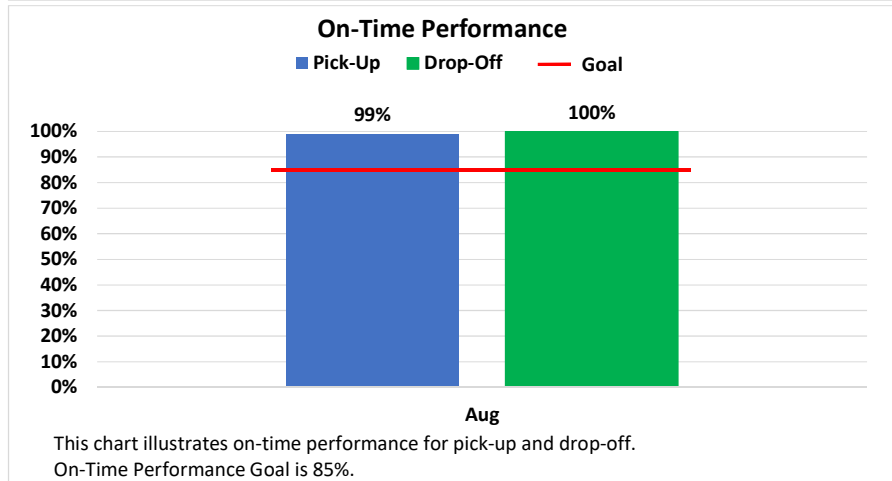
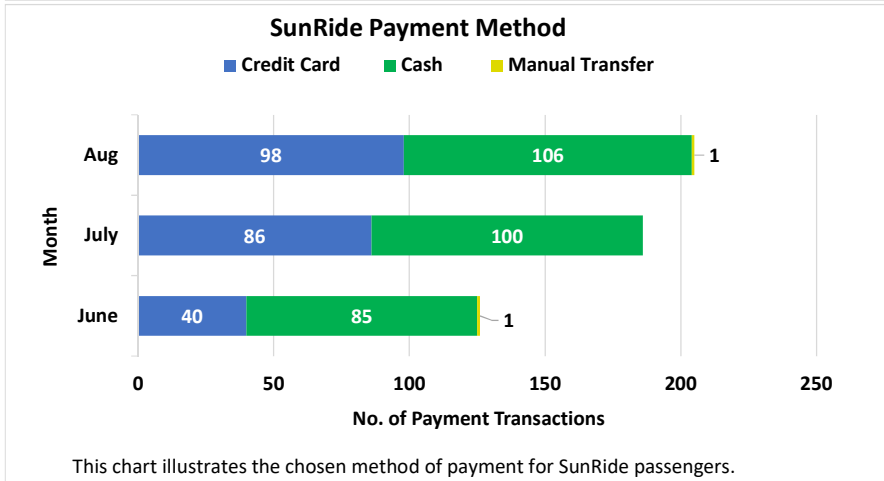
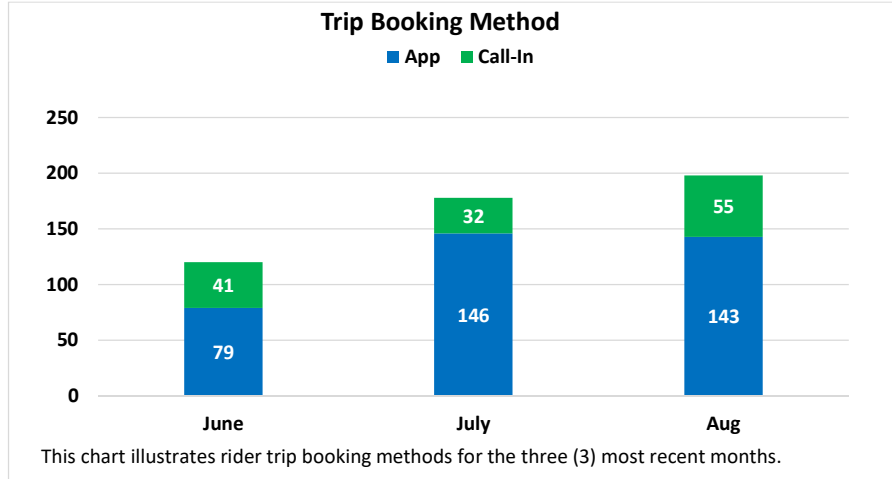
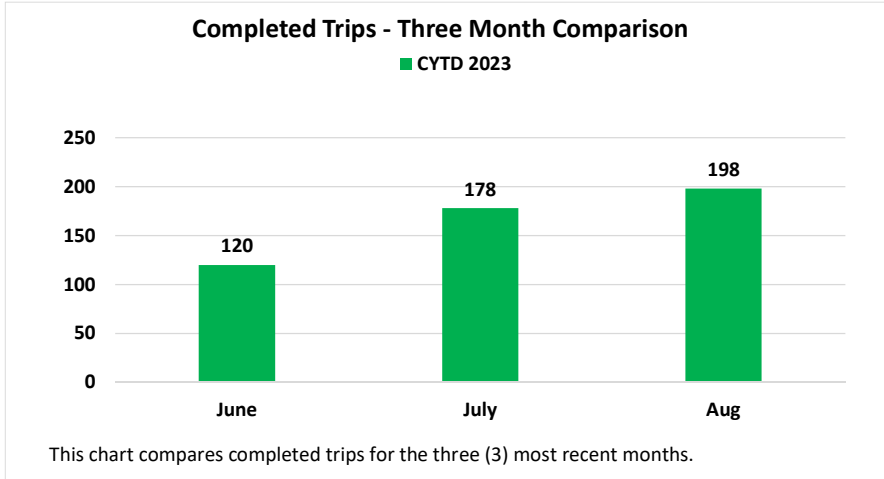
Customer Satisfaction Rating
Avg. rider trip rating 5.0
Goal: 4.5



Palm Springs Geo-Fence Metrics CYTD 2023

Total Completed Trips: 1,096

Total Number of Passengers: 1,179

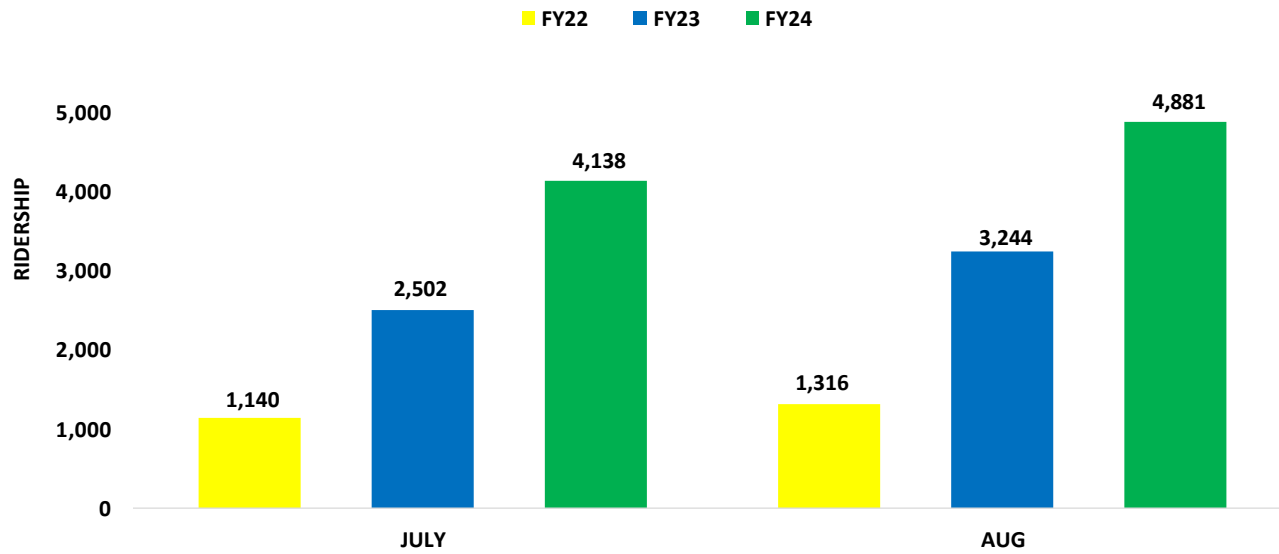


Percentage of Trips as Ridesharing: Eight (8) percent.

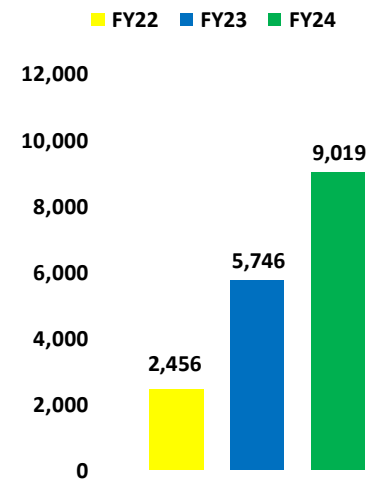
Customer Satisfaction Rating
Avg. rider trip rating 4.9
Goal: 4.5



Haul Pass COD Ridership - July & August 2023



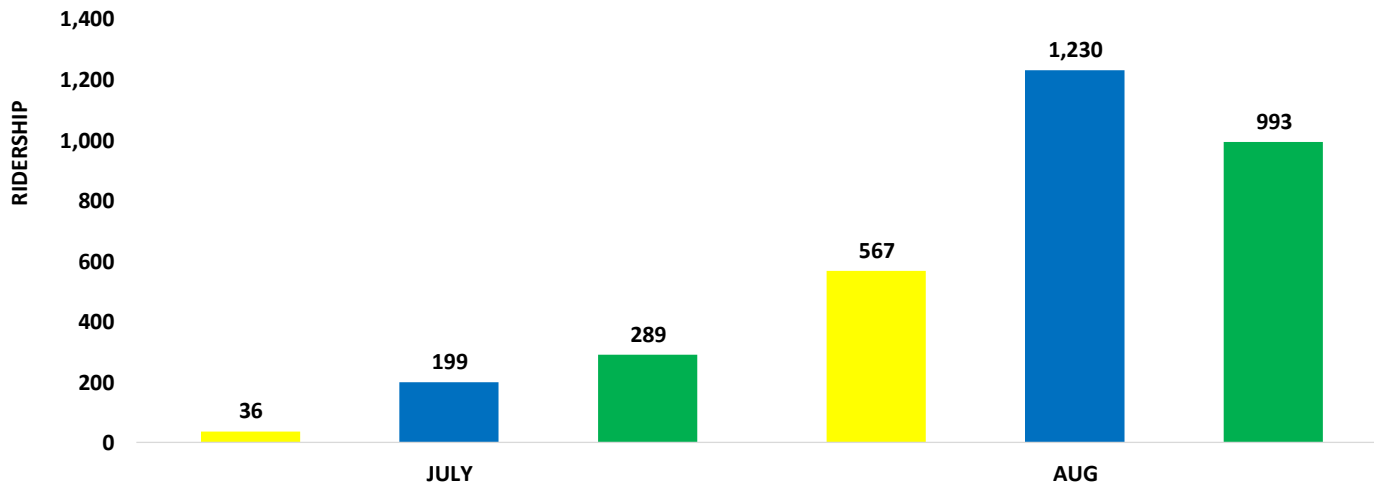
COD Fixed Route Ridership Year to Date



The Haul Pass program was introduced in August 2018.
 This chart represents monthly ridership on the Haul Pass COD.
 Haul Pass COD contributed with 4,881 rides from 382 unique riders.

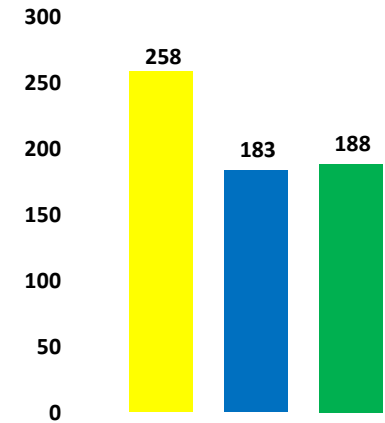
Haul Pass CSUSB Ridership - August 2023

FY22 Route 10 CL FY23 Route 10 CL FY24 Route 10 CL



CSUSB Fixed Route Ridership Total

FY22 FY23 FY24



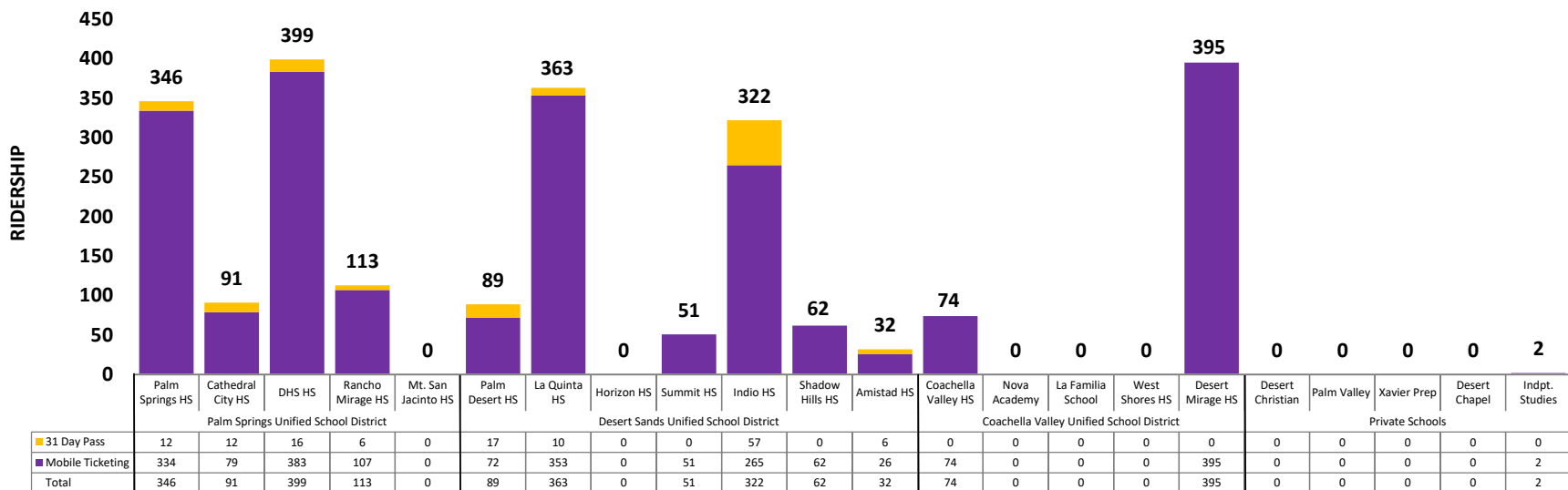
The Haul Pass CSUSB program was introduced in September 2019.

This chart represents monthly ridership on the Haul Pass CSUSB.

CSUSB contributed 1,131 rides from 239 unique users. From that total, 993 rides were used on Route 10 and 138 rides on the fixed route system.

High School Haul Pass - July 2023

■ Mobile Ticketing
 ■ 31 Day Pass

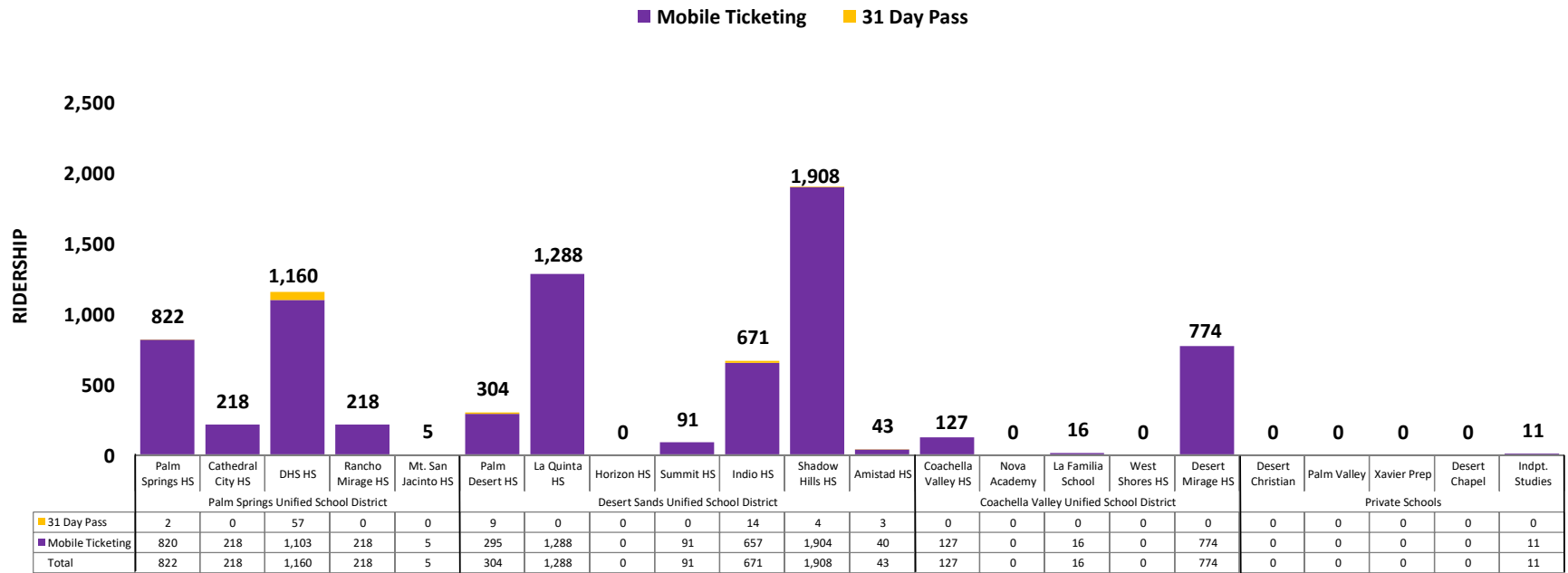


The High School Haul Pass program was introduced in August 2021.

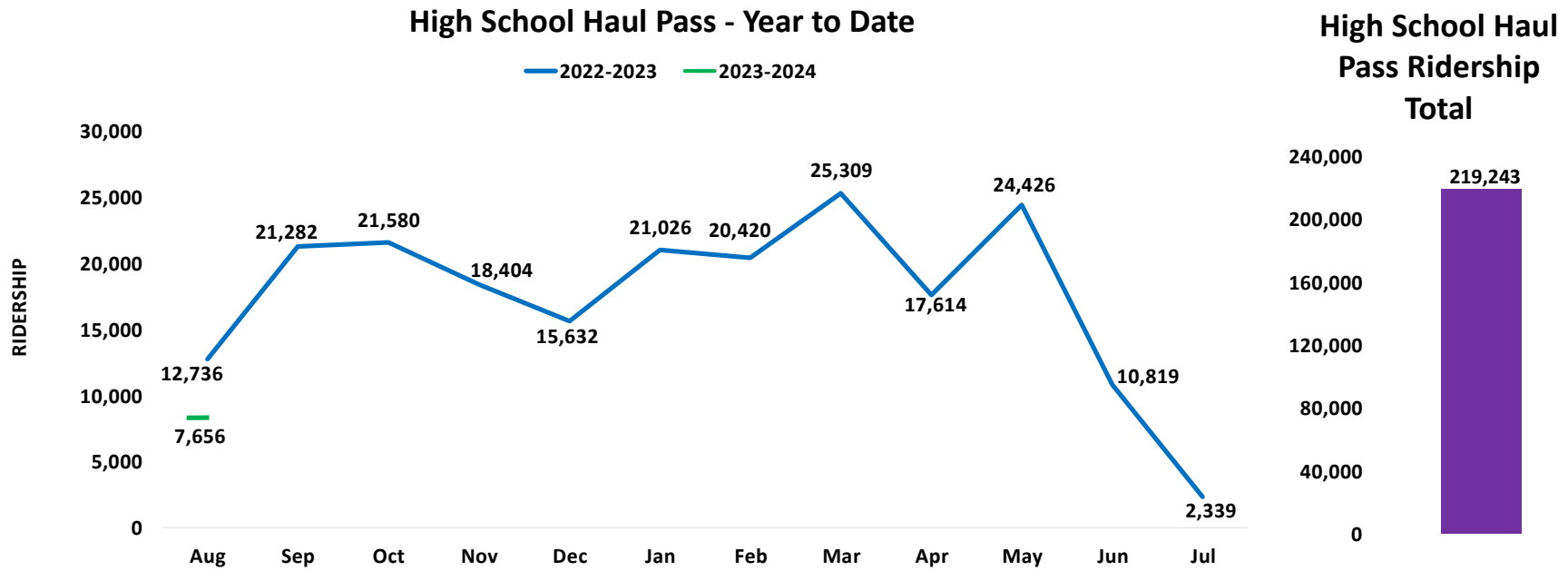
This chart represents a monthly combination of Mobile Ticketing and 31 Day Pass ridership by school for the High School Haul Pass.

The total active users as of July 2023 are 3,194 using the High School Haul Pass.

High School Haul Pass - August 2023

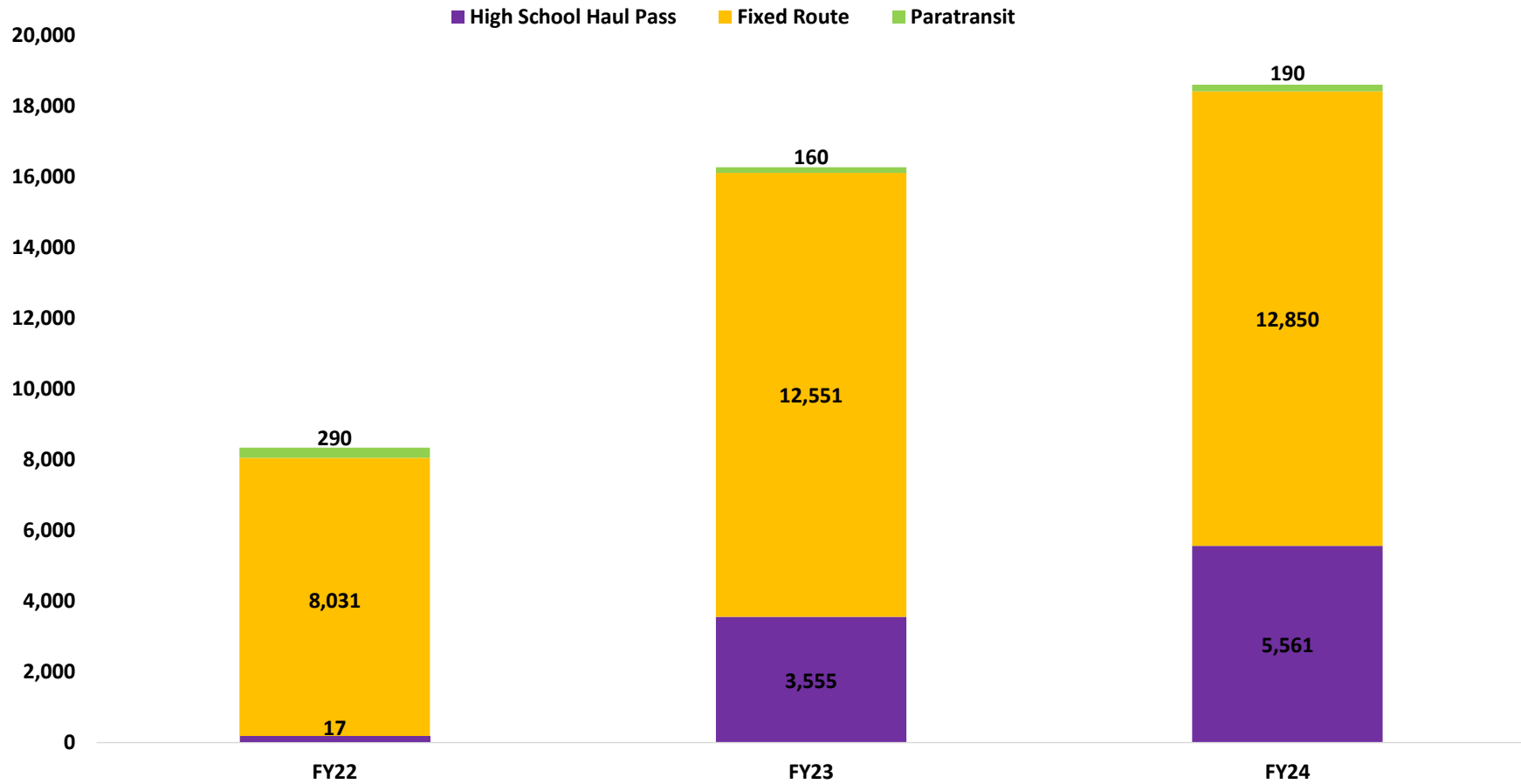


The High School Haul Pass program was introduced in August 2021. This chart represents a monthly combination of Mobile Ticketing and 31 Day Pass ridership by school for the High School Haul Pass. The total active users as of August 2023 are 3,470 using the High School Haul Pass.



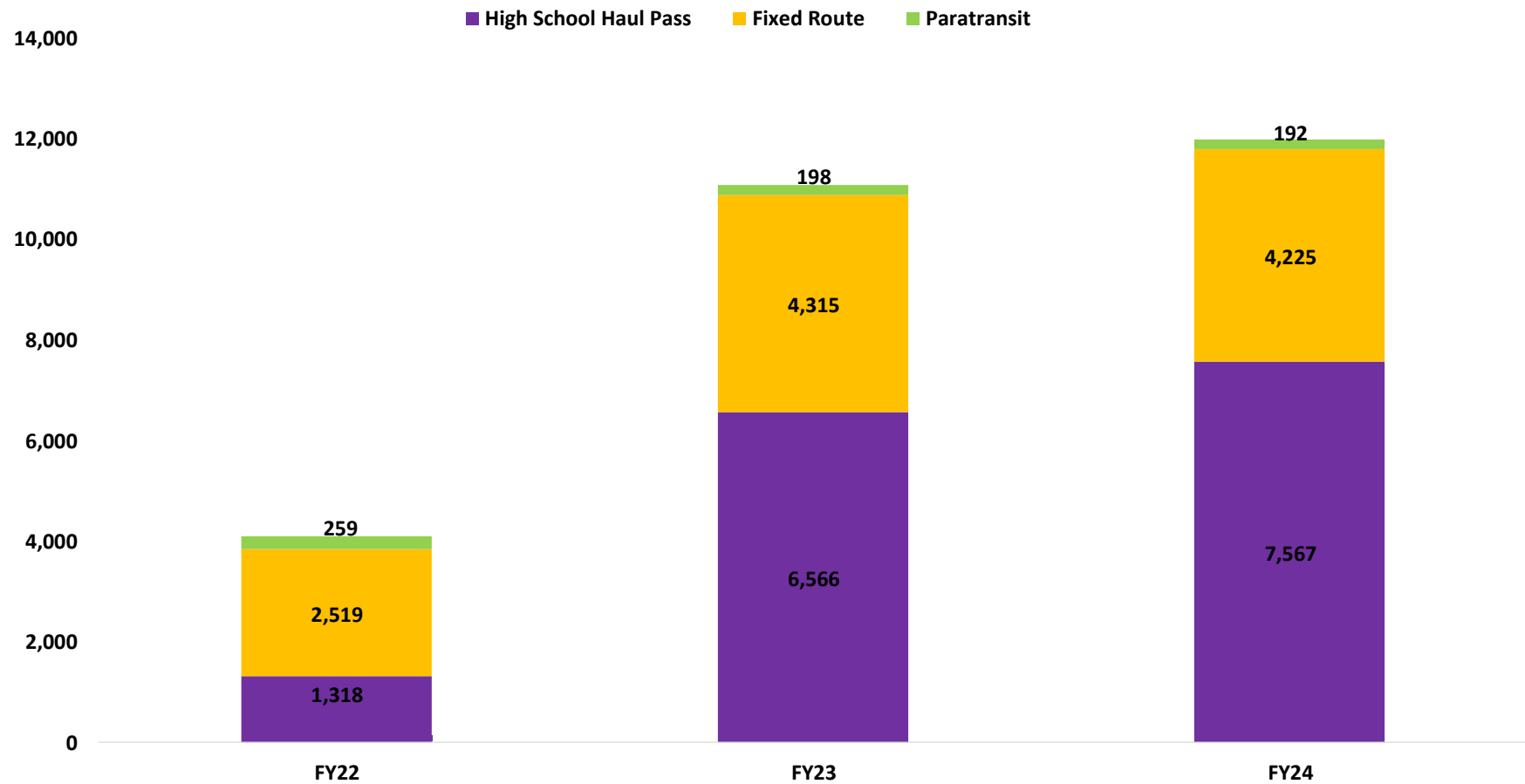
The High School Haul Pass program was introduced in August 2021.
 This chart represents monthly ridership comparison for the High School Haul Pass.

Mobile Ticketing Usage - July 2023



This chart represents all monthly mobile ticketing usage by category based on the Token Transit app data. The total for July 2023 includes the following passes used through Token Transit: High School Haul Pass, Fixed Route, Paratransit. A total of 1,270 unique users used mobile ticketing in the month of July 2023.

Mobile Ticketing Usage - August 2023



This chart represents all monthly mobile ticketing usage by category based on the Token Transit app data. The total for August 2023 includes the following passes used through Token Transit: High School Haul Pass, Fixed Route, Paratransit. A total of 1,868 unique users used mobile ticketing in the month of August 2023. Unique users made a total of 11,984 rides.

SunLine Transit Agency
CONSENT CALENDAR

DATE: September 27, 2023 **RECEIVE & FILE**

TO: Finance/Audit Committee
Board of Directors

RE: Quarterly Performance Summary for Q2 of Calendar Year 2023

Summary:

The following quarterly reports demonstrate the performance of the bargaining and non-bargaining pension plans for the second quarter of calendar year 2023. The report shows market value, asset allocation percentage and performance compared to benchmarks. Both the bargaining and non-bargaining pension assets posted positive returns of 2.81% in the second quarter of calendar year 2023. The pension plans utilize a conservative 6% return assumption. Expected returns for pension plans typically focus on long term performance. Over a 30-year timeframe, asset returns are expected to exceed and fall below the 6% assumption.

Recommendation:

Receive and file.

Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total Fund	37,530,761	100.00	2.81	7.55	8.40	5.86	6.14	6.47	07/01/2017
<i>PFM Blended Benchmark</i>			3.08	8.47	8.79	5.11	5.64	5.88	07/01/2017
Domestic Equity	13,320,066	35.49	7.02	12.37	16.06	N/A	N/A	3.48	04/01/2021
<i>Russell 3000 Index</i>			8.39	16.17	18.95	13.89	11.39	4.71	04/01/2021
Vanguard Total Stock Market ETF	12,026,187	32.04	8.42	16.18	18.96	13.76	11.31	19.77	04/01/2020
<i>Russell 3000 Index</i>			8.39	16.17	18.95	13.89	11.39	19.88	04/01/2020
Jensen Quality Growth Fund	1,293,879	3.45	5.88	10.75	14.45	13.82	12.62	12.00	04/01/2019
<i>S&P 500</i>			8.74	16.89	19.59	14.60	12.31	13.10	04/01/2019
International Equity	6,557,382	17.47	2.85	10.32	12.05	N/A	N/A	-5.54	04/01/2021
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	-1.89	04/01/2021
Vanguard Total International Stock ETF	3,238,508	8.63	2.64	9.47	12.37	7.56	3.74	12.58	04/01/2020
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	11.67	04/01/2020
J. O. Hambro International Select	345,769	0.92	4.80	13.54	12.73	1.38	2.54	4.56	07/01/2017
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	4.13	07/01/2017
Harding Loevner International Equity	680,076	1.81	3.05	11.06	16.84	6.64	4.58	6.64	07/01/2020
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	7.22	07/01/2020
Vanguard FTSE Developed Markets ETF	1,614,638	4.30	3.13	11.14	16.53	9.03	4.42	0.35	03/01/2022
<i>MSCI EAFE (net)</i>			2.95	11.67	18.77	8.93	4.39	1.64	03/01/2022
Hartford Schroders Emerging Markets Equity	678,392	1.81	1.89	7.14	4.00	2.31	1.59	-0.26	03/01/2018
<i>MSCI EM (net)</i>			0.90	4.89	1.75	2.32	0.93	-1.03	03/01/2018
Other Growth	1,345,177	3.58	0.00	9.88	57.66	N/A	N/A	24.19	04/01/2021
<i>CA US Private Equity Index</i>			0.00	2.69	3.34	19.88	14.52	10.19	04/01/2021
NB Secondary Opportunities Fund V Offshore[CE]	1,345,177	3.58	0.00	9.88	49.09	N/A	N/A	74.39	03/01/2022
<i>CA US Private Equity Index</i>			0.00	2.69	3.34	19.88	14.52	-1.60	03/01/2022

Returns are net of mutual fund fees.

Returns are expressed as percentages.

*Asset class level returns may vary from individual underlying manager returns due to cash flows.

Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Fixed Income	14,262,915	38.00	-0.30	2.81	0.93	-2.78	1.09	0.88	07/01/2017
<i>Blmbg. U.S. Aggregate</i>			-0.84	2.09	-0.94	-3.97	0.77	0.57	07/01/2017
Baird Core Plus	3,880,281	10.34	-0.44	2.59	0.48	-3.10	1.42	1.16	07/01/2017
<i>Blmbg. U.S. Aggregate</i>			-0.84	2.09	-0.94	-3.97	0.77	0.57	07/01/2017
DoubleLine Core Fixed Income	1,713,414	4.57	-0.59	2.95	-0.09	-2.48	0.59	0.37	09/01/2017
PGIM Total Return Bond Fund	3,158,825	8.42	0.00	3.17	0.71	-3.28	1.11	0.75	09/01/2017
<i>Blmbg. U.S. Aggregate</i>			-0.84	2.09	-0.94	-3.97	0.77	0.36	09/01/2017
Voya Intermediate Bond	1,712,728	4.56	-0.53	2.68	-0.28	-3.31	1.08	-1.62	01/01/2020
<i>Blmbg. U.S. Aggregate</i>			-0.84	2.09	-0.94	-3.97	0.77	-1.75	01/01/2020
iShares Core US Aggregate Bond ETF	2,080,458	5.54	-0.85	2.26	-0.93	-3.97	0.74	-0.96	02/01/2023
<i>Blmbg. U.S. Aggregate</i>			-0.84	2.09	-0.94	-3.97	0.77	-0.95	02/01/2023
iShares Intermediate-Term Corporate Bond ETF	740,193	1.97	-0.38	3.55	2.13	-2.99	2.08	-0.76	10/01/2019
<i>ICE BofA U.S. Corporate 5-10 Year Index</i>			-0.39	3.25	1.86	-2.96	2.18	-0.71	10/01/2019
BBH Limited Duration	322,026	0.86	1.28	2.98	4.54	1.87	2.34	1.63	02/01/2023
<i>Blmbg. U.S. Treasury: 1-3 Year</i>			-0.60	0.98	0.15	-1.12	0.93	0.24	02/01/2023
MainStay MacKay High Yield Corp Bond Fund	654,976	1.75	1.30	5.27	8.89	3.95	3.68	-0.27	06/01/2021
<i>ICE BofA High Yield Master II</i>			1.63	5.42	8.87	3.21	3.18	-1.75	06/01/2021
Other Income	1,867,737	4.98	0.00	-0.26	-3.77	N/A	N/A	-8.42	09/01/2021
<i>Cliffwater Direct Lending Index</i>			0.00	2.69	6.71	9.74	7.88	7.77	09/01/2021
Golub Capital Partners International XIV[CE]	1,440,000	3.84	0.00	N/A	N/A	N/A	N/A	0.00	04/01/2023
<i>Cliffwater Direct Lending Index</i>			0.00	2.69	6.71	9.74	7.88	0.00	04/01/2023
A TEL Private Debt Partners II[CE]	427,737	1.14	0.00	2.15	5.53	N/A	N/A	6.02	10/01/2021
<i>Cliffwater Direct Lending Index</i>			0.00	2.69	6.71	9.74	7.88	6.54	10/01/2021
Cash Equivalent	177,484	0.47	1.07	2.14	3.50	1.22	1.42	1.38	07/01/2017
First American Prime Obligation - Z	177,484	0.47	1.24	2.36	3.84	1.35	1.58	1.56	07/01/2017

*[Current Estimate] At any point in time the valuation for private equity and other illiquid asset classes may be different from market prices due to an inherent lag effect in the industry. The reporting lag inherent in this process means that there can be a valuation lag of a quarter or, in some cases, even longer. For such illiquid asset classes shown herein, performance is calculated for the relevant period(s) using a roll-forward valuation approach whereby the last reported valuation is adjusted for cash flows to provide an initial estimated valuation, typically resulting in a zero return for the lagging period. Performance is adjusted and finalized when the updated valuation is reported. Returns are gross of management fees. The roll-forward valuation methodology described is consistent with guidance provided within the CFA Institute's Global Investment Performance Standards (GIPS). Performance is calculated using the Modified-Dietz time weighted methodology to maintain consistency with the other returns in this exhibit. For since inception IRR performance, please refer to the fund-specific overview page.

Returns are net of mutual fund fees.

Returns are expressed as percentages.

*Asset class level returns may vary from individual underlying manager returns due to cash flows.

Comparative Performance

	Year To Date	2022	2021	2020	2019	2018
Total Fund	7.55	-15.90	12.24	16.85	20.42	-5.13
<i>PFM Blended Benchmark</i>	8.47	-15.52	10.04	14.14	20.02	-4.86
Domestic Equity	12.37	-18.41	N/A	N/A	N/A	N/A
<i>Russell 3000 Index</i>	16.17	-19.21	25.66	20.89	31.02	-5.24
Vanguard Total Stock Market ETF	16.18	-19.50	25.72	20.95	30.80	-5.13
<i>Russell 3000 Index</i>	16.17	-19.21	25.66	20.89	31.02	-5.24
Jensen Quality Growth Fund	10.75	-16.34	30.33	18.62	29.34	2.44
<i>S&P 500</i>	16.89	-18.11	28.71	18.40	31.49	-4.38
International Equity	10.32	-24.12	N/A	N/A	N/A	N/A
<i>MSCI AC World ex USA (Net)</i>	9.47	-16.00	7.82	10.65	21.51	-14.20
Vanguard Total International Stock ETF	9.47	-15.99	8.69	11.32	21.58	-14.42
J. O. Hambro International Select	13.54	-32.38	9.21	29.71	19.04	-8.27
Harding Loevner International Equity	11.06	-20.23	8.51	20.33	25.23	-13.96
Vanguard FTSE Developed Markets ETF	11.14	-15.35	11.49	10.29	22.08	-14.47
<i>MSCI EAFE (net)</i>	11.67	-14.45	11.26	7.82	22.01	-13.79
Hartford Schroders Emerging Markets Equity	7.14	-22.10	-4.97	23.80	22.36	-15.45
<i>MSCI EM (net)</i>	4.89	-20.09	-2.54	18.31	18.42	-14.57
Other Growth	9.88	19.87	N/A	N/A	N/A	N/A
<i>CA US Private Equity Index</i>	2.69	-4.69	40.33	23.74	13.88	10.19
NB Secondary Opportunities Fund V Offshore[CE]	9.88	N/A	N/A	N/A	N/A	N/A
<i>CA US Private Equity Index</i>	2.69	-4.69	40.33	23.74	13.88	10.19

Returns are net of mutual fund fees.

Returns are expressed as percentages.

*Asset class level returns may vary from individual underlying manager returns due to cash flows.

Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total Fund - Non-Bargaining	37,550,595	100.00	2.81	7.55	8.40	5.87	6.14	6.47	07/01/2017
<i>PFM Blended Benchmark</i>			3.08	8.47	8.79	5.11	5.64	5.88	07/01/2017
Domestic Equity	13,336,821	35.52	7.02	12.40	16.08	N/A	N/A	3.49	04/01/2021
<i>Russell 3000 Index</i>			8.39	16.17	18.95	13.89	11.39	4.71	04/01/2021
Vanguard Total Stock Market ETF	12,040,285	32.06	8.42	16.18	18.96	13.76	11.31	19.77	04/01/2020
<i>Russell 3000 Index</i>			8.39	16.17	18.95	13.89	11.39	19.88	04/01/2020
Jensen Quality Growth Fund	1,296,536	3.45	5.88	10.75	14.45	13.82	12.62	12.00	04/01/2019
<i>S&P 500</i>			8.74	16.89	19.59	14.60	12.31	13.10	04/01/2019
International Equity	6,545,394	17.43	2.85	10.32	12.05	N/A	N/A	-5.53	04/01/2021
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	-1.89	04/01/2021
Vanguard Total International Stock ETF	3,245,237	8.64	2.64	9.47	12.37	7.56	3.74	12.58	04/01/2020
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	11.67	04/01/2020
J. O. Hambro International Select	346,526	0.92	4.80	13.54	12.73	1.38	2.54	4.56	07/01/2017
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	4.13	07/01/2017
Harding Loevner International Equity	660,127	1.76	3.05	11.06	16.84	6.64	4.58	6.64	07/01/2020
<i>MSCI AC World ex USA (Net)</i>			2.44	9.47	12.72	7.22	3.52	7.22	07/01/2020
Vanguard FTSE Developed Markets ETF	1,619,625	4.31	3.13	11.14	16.53	9.03	4.42	0.35	03/01/2022
<i>MSCI EAFE (net)</i>			2.95	11.67	18.77	8.93	4.39	1.64	03/01/2022
Hartford Schroders Emerging Markets Equity	673,878	1.79	1.89	7.14	4.00	2.31	1.59	-0.26	03/01/2018
<i>MSCI EM (net)</i>			0.90	4.89	1.75	2.32	0.93	-1.03	03/01/2018
Other Growth	1,345,177	3.58	0.00	9.88	57.66	N/A	N/A	24.20	04/01/2021
<i>CA US Private Equity Index</i>			0.00	2.69	3.34	19.88	14.52	10.19	04/01/2021
NB Secondary Opportunities Fund V Offshore[CE]	1,345,177	3.58	0.00	9.88	49.09	N/A	N/A	74.39	03/01/2022
<i>CA US Private Equity Index</i>			0.00	2.69	3.34	19.88	14.52	-1.60	03/01/2022

Returns are net of mutual fund fees.

Returns are expressed as percentages.

*Asset class level returns may vary from individual underlying manager returns due to cash flows.

Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Fixed Income	14,298,356	38.08	-0.30	2.81	0.93	-2.78	1.09	0.88	07/01/2017
<i>Blmbg. U.S. Aggregate</i>			<i>-0.84</i>	<i>2.09</i>	<i>-0.94</i>	<i>-3.97</i>	<i>0.77</i>	<i>0.57</i>	<i>07/01/2017</i>
Baird Core Plus	3,888,621	10.36	-0.44	2.59	0.48	-3.10	1.42	1.16	07/01/2017
<i>Blmbg. U.S. Aggregate</i>			<i>-0.84</i>	<i>2.09</i>	<i>-0.94</i>	<i>-3.97</i>	<i>0.77</i>	<i>0.57</i>	<i>07/01/2017</i>
DoubleLine Core Fixed Income	1,716,398	4.57	-0.59	2.95	-0.09	-2.48	0.59	0.37	09/01/2017
PGIM Total Return Bond Fund	3,165,865	8.43	0.00	3.17	0.71	-3.28	1.11	0.75	09/01/2017
<i>Blmbg. U.S. Aggregate</i>			<i>-0.84</i>	<i>2.09</i>	<i>-0.94</i>	<i>-3.97</i>	<i>0.77</i>	<i>0.36</i>	<i>09/01/2017</i>
Voya Intermediate Bond	1,716,582	4.57	-0.53	2.68	-0.28	-3.31	1.08	-1.62	01/01/2020
<i>Blmbg. U.S. Aggregate</i>			<i>-0.84</i>	<i>2.09</i>	<i>-0.94</i>	<i>-3.97</i>	<i>0.77</i>	<i>-1.75</i>	<i>01/01/2020</i>
iShares Core US Aggregate Bond ETF	2,089,176	5.56	-0.85	2.26	-0.93	-3.97	0.74	-0.96	02/01/2023
<i>Blmbg. U.S. Aggregate</i>			<i>-0.84</i>	<i>2.09</i>	<i>-0.94</i>	<i>-3.97</i>	<i>0.77</i>	<i>-0.95</i>	<i>02/01/2023</i>
iShares Intermediate-Term Corporate Bond ETF	742,014	1.98	-0.38	3.55	2.13	-2.99	2.08	-0.76	10/01/2019
<i>ICE BofA U.S. Corporate 5-10 Year Index</i>			<i>-0.39</i>	<i>3.25</i>	<i>1.86</i>	<i>-2.96</i>	<i>2.18</i>	<i>-0.71</i>	<i>10/01/2019</i>
BBH Limited Duration	323,374	0.86	1.34	3.12	4.82	2.15	2.61	1.74	02/01/2023
<i>Blmbg. U.S. Treasury: 1-3 Year</i>			<i>-0.60</i>	<i>0.98</i>	<i>0.15</i>	<i>-1.12</i>	<i>0.93</i>	<i>0.24</i>	<i>02/01/2023</i>
MainStay MacKay High Yield Corp Bond Fund	656,312	1.75	1.30	5.27	8.89	3.95	3.68	-0.27	06/01/2021
<i>ICE BofA High Yield Master II</i>			<i>1.63</i>	<i>5.42</i>	<i>8.87</i>	<i>3.21</i>	<i>3.18</i>	<i>-1.75</i>	<i>06/01/2021</i>
Other Income	1,867,737	4.97	0.00	-0.26	-3.79	N/A	N/A	-8.42	09/01/2021
<i>Cliffwater Direct Lending Index</i>			<i>0.00</i>	<i>2.69</i>	<i>6.71</i>	<i>9.74</i>	<i>7.88</i>	<i>7.77</i>	<i>09/01/2021</i>
Golub Capital Partners International XIV[CE]	1,440,000	3.83	0.00	N/A	N/A	N/A	N/A	0.00	04/01/2023
<i>Cliffwater Direct Lending Index</i>			<i>0.00</i>	<i>2.69</i>	<i>6.71</i>	<i>9.74</i>	<i>7.88</i>	<i>0.00</i>	<i>04/01/2023</i>
A TEL Private Debt Partners II[CE]	427,737	1.14	0.00	2.15	5.45	N/A	N/A	6.05	10/01/2021
<i>Cliffwater Direct Lending Index</i>			<i>0.00</i>	<i>2.69</i>	<i>6.71</i>	<i>9.74</i>	<i>7.88</i>	<i>6.54</i>	<i>10/01/2021</i>
Cash Equivalent	157,111	0.42	1.20	2.26	3.63	1.26	1.44	1.40	07/01/2017
First American Prime Obligation - Z	157,111	0.42	1.24	2.36	3.84	1.35	1.58	1.56	07/01/2017

*[Current Estimate] At any point in time the valuation for private equity and other illiquid asset classes may be different from market prices due to an inherent lag effect in the industry. The reporting lag inherent in this process means that there can be a valuation lag of a quarter or, in some cases, even longer. For such illiquid asset classes shown herein, performance is calculated for the relevant period(s) using a roll-forward valuation approach whereby the last reported valuation is adjusted for cash flows to provide an initial estimated valuation, typically resulting in a zero return for the lagging period. Performance is adjusted and finalized when the updated valuation is reported. Returns are gross of management fees. The roll-forward valuation methodology described is consistent with guidance provided within the CFA Institute's Global Investment Performance Standards (GIPS). Performance is calculated using the Modified-Dietz time weighted methodology to maintain consistency with the other returns in this exhibit. For since inception IRR performance, please refer to the fund-specific overview page.

Returns are net of mutual fund fees.

Returns are expressed as percentages.

*Asset class level returns may vary from individual underlying manager returns due to cash flows.

Comparative Performance

	Year To Date	2022	2021	2020	2019	2018
Total Fund - Non-Bargaining	7.55	-15.90	12.26	16.85	20.43	-5.18
<i>PFM Blended Benchmark</i>	8.47	-15.52	10.04	14.14	20.02	-4.86
Domestic Equity	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 3000 Index</i>	16.17	-19.21	25.66	20.89	31.02	-5.24
Vanguard Total Stock Market ETF	16.18	-19.50	25.72	20.95	30.80	-5.13
<i>Russell 3000 Index</i>	16.17	-19.21	25.66	20.89	31.02	-5.24
Jensen Quality Growth Fund	10.75	-16.34	30.33	18.62	29.34	2.44
International Equity	10.32	-24.11	N/A	N/A	N/A	N/A
<i>MSCI AC World ex USA (Net)</i>	9.47	-16.00	7.82	10.65	21.51	-14.20
Vanguard Total International Stock ETF	9.47	-15.99	8.69	11.32	21.58	-14.42
J. O. Hambro International Select	13.54	-32.38	9.21	29.71	19.04	-8.27
Harding Loevner International Equity	11.06	-20.23	8.51	20.33	25.23	-13.96
<i>MSCI AC World ex USA (Net)</i>	9.47	-16.00	7.82	10.65	21.51	-14.20
Vanguard FTSE Developed Markets ETF	11.14	-15.35	11.49	10.29	22.08	-14.47
<i>MSCI EAFE (net)</i>	11.67	-14.45	11.26	7.82	22.01	-13.79
Hartford Schroders Emerging Markets Equity	7.14	-22.10	-4.97	23.80	22.36	-15.45
<i>MSCI EM (net)</i>	4.89	-20.09	-2.54	18.31	18.42	-14.57
Other Growth	N/A	N/A	N/A	N/A	N/A	N/A
<i>CA US Private Equity Index</i>	2.69	-4.69	40.33	23.74	13.88	10.19
NB Secondary Opportunities Fund V Offshore[CE]	9.88	N/A	N/A	N/A	N/A	N/A
<i>CA US Private Equity Index</i>	2.69	-4.69	40.33	23.74	13.88	10.19

Returns are net of mutual fund fees.

Returns are expressed as percentages.

*Asset class level returns may vary from individual underlying manager returns due to cash flows.

SunLine Transit Agency

CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Finance/Audit Committee
Board of Directors

RE: Board Member Attendance for July 2023

Summary:

The attached report summarizes the Board of Directors' attendance for fiscal year to date July 2023.

Recommendation:

Receive and file.

FY 23/24	Board Member Matrix Attendance													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Meetings	Total Attended
Desert Hot Springs	X												10	1
Palm Desert	X												10	1
Palm Springs	X												10	1
Cathedral City	X												10	1
Rancho Mirage	X												10	1
Indian Wells	X												10	1
La Quinta	X												10	1
Indio	X												10	1
Coachella	X												10	1
County of Riverside	X												10	1

X - ATTENDED (Primary/Alternate)

DARK –

SunLine Services Group

CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Taxi Committee
Board of Directors

RE: Checks \$1,000 and Over Report for June and July 2023

Summary:

This report lists all of the checks processed at the Agency with a value of over \$1,000 for a given month.

Recommendation:

Receive and file.

**SunLine Regulatory Administration
Checks \$1,000 and Over
June 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
SUNLINE TRANSIT AGENCY	Overhead Allocations June 2023	91210	06/22/2023	2,461.59
SUNLINE TRANSIT AGENCY	Payroll Liabilities 05/26/2023	91202	06/05/2023	2,420.97
SUNLINE TRANSIT AGENCY	Payroll Liabilities 06/23/2023	91214	06/29/2023	2,420.97
SUNLINE TRANSIT AGENCY	Payroll Liabilities 06/09/2023	91206	06/16/2023	2,225.27
Total Checks Over \$1,000	\$9,528.80			
Total Checks Under \$1,000	\$2,615.52			
Total Checks	\$12,144.32			

**SunLine Regulatory Administration
Checks \$1,000 and Over
July 2023**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
Bank Code: SRA-SRA Operating				
SUNLINE TRANSIT AGENCY	Overhead Allocations July 2023	91221	07/19/2023	5,743.42
BURKE, WILLIAMS & SORENSEN, LLP	Legal Services	91216	07/14/2023	5,120.50
SUNLINE TRANSIT AGENCY	Payroll Liabilities 07/07/2023	91220	07/19/2023	2,420.97
SUNLINE TRANSIT AGENCY	Payroll Liabilities 07/21/2023	91222	07/26/2023	2,420.97
Total Checks Over \$1,000	\$15,705.86			
Total Checks Under \$1,000	\$1,623.21			
Total Checks	\$17,329.07			

SunLine Services Group
CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Taxi Committee
Board of Directors

RE: Monthly Budget Variance Report for June & July 2023

Summary:

The budget variance report compares revenues and expenses to the respective line item budgets. The report identifies current monthly revenues and expenses as well as fiscal year to date (FYTD) values. The budgetary figures are represented as a straight line budget. Accordingly, the current monthly budget values are calculated by taking 1/12th of the annual budget. The FYTD budget values for the month of June 2023 are equal to 12/12^{ths} and the month of July 2023 are equal to 1/12^{ths} of the respective yearly budgets.

Year to Date Summary

- As of June 30, 2023, the organization's unaudited revenues are \$14,227 or 7.6% above the FYTD budget.
- As of June 30, 2023, unaudited expenditures are \$48,423 or 25.87% below the FYTD budget.
- The net FYTD unaudited operating gain (loss) after expenses is \$62,650.
- As of July 31, 2023, the organization's revenues are \$2,750 or 16.7% below the FYTD budget.
- As of July 31, 2023, expenditures are \$2,795 or 17.0% below the FYTD budget.
- The net FYTD operating gain (loss) after expenses is \$45.

Recommendation:

Receive and file.

SunLine Regulatory Administration
Budget Variance Report
June 2023

Description	FY23 Total Budget	Current Month			Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY23 FYTD Budget	Positive (Negative)	Percentage Remaining
Revenues:								
Revenue Fines	1,500	100	125	(25)	6,292	1,500	4,792	-319.4%
New Driver Permit Revenue	750	75	63	13	1,725	750	975	-130.0%
Taxi Business Permit	96,000	13,233	8,000	5,233	111,114	96,000	15,114	-15.7%
Driver Transfer Revenue	250	-	21	(21)	125	250	(125)	50.0%
Driver Renewal Revenue	1,500	75	125	(50)	2,025	1,500	525	-35.0%
Driver Permit Reinstatement/Replacement	50	10	4	6	10	50	(40)	80.0%
Vehicle Permit Revenue	85,000	71	7,083	(7,013)	78,636	85,000	(6,364)	7.5%
Other Revenue	650	-	54	(54)	1,500	650	850	-130.8%
Operator Application Fee	1,500	-	125	(125)	-	1,500	(1,500)	100.0%
Total Revenue	187,200	13,564	15,600	(2,036)	201,427	187,200	14,227	7.6%
Expenses:								
Salaries and Wages	89,364	5,196	7,447	2,251	58,231	89,364	31,133	34.8%
Fringe Benefits	32,076	3,447	2,673	(774)	27,398	32,076	4,678	14.6%
Services	27,015	12,116	2,251	(9,864)	35,599	27,015	(8,584)	-31.8%
Supplies and Materials	4,193	(217)	349	566	3,159	4,193	1,034	24.7%
Utilities	22,138	468	1,845	1,376	5,621	22,138	16,517	74.6%
Casualty and Liability	5,589	466	466	0	5,589	5,589	0	0.0%
Taxes and Fees	100	-	8	8	-	100	100	100.0%
Miscellaneous	6,725	63	560	497	3,180	6,725	3,545	52.7%
Total Expenses	187,200	21,539	15,600	(5,939)	138,777	187,200	48,423	25.9%
Total Operating Surplus (Deficit)	\$ -	\$ (7,975)			\$ 62,650			

Budget Variance Analysis - SunLine Regulatory Administration

Revenue

- The positive variance in revenue is largely due to fees associated with taxi business permit revenues.
- As of FYTD23, there is a decrease of 21,664 taxi trips compared to FYTD22.

Taxi Trips

	FY22-June	FY23-June	Variance	%Δ
Trips	7,007	6,738	(269)	-3.8%

Taxi Trips

	FYTD-FY22	FYTD-FY23	Variance	%Δ
Trips	145,448	123,784	(21,664)	-14.9%

Salaries and Wages

- The favorable amount in salary and wage expenses is attributed to a vacant position.

Fringe Benefits

- The favorable amount in fringe benefit expenses is attributed to a vacant position.

Services

- The unfavorable variance in services is due to the costs associated with temporary help services due to the vacant position.

Supplies and Materials

- The unfavorable variance in supplies and materials is due to the cost of CNG fuel related to higher than anticipated use of CNG vehicle

Utilities

- Utility expenses are within an acceptable range of the budget.

Casualty and Liability

- Casualty and liability expenses are within an acceptable range of the budget.

Taxes and Fees

- The favorable variance in taxes and fees is due to timing of expenses.

Miscellaneous

- The favorable variance in miscellaneous is due to timing of expenses for training which have not yet occurred.

SunLine Regulatory Administration
Budget Variance Report
July 2023

Description	FY24 Total Budget	Current Month			Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY24 FYTD Budget	Positive (Negative)	Percentage Remaining
Revenues:								
Revenue Fines	3,500	-	292	(292)	-	292	(292)	100.0%
New Driver Permit Revenue	750	75	63	13	75	63	13	90.0%
Taxi Business Permit	96,000	8,000	8,000	0	8,000	8,000	0	91.7%
Driver Transfer Revenue	125	25	10	15	25	10	15	80.0%
Driver Renewal Revenue	1,800	100	150	(50)	100	150	(50)	94.4%
Driver Permit Reinstatement/Replacement	-	10	-	10	10	-	10	0%
Vehicle Permit Revenue	94,000	5,512	7,833	(2,321)	5,512	7,833	(2,321)	94.1%
Operator Application Fee	1,500	-	125	(125)	-	125	(125)	100.0%
Total Revenue	197,675	13,723	16,473	(2,750)	13,723	16,473	(2,750)	-16.7%
Expenses:								
Salaries and Wages	94,908	8,123	7,909	(214)	8,123	7,909	(214)	91.4%
Fringe Benefits	41,202	4,367	3,434	(934)	4,367	3,434	(934)	89.4%
Services	39,609	119	3,301	3,182	119	3,301	3,182	99.7%
Supplies and Materials	3,965	57	330	273	57	330	273	98.6%
Utilities	5,802	484	484	-	484	484	-	91.7%
Casualty and Liability	5,589	466	466	-	466	466	-	91.7%
Taxes and Fees	100	-	8	8	-	8	8	100.0%
Miscellaneous	6,500	63	542	479	63	542	479	99.0%
Total Expenses	197,675	13,678	16,473	2,795	13,678	16,473	2,795	17.0%
Total Operating Surplus (Deficit)	\$ -	\$ 45			\$ 45			

Budget Variance Analysis - SunLine Regulatory Administration

Revenue

- The negative variance in revenue is largely due to fewer permitted vehicles during the summer months.
- As of FYTD24, there is a decrease of 1,587 taxi trips compared to FYTD23.

Taxi Trips

	FY23-July	FY24-July	Variance	%Δ
Trips	6,594	5,007	(1,587)	-24.1%

Taxi Trips

	FYTD-FY23	FYTD-FY24	Variance	%Δ
Trips	6,594	5,007	(1,587)	-24.1%

Salaries and Wages

- Wage expenses are within an acceptable range of the budget.

Fringe Benefits

- Fringe benefit expenses are within an acceptable range of the budget.

Services

- The favorable variance in services is due to costs not yet incurred for legal and audit services.

Supplies and Materials

- Supplies and material expenses are within an acceptable range of the budget.

Utilities

- Utility expenses are within an acceptable range of the budget.

Casualty and Liability

- Casualty and liability expenses are within an acceptable range of the budget.

Taxes and Fees

- Tax expenses are within an acceptable range of the budget.

Miscellaneous

- Miscellaneous expenses are within an acceptable range of the budget.

SunLine Services Group
CONSENT CALENDAR

DATE: September 27, 2023

RECEIVE & FILE

TO: Taxi Committee
Board of Directors

RE: Taxi Trip Data – July and August 2023

Summary:

The attached charts summarize the total number of taxi trips generated in the Coachella Valley for the previous three (3) month period and total taxi trips for the current fiscal year to date (FYTD) compared to the last two (2) fiscal years.

For the month of July 2023, there were 1,587 fewer taxi trips serviced by four (4) fewer cabs compared to July 2022 (46 cabs in 2023 compared to 50 cabs in 2022). For August 2023, there were 1,251 fewer taxi trips serviced by five (5) fewer cabs compared to August 2022 (49 cabs in 2023 compared to 54 cabs in 2022).

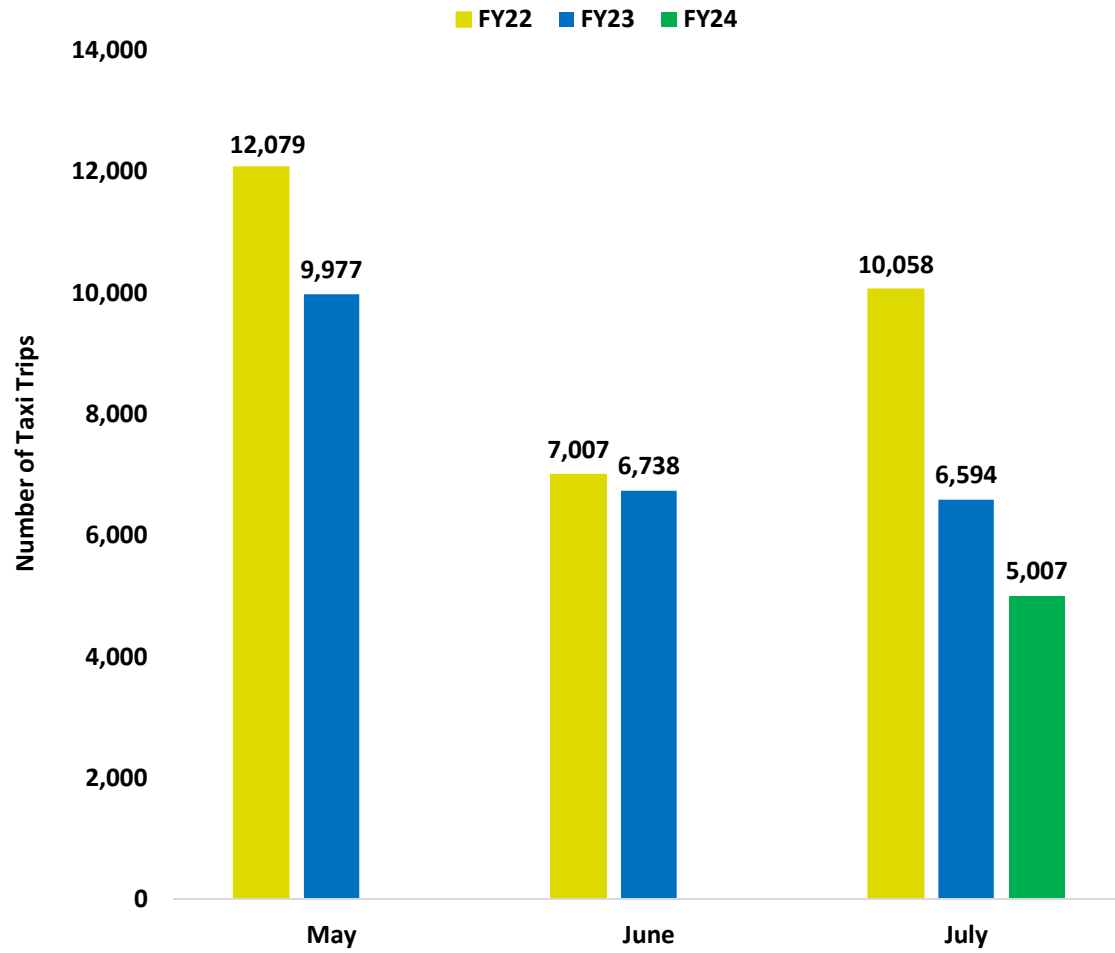
The decrease in trips for July and August 2023 is attributed to fewer in-service cabs as a result of drivers taking extended leaves during the summer months.

There were 2,838 fewer taxi trips for FYTD23 compared to FYTD22.

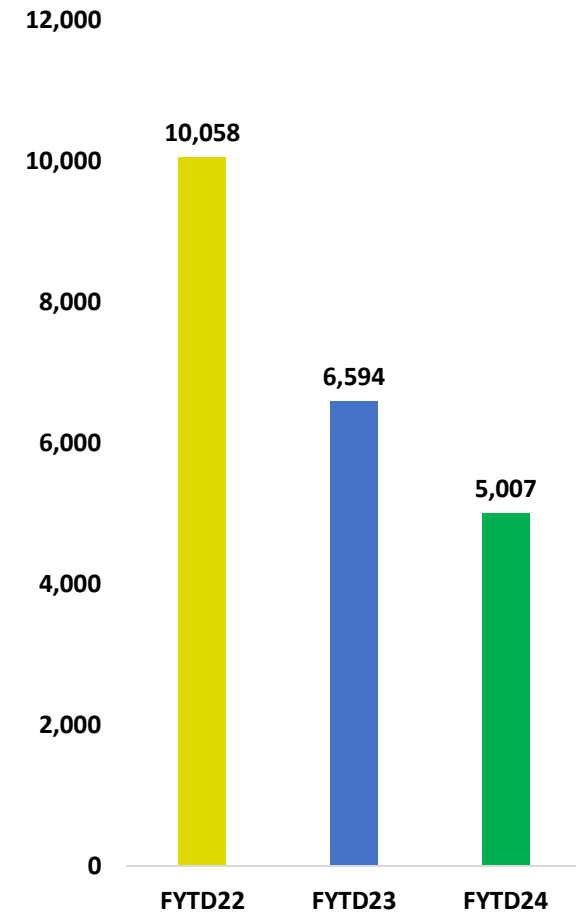
Recommendation:

Receive and file.

Taxi Trip Three (3) Month Comparison as of July 2023



FYTD No. of Taxi Trips

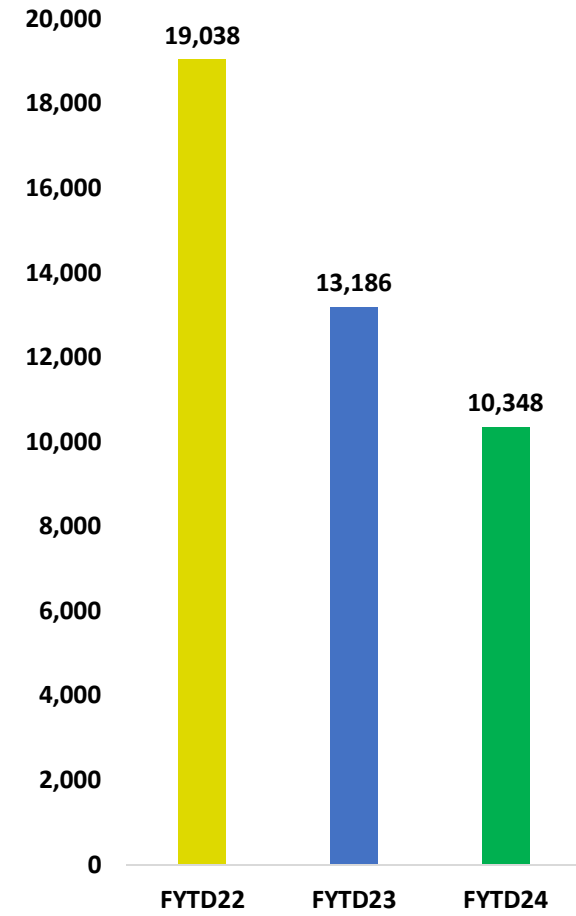


This chart compares the three (3) most recent months and measures the total number of taxi trips taken year to date for FY22, FY23, and FY24.

Taxi Trip Three (3) Month Comparison as of August 2023



FYTD No. of Taxi Trips



This chart compares the three (3) most recent months and measures the total number of taxi trips taken year to date for FY22, FY23, and FY24.

SunLine Transit Agency

DATE: September 27, 2023 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Tina Hamel, Chief of Compliance/Labor Relations (DBELO/EEO)

RE: Approve Disadvantaged Business Enterprise (DBE) Program Update

Recommendation

Recommend that the Board of Directors approve SunLine's attached DBE Program update.

Background

SunLine has established a DBE Program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26, for federal fiscal years (FFY) 2022, 2023 and 2024. SunLine receives financial assistance from the DOT and as a condition of receiving this assistance, SunLine must have an approved program in place.

SunLine must issue a signed and dated policy statement that expresses SunLine's commitment to its DBE Program, state its objectives and outline responsibilities for its implementation. SunLine must circulate the statement throughout the organization and to the DBE and non-DBE business communities that perform work on SunLine's DOT-assisted contracts.

In accordance with the Federal Regulation 49 CFR Part 26, significant changes that occur to the Agency's DBE Program must be submitted for approval. SunLine recently had a significant change by hiring our new CEO/General Manager.

Financial Impact

No financial impact.

Attachment:

- [Item 10a](#) – Redlined Copy of Disadvantaged Business Enterprise Program FFYs 2022-2024
- [Item 10b](#) – Disadvantaged Business Enterprise Program FFYs 2022-2024 (Redlined Changes Accepted)



**DISADVANTAGED BUSINESS
ENTERPRISE PROGRAM
FFYs 2022-2024**
Updated September 2023

**32-505 Harry Oliver Trail
Thousand Palms, CA 92276**



DISADVANTAGED BUSINESS ENTERPRISE PROGRAM POLICY STATEMENT

SunLine Transit Agency (SunLine) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. SunLine has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, SunLine has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of SunLine to ensure that DBEs are defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts
- To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs
- To help remove barriers to the participation of DBEs in DOT assisted contracts
- To assist with the development of firms that can compete successfully in the market place outside the DBE Program

SunLine's ~~Compliance Officer~~Chief of Compliance/Labor Relations (DBELO/EEO) has been delegated as the DBE Liaison Officer. In that capacity, the ~~Compliance Officer~~Chief of Compliance/Labor Relations (DBELO/EEO) is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by SunLine in its financial assistance agreements with the Department of Transportation.

SunLine has disseminated this policy statement to the Board of Directors and all of the components of our organization and will publish this statement to DBE and non-DBE business communities that perform work for us on DOT-assisted contracts.

By: _____

Date: _____

~~Lauren Skiver~~Mona Babauta
CEO/General Manager

SUBPART A – GENERAL REQUIREMENTS

Section 26.1, 26.23 - Objectives

The objectives are found in the policy statement on the first page of this program.

Section 26.3 - Applicability

SunLine is the recipient of federal transit funds authorized by Titles I, III, VI of ISTEA, Pub. L. 102-240 or by Federal transit laws in Title 49, U.S. Code, or Titles I, II, and V of the Teas-21, Pub. L. 105-178.

Section 26.5 – Definitions

SunLine will adopt the definitions contained in Section 26.5 of Part 26 for this program.

Section 26.7 – Non-Discrimination Requirements

SunLine will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, SunLine will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishments of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

Section 26.11 – Record Keeping Requirements

Uniform Report of DBE Awards or Commitments and Payments: 26.11(a)

SunLine will report DBE participation to the Federal Transit Administration (FTA) using the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to the DBE regulation.

Bidders List: 26.11 (c)

SunLine will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted Contracts. The purpose of this requirement is to allow use of the bidder list approach to calculating overall goals. The bidders list will

include the name, address, DBE non-DBE status, age, and annual gross receipts of firms.

SunLine will collect this information in the following ways:

- Vendor profiles on SunLine's website;
- Insert a clause in all agreements requiring prime bidders to report the names/addresses, and other information, of all firms who quote to them on subcontracts;

Section 26.13 – Assurances

Federal Financial Assistance Agreement Assurance: 26.13 (a)

SunLine shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract, or in the administration of its DBE Program or the requirements of 49 CFR Part 26. SunLine shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. SunLine's DBE Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in the agreement. Implementation of this program is a legal obligation and failure to carry out its terms, shall be treated as a violation of this agreement. Upon notification to SunLine of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

This language will appear in financial assistance agreements with Sub-recipients.

Contract Assurance: 26.13 (b)

We will ensure that the following clause is placed in every DOT-assisted contract and subcontract:

The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of the contract, which may result in the termination of this contract, or such other remedy as SunLine deems appropriate.

SUBPART B – ADMINISTRATIVE REQUIREMENTS

Section 26.21 – DBE Program Update

Since SunLine has received a grant of \$250,000 or more in FTA planning capital, and or operating assistance in a federal fiscal year, we will continue to carry out this program until all funds from DOT financial assistance have been expended. We will provide to DOT updates representing significant changes in the program.

Section 26.25 – DBE Liaison Officer (DBELO)

SunLine's CEO/General Manager has designated the following individual as the Agency's DBE Liaison Officer:

Tina Hamel / Chief of Compliance/Labor Relations (DBELO/EEO)
32-505 Harry Oliver Trail
Thousand Palms, CA 92276
Phone (760) 343-3456 Ext. 1445
thamel@sunline.org

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program, and ensuring that SunLine complies with all provisions of 49 CFR Part 26. The DBELO has direct, independent access to the CEO/General Manager concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is found in Attachment 1 to this program.

The DBELO is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. The duties and responsibilities include the following:

- Gathers and reports statistical data and other information as required by DOT
- Reviews third party contracts and purchase requisitions for compliance with this program
- Works with all departments to set overall annual goals
- Ensures that bid notices and requests for proposals are available to DBEs in timely manner
- Identifies contracts and procurements so that DBE goals are included in solicitations (race-neutral methods and contract specific goals attainment) and identifies ways to improve progress
- Analyzes SunLine's progress toward attainment and identifies ways to improve progress
- Participates in pre-bid meetings
- Advises the CEO/General Manager on DBE matters and achievement

- Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance
- Plans and participates in DBE training seminars
- Provides outreach to DBEs and community organizations to advise them of opportunities
- Maintains SunLine’s updated directory on certified DBEs

Section 26.27 – DBE Financial Institutions

It is the policy of SunLine to investigate the full extent of services offered by financial institutions, owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contracts to make use of these institutions. As part of its annual review and update of this plan, SunLine will identify any such institutions. Information on the availability of such institutions can be obtained from the DBE Liaison Officer.

Section 26.29 – Prompt Payment Mechanisms

SunLine will include the following clause in each DOT-assisted prime contract:

- a. *The Contractor will be required to report its DBE participation obtained through race-neutral means throughout the period of performance of this Agreement.*
- b. *The Contractor is required to pay its subcontractors performing work related to this Agreement for satisfactory performance of that work, no later than 10 days after the Contractor’s receipt of payment for that work from the Agency. In addition, the Vendor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor’s work related to this contract is satisfactorily completed.*
- c. *The Contractor must promptly notify the Agency whenever a DBE subcontractor performing work related to this Agreement is terminated, or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The Vendor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Agency.*

Section 26.31 – Directory

SunLine uses the combined statewide directory identifying all firms eligible to participate as DBEs. The directory lists the firm’s name, address, phone number, date of the most

recent certification, and type of work the firm has been certified to perform as a DBE; see Attachment 2.

Section 26.33 – Overconcentration

SunLine has not identified that overconcentration exists in the types of work that DBEs perform.

Section 26.35 – Business Development Programs

SunLine has implemented race and gender-neutral efforts to promote small business concerns, including DBEs. Each year the DBELO will facilitate and/or participate in at least two small business events, which may be coordinated with other U.S. DOT recipients to promote DBE outreach programs. Small businesses will be invited to meet with the Agency's DBE program, purchasing and project management staff and learn about the Agency's contracting program. SunLine staff will have an opportunity to become acquainted with qualified business owners who are interested in supplying services and products to the Agency. In addition, the DBELO will provide information on DBE certification and DBE program requirements and procedures. These events will include procedures explaining how to do business with the Agency and explore best business practices, which may be used to market small businesses.

Section 26.37 – Monitoring and Enforcement Mechanisms

SunLine will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26.

- We will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
- We will consider similar action under our own legal authorities, including responsibility determinations in future contracts. Attachment 3 lists the regulation, provisions, and contract remedies available to us in the events of non-compliance with the DBE regulation by a participant in our procurement activities.
- We will also provide a monitoring and enforcement mechanism, to verify that work committed to DBEs at contract award, is actually performed by the DBEs. This will be accomplished by a written certification that contracting records have been reviewed and work site visits.

- We will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

Section 26.39 – Small Business Participation

SunLine has implemented several strategies to foster small business participation in its contracting process. These include the following:

- Provide outreach by conducting DBE/Small Business Workshops
- In multi-year design-build contracts, or other large contracts (e.g., for “megaprojects”) requiring bidders on the prime contract to specify elements of the contract, or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform
- On larger prime contracts requiring the prime contractor to consider subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved
- Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia, or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts
- Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform

SUBPART C – GOALS, GOOD FAITH EFFORTS, AND COUNTING

Section 26.43 – Set-asides or quotas

SunLine does not use quotas in any way in the administration of this DBE program.

Section 26.45 – Overall Goals

In accordance with Section 26.45, SunLine will submit its triennial overall DBE goal to the FTA. A description of the methodology to calculate the overall goal and the goal calculations can be found in Attachment 4 to this program.

Before establishing the overall goal each year, SunLine will consult with minority, women’s and general contractor groups, community organizations, and other business officials or organizations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and SunLine’s efforts to establish a level playing field for the participation of DBEs.

Following this consultation, we will publish a notice announcing our proposed overall goal, before submission to the FTA on August 1st. The notice will be posted on SunLine's official Internet Website. If the proposed goal changes following review by the FTA, the revised goal will be posted on the official Internet Website.

Our overall goal submission to DOT will include: the goal (including the breakout of estimated race-neutral participation, as appropriate); a copy of the methodology, worksheets, etc., used to develop the goal; a summary of information and comments received during this public participation process and our responses.

SunLine will begin using the proposed overall goal on October 1st of the specified year, unless we have received other instructions from DOT. If we establish a goal on a project basis, we will begin using our goal by the time of the first solicitation for a DOT-assisted contract for the project. Our goal will remain effective for the duration of the three-year period established and approved by FTA.

Section 26.47 – Goal Setting and Accountability

If the awards and commitments shown on SunLine's Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall applicable to that fiscal year, we will:

- Analyze in detail the reason for the difference between the overall goal and the actual awards/commitments;
- Establish specific step and milestones to correct the problems identified in the analysis;
- Submit the plan to FTA within 90 days of the end of the affected fiscal year.

Section 26.49 – Transit Vehicle Manufacturers Goals

SunLine will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, to certify that it has complied with the requirements of this section. Alternatively, SunLine may, at its discretion and with FTA approval, establish project-specific goals for the DBE participation in the procurement of transit vehicles in lieu of the TVM complying with this element of the program.

SunLine will submit within 30 days of making an award, the name of the successful bidder, and the total dollar value of the contract to FTA.

Section 26.51 – Meeting Overall Goals/Contract Goals

SunLine will meet the maximum feasible portion of its overall goal using race-neutral means of facilitating DBE participation. In order to do so, SunLine will:

- Arrange solicitations, times for the presentation of bids, quantities, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more assessable to small business

SunLine will use contract goals to meet any portion of the overall goal SunLine does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

We will establish contract goals only on these DOT-assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work.)

We will express our contract goals as a percentage of total amount of a DOT-assisted contract.

Section 26.53 – Good Faith Efforts Procedures

Award of Contracts with a DBE Contract Goal: 26.53 (a)

In those instances where a contract-specific DBE goal is included in a procurement/solicitation, SunLine will not award the contract to a bidder who does not either: (1) meet the contract goal with certified, countable DBE participation; or (2) documents it has made adequate good faith efforts to meet the DBE contract goal, even though it was unable to do so. It is the obligation of the bidder to demonstrate it has made sufficient good faith efforts prior to submission of its bid.

Evaluation of Good Faith Efforts: 26.53 (a) & (c)

The process used to determine whether good faith efforts have been made by a bidder are as follows: The bidder/offeror can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26.

We will ensure that all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before we commit to the performance of the contract by the bidder/offeror.

Information to be Submitted: 26.53 (b)

SunLine treats bidder/offeror's compliance with good faith efforts requirements as a matter of responsiveness.

Each solicitation for which a contract goal has been established will require the bidder/offerors to submit the following information no later than five (5) days after bid opening:

- The names and addresses of DBE firms that will participate in the contract;
- A description of the work that each DBE will perform;
- The dollar amount of the participation of each DBE firm participating;
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
- Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractors commitment and
- If the contract goal is not met, evidence of good faith efforts

Administrative Reconsideration: 26.53 (d)

Within 15 days of being informed by SunLine that it is not responsive because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the following reconsideration official:

Deputy Chief Financial Officer
32-505 Harry Oliver Trail
Thousand Palms, CA 92276
Phone (760) 343-3456

The reconsideration official will not have played any role in the original determination, that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation, or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/offeror will have the opportunity to meet in person with our reconsideration official, to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. We will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal, or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the department of Transportation.

Good Faith Efforts when a DBE is Terminated/Replaced on a Contract with Contract Goals: 26.53 (f)

SunLine requires that prime contractors not terminate a DBE subcontractor listed on a bid/contract with a DBE contract goal without SunLine's prior written consent. Prior

written consent will only be provided where there is “good cause” for termination of the DBE firm, as established by Section 26.53 (f)(3) of the DBE regulation.

Before transmitting to SunLine its request to terminate, the prime contractor must submit a notice in writing to the DBE of its intent to do so. A copy of this notice must be provided to SunLine prior to consideration of the request to terminate. The DBE will then have five (5) days to respond and advise SunLine of why it objects to the proposed termination.

In those instances where “good cause” exists to terminate a DBE’s contract, SunLine will require the prime contractor to make good faith efforts to replace a DBE that is terminated, or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. We will require the prime contractor to notify the DBE Liaison Officer immediately, of the DBE’s inability, or unwillingness to perform and provide reasonable documentation.

In this situation, we will require the prime contractor to obtain our prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

If the contractor fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of payment/work, until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

Sample Bid Specification:

The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of SunLine to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this contract will be conditioned upon satisfying the requirements of this bid specification. These requirements apply to all bidders/offerors, including those who qualify as a DBE. A DBE contract goal of ____ percent has been established for this contract. The bidder/offeror shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26, to meet the contract goal for DBE participation in the performance of this contract.

The bidder/offeror will be required to submit the following information: (1) the names and addresses of DBE firms that will participate in the contract; (2) a description of the work that each DBE firm will perform; (3) the dollar amount of the participation of each DBE firm participating; (4) Written documentation of the bidder/offeror’s commitment to use a DBE subcontractor, whose participation it submits to meet the contract goal; (5) Written confirmation from the DBE, that it is participating in the contract as provided in the commitment made under (4) and (5) if that contract goal is not met, evidence of good faith efforts.

Section 26.55 – Counting DBE Participation

SunLine will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

Section 26.65 – Business Size Determinations

- a. To be an eligible DBE, a firm (including its affiliates) must be an existing small business, as defined by Small Business Administration (SBA) standards. As a recipient SunLine will apply current SBA business size standards found in 13 CFR part 121, appropriate to the types of work the firm seeks to perform in DOT-assisted contracts, including the primary industry classification of the applicant.
- b. Even if the firm meets the requirements of paragraph (a) of this section, a firm is not an eligible DBE in any Federal fiscal year if the firm (including its affiliates) has had average annual gross receipts, as defined by SBA regulations (see 13 CFR 121.402), over the firm's previous three (3) fiscal years, in excess of \$26.29 million.
- c. SunLine adjusts the number in paragraph (b) of this section annually, using the Department of Commerce price deflators for purchases by State and local governments as the basis for this adjustment.

SUBPART D & E - CERTIFICATION

Section 26.81 – Unified Certification Programs

SunLine is a member of the Unified Certification Program (UCP) administered by Caltrans. The UCP will meet all of the requirements of this section. SunLine will use and count for DBE credit only those DBE firms certified by the California Unified Certification Program (CUCP). A listing of DBE's certified by the CUCP is available from Caltrans' Office of Civil Rights website <https://californiaucp.dbesystem.com/>. The following table represents a list of current Certifying Member Agencies:

Agency	Business Address	Telephone No.	Fax No.
City of Los Angeles Bureau of Contract Admin. Centralized Certification Section Email: bca.certifications@lacity.org http://bca.lacity.org/	1149 South Broadway Street, Suite 300 Los Angeles, CA 90015	(213) 847-2684	(213) 847-2777

Los Angeles County Metropolitan Transportation Authority (METRO) Diversity and Economic Opportunity Department Email: certificationunit@metro.net https://metro.gob2q.com/	One Gateway Plaza, MS 99-8-4 Los Angeles, CA 90012	(213) 922-2600	(213) 922-7660
S.F. Bay Area Rapid Transit District (BART) Office of Civil Rights www.bart.gov	300 Lakeside Drive 16 th Floor Oakland, CA 94612	(510) 464-6100	(510) 464-7587
City of Fresno Finance Department, Purchasing Division, DBE Program www.fresno.gov	2600 Fresno Street Room 2156 Fresno, CA 93721-3622	(559) 621-7036	(559) 488-1069
Santa Clara Valley Transportation Authority (VTA) Business Diversity Programs Email: osdb.osdb@vta.org https://www.vta.org/business-center/business-diversity-programs	3331 North First Street Bldg. B San Jose, CA 95134-1906	(408) 321-5962	(408) 955-9729
San Francisco Municipal Transportation Agency (SFMTA) Contract Compliance Office www.sfmuni.com	1 S. Van Ness Avenue 6 th Floor San Francisco, CA 94103	(415) 701-4436	(415) 701-4347
San Mateo County Transit District (SAMTRANS) / Peninsula Corridor Joint Powers Board (JPB) DBE Office www.samtrans.com	1250 San Carlos Avenue San Carlos, CA 94070	(650) 508-7939	(650) 508-7738
California Department of Transportation (CALTRANS) Office of Civil Rights www.dot.ca.gov	1823 14 th Street Sacramento, CA 95811	(916) 324-1700 (866) 810-6346	(916) 324-1862

SUBPART F – COMPLIANCE AND ENFORCEMENT

Section 26.109 – Information, Confidentiality, Cooperation

SunLine will safeguard from disclosure to third parties information that may reasonably be regarded as confidential business information, consistent with Federal, State, and local law. Confidentiality of proposals is considered by SunLine as an essential element of maintaining fairness during the evaluation process. However, confidentiality cannot be guaranteed under the California Public Records Act.

Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

Monitoring Payments to DBEs

We will require prime contractors to maintain records and documents of payments to DBEs, for three years following the performance of the contract. These records will be made available for inspection upon request, by any authorized representative of SunLine or DOT. This reporting requirement also extends to any certified DBE subcontractor.

We will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors, to ensure that the actual amount paid to DBE subcontractors equals, or exceeds the dollar amounts stated in the schedule of DBE participation.

ATTACHMENTS

Attachment 1: Organizational Chart

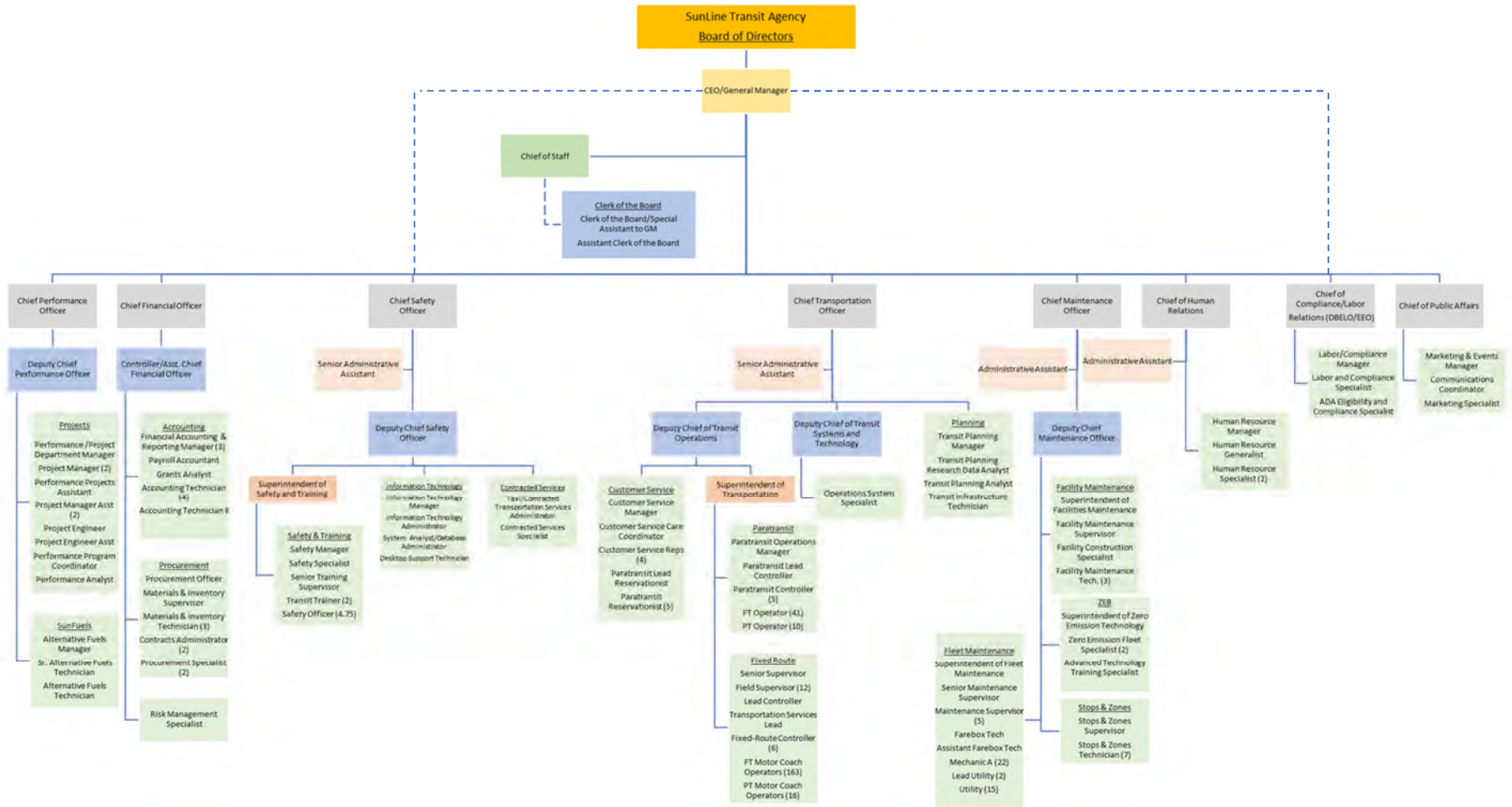
Attachment 2: DBE Directory

Attachment 3: Monitoring and Enforcement Mechanisms/Legal Remedies

Attachment 4: Goal Setting Methodology

Attachment 5: Certification Forms

Attachment 6: DBE Regulation, 49 CFR Part 26



DBE Directory

SunLine participates in the **(CUCP)** CALIFORNIA UNIFIED CERTIFICATION PROGRAM and utilizes the DBE query forms available on the Caltrans website.

<https://dot.ca.gov/programs/civil-rights/dbe-search>

<https://californiaucp.dbesystem.com/>

Monitoring and Enforcement Mechanisms

SunLine has available several remedies to enforce the DBE requirements contained in its contracts, including, but not limited to the following:

- Breach of contract action, pursuant to the terms of the contract
- Breach of contract action, pursuant to California Civil Code 2010
- The California Whistleblower Act authorizes the California State Auditor to receive complaints from state employees and members of the public

In addition, the federal government has available several enforcement mechanisms that it may apply to firms participating in the DBE program, including, but not limited to the following:

- Suspension or debarment proceedings pursuant to 49 CFR part 26
- Enforcement action pursuant to 49 CFR part 31
- Prosecution pursuant to 18 USC 1001

SunLine Transit Agency
DISADVANTAGED BUSINESS ENTERPRISE
TRIENNIAL GOAL FEDERAL FISCAL YEARS 2022–2024

As required by Federal Regulations 49 CFR Part 26.45, public agencies receiving Federal Department of Transportation assisted funds, who anticipate awarding \$250,000 or more in DOT-assisted contracts, must adopt a three-year DBE goal.

The goal setting process consists of two steps. Step one determines the base figure for the relative availability of DBEs. Step two determines what adjustment, if any, may be needed.

STEP ONE

1. ANTICIPATED PROJECTS FOR FEDERAL FISCAL YEARS 2022-2024

The following projects represent the anticipated federally funded contracting opportunities for the Federal Fiscal Year beginning October 1, 2021 through September 30, 2024. The Agency has projected \$1,485,532.00 federal dollars are available for DBE contracting opportunities over the three-year term; see Exhibit A.

2. GOAL METHODOLOGY

A base figure is calculated by first determining the number of ready, willing and able DBEs using the North American Industry Classification System (NAICS) and the Local Market Area. NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing and publishing statistical data related to the U.S. business economy. The NAICS codes included in this methodology represent specific types of work the Agency anticipates will be performed on its DOT-assisted contracts over the next three fiscal years.

The local market area for each NAICS code reflects the area in which the majority of the contractors and subcontractors with which the Agency does business are located and the area in which the majority of the contracting dollars are spent.

Exhibit A identifies the NAICS codes for each of the Agency's DOT-assisted contracts with DBE contracting opportunities and the local market area for each NAICS code.

To determine the number of all ready, willing and able firms, the Agency used the six-digit level NAICS information available from the U.S. Census Censtats Database, *County Business Patterns Data*, for the local market area of Riverside, San Bernardino, Los Angeles, and San Diego Counties.

The Agency queried the relative NAICS codes in the DBE Firm Search listed in the California Unified Certification Program (CUCP) database accessible on the Caltrans website who have indicated an interest in doing business in Riverside, San Bernardino, Los Angeles, and San Diego Counties.

DBE regulations require the use of the most refined data available to avoid over estimating the number of firms in the goal calculation.

3. WEIGHTING

To help ensure the step one base figure is as accurate as possible, the Agency weighted the relative availability calculation discussed above. To calculate the percentage of weight, the sum of DOT-assisted contracts for each NAICS code was divided by the sum of all DOT-assisted contracts; see Exhibit A.

4. ROUNDED, WEIGHTED STEP ONE BASE FIGURE

Based on the above analysis, the Agency's step one base figure is 0.0634, or 6% when rounded to the nearest whole number; see Exhibit A.

STEP TWO

1. ADJUSTMENTS TO THE BASE FIGURE

Step two of the goal setting process is intended to adjust the step one base figure. Once the base figure is calculated, all evidence available in the jurisdiction must be examined to determine if an adjustment to the base figure is needed to arrive at the overall goal.

Several factors as outlined under 49 CFR Part 26.45 were considered to see if there was a need to adjust the base goal. Evidence considered in making an adjustment to the Base Figure included Past DBE Goal Attainments and other evidence, as follows.

- **Past DBE Goal Attainments**

As historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform, past DBE participation attainments for the five (5) federal fiscal years, for which DBE attainment data is available. The table below reflects the demonstrated capacity of DBEs on FTA-assisted contracts awarded by SunLine within the last five (5) federal fiscal years.

Federal Fiscal Year (FFY)	FTA DBE Goal Attainment %
2016	7.3%
2017	7.8%
2018	11.3%
2019	6.0%
2020	24.0%
Median DBE Attainment Within the Last Five (5) Years	7.8%

The reporting periods shown above, along with the median DBE past participation percentage, represent evidence of DBE participation in the Agency's program. Goals from other agencies were not utilized as an adjustment factor for SunLine's overall goal as no other U.S. DOT recipients having substantially similar contracting opportunities were identified in the market area. One disparity study, Advancement Project California; Race Counts, racecounts.org 2021, Riverside County, was reviewed. The study did not use NAICS codes to determine the types of businesses referenced and whether they would apply to the upcoming projects. SunLine did not find other disparity studies within their jurisdiction and/or market area to consider in this step of the goal setting analysis. In reviewing the information presented above, staff recommends (no adjustment) be made to the proposed overall Agency goal of **6%**.

UTILIZATION OF RACE/GENDER-NEUTRAL METHOD

The Agency will annually meet its overall goal by using race-neutral methods to facilitate DBE participation. The Agency actively seeks to solicit procurement participation from DBE certified firms and affirmatively ensures the same in its public notices.

Race-neutral methods include, but are not necessarily limited to, the following:

- DBE participation through a prime contract obtained through competitive procurement procedures
- DBE participation through a subcontract on a prime contract without a DBE goal
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in its award process
- Agency participation in local area DBE outreach events

The Agency will also make efforts to ensure that Requests for Proposals (RFPs), Invitation for Bids (IFBs) and all corresponding contracting requirements facilitate participation to DBEs and other small businesses. The Agency encourages prime

contractors to subcontract portions of the work to DBEs. Formal RFPs and IFBs are available on the Agency's website as is the Agency's DBE policy and general information about "how to do business" with the Agency.

PUBLIC PARTICIPATION

In accordance with 49 CFR Part 26.45(g), as amended by the Final Rule effective November 3, 2014, to establish its overall goal, the Agency must provide for consultation and publication.

1. CONSULTATION

The consultation must include a scheduled, direct, interactive exchange with minority, women's and general contractor groups, community organizations and other officials or organizations which could be expected to have information concerning:

- The availability of disadvantaged and non-disadvantaged businesses
- The effects of discrimination on opportunities for DBEs
- The Agency's efforts to establish a level playing field for DBE participation

To comply with this requirement, SunLine met with DBE and non-DBE businesses, public agencies, community organizations and affected groups during the following workshops:

- Greater Coachella Valley Chamber of Commerce—Chamber Connect; June 4, 2021
- SunLine Transit Agency Virtual DBE & Small Business Outreach; June 8, 2021

SunLine also met with the following groups via Zoom during the workshops listed above. No comments were received regarding the proposed DBE.

- A Fair Way Mediation Center
- BBSI—La Quinta
- California Behavioral Health
- Dandelion Consulting Group
- Flower Market
- Food Now – Desert Hot Springs
- Friends of the Indio Senior Center
- G-Aries Visions
- LASR-INK – Corp dba Central Printer Resources
- Metrics Bookkeeping & Taxes

- R.IZZO Strategic Solutions
- Resort Opportunities
- Service Zoom WebDesign and Marketing Agency
- Spectrum Reach
- Thryv

2. PUBLICATION

SunLine issued notice on their website of the SunLine draft proposed FTA overall DBE Goal Methodology for FFY 2022 – 2024. This notice informed the public that the proposed goal and rationale are available for inspection at the offices of SunLine during normal business hours and that SunLine would accept comments on the goal analysis for 30 days from the date of the Public Notice. No comments were received during this comment period.

ESTABLISHMENT OF GOAL

Based upon the information and methodology presented above, it is proposed that the Agency's overall annual goal for the Federal Fiscal Year 2022-2024 be established at **6.0%**.

RACE-NEUTRAL MEASURES

In conformance with 49 CFR Part 26 and in further response to FTA notices issued to Public Transportation Providers regarding DOT's DBE Program and Race-Neutral Policy Implementation Guidance, SunLine is required to submit and implement a **strictly Race-Neutral Overall Annual DBE Goal for FFY 2022-2024**, due to the absence of readily available evidence of discrimination and its effects in its marketplace.

SunLine will implement Race-Neutral measures to meet its Overall Annual DBE Goal objectives in accordance with 49 CFR Part 26.51, including but not limited to:

- Arranging timely solicitations, times for the presentation of bids, quantities, specifications and delivery schedules in ways that facilitate DBEs and other small business firms' participation.
- Unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own work forces.
- Providing information and communications programs on contracting procedures and specific contract opportunities.

EXHIBIT A

DOT-ASSISTED CONTRACTS WITH DBE CONTRACTING OPPORTUNITIES FOR FEDERAL FISCAL YEARS 2021-2024

Projects	Federal Share	NAICS US Census	Weighted Value = Project Value/Total Federal Dollars	No. Vendors	No. DBE Vendors	Relative Availability of DBE's = DBE Vendors/Total Vendors	Weighted Base Figure = Weighted Value x Relative Availability of DBE's	Dollars Available to DBE's = Federal Share x Weighted Base Figure
Facility Improvments - Demolition of Existing Operations Trailers	\$ 59,440.00	238910	0.0400	980	140	0.1429	0.0057	\$ 339.76
Facility Improvments - Installation of Pre-Fabricated Maintenance Facility	\$ 594,400.00	236220	0.4001	1789	212	0.1185	0.0474	\$ 28,183.90
Facility Improvments - Upgrade Access Control in Admin Building	\$ 6,687.00	238210	0.0045	3948	168	0.0426	0.0002	\$ 1.28
Facility Improvments and EV charging	\$ 63,155.00	335999	0.0425	46	10	0.2174	0.0092	\$ 583.68
Facility Improvments - Demolish and Remodel 2 Bathrooms in Maintenance	\$ 111,450.00	238220	0.0750	4657	51	0.0110	0.0008	\$ 91.57
Upgrades to Gate and Guardshack	\$ 221,720.00	561621	0.1493	326	20	0.0613	0.0092	\$ 2,030.21
Bus Stop Improvments	\$ 28,680.00	332311	0.0193	21	4	0.1905	0.0037	\$ 105.47
Mobile Command Center	\$ 400,000.00	811121	0.2693	1882	10	0.0053	0.0014	\$ 572.29
Total	\$ 1,485,532.00		1.0000	13649	615	0.5323	0.0634	\$ 29,200.20
						Goal Percent	6.34	
						Goal Dollar Amount	\$ 29,200.20	



EXHIBIT B

SunLine Transit Agency

DISADVANTAGED BUSINESS ENTERPRISE

TRIENNIAL GOAL FEDERAL FISCAL YEARS 2022–2024

In accordance with 49 CFR Part 26, SunLine Transit Agency, announces a proposed Federal Transit Administration (FTA) Disadvantaged Business Enterprise (DBE) overall goal of 6% during the 2022-2024 federal fiscal years beginning October 1, 2021. This race-neutral goal represents the percentage of work to be performed by certified DBE firms on SunLine FTA-assisted projects during each federal fiscal year of the project period.

The methodology used to determine the proposed goal will be available for public inspection for thirty (30) days from the date of this notice, Monday through Friday from 8:00 AM to 5:00 PM at the following location:

SunLine Transit Agency
32505 Harry Oliver Trail
Thousand Palms, CA 92276
Tel: (760) 343-3456

SunLine will accept comments on this proposed goal for 30 days from the date of this notice. Written comments to the SunLine DBE Liaison Officer, Tina Hamel, may be sent to the address above and/or emailed to thamel@sunline.org.

Posted 6/9/2021

[DBE Goal posted on STA website.](#)



OMB APPROVAL NO:
2105-0510
Expiration Date: 10/31/2021

Appendix F

UNIFORM CERTIFICATION APPLICATION
DISADVANTAGED BUSINESS ENTERPRISE (DBE) /
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
49 C.F.R. Parts 23 and 26

Roadmap for Applicants

1. Should I apply?

You may be eligible to participate in the DBE/ACDBE program if:

- The firm is a for-profit business that performs or seeks to perform transportation related work (or a concession activity) for a recipient of Federal Transit Administration, Federal Highway Administration, or Federal Aviation Administration funds.
- The firm is at least 51% owned by a socially and economically disadvantaged individual(s) who also controls it.
- The firm's disadvantaged owners are U.S. citizens or lawfully admitted permanent residents of the U.S.
- The firm meets the Small Business Administration's size standard and DBE/ACDBE size standards—
<https://www.transportation.gov/DBEsizestandards>

2. How do I apply?

First time applicants for DBE certification must complete and submit this certification application and related material to the certifying agency in your home state and participate in an on-site interview conducted by that agency. The attached document checklist can help you locate the items you need to submit to the agency with your completed application. If you fail to submit the required documents, your application may be delayed and/or denied. Firms already certified as a DBE do not have to complete this form, but may be asked by certifying agencies outside of your home state to provide a copy of your initial application form, supporting documents, and any other information you submitted to your home state to obtain certification or to any other state related to your certification.

3. Where can I send my application? [INSERT UCP PARTICIPATING MEMBER CONTACT INFORMATION]

4. Who will contact me about my application and what are the eligibility standards? A transportation agency in your state that performs certification functions will contact you. The agency is a member of a statewide Unified Certification Program (UCP), which is required by the U.S. Department of Transportation. The UCP is a one-stop certification program that eliminates the need for your firm to obtain certification from multiple certifying agencies within your state. The UCP is responsible for certifying firms and maintaining a database of certified DBEs and ACDBEs, pursuant to the eligibility standards found in 49 C.F.R. Parts 23 and 26.

5. Where can I find more information?

U.S. DOT—<https://www.transportation.gov/civil-rights> (This site provides useful links to the rules and regulations governing the DBE/ACDBE program, questions and answers, and other pertinent information)

SBA—Small Business Size Standards matched to the North American Industry Classification System (NAICS):
<http://www.census.gov/eos/www/naics/> and <http://www.sba.gov/content/table-small-business-size-standards>.

In collecting the information requested by this form, the Department of Transportation (Department) complies with the provisions of the Federal Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a). The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Department's Disadvantaged Business Enterprise Program as defined in 49 C.F.R. §26.5 and the Airport Concession Disadvantaged Business Enterprise Program as defined in 49 C.F.R. §23.3. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).

Under 49 C.F.R. §26.107, dated February 2, 1999 and January 28, 2011, if at any time, the Department or a recipient has reason to believe that any person or firm has willfully and knowingly provided incorrect information or made false statements, the Department may initiate suspension or debarment proceedings against the person or firm under 2 C.F.R. Parts 180 and 1200, No procurement Suspension and Department, take enforcement action under 49 C.F.R. Part 31, Program Fraud and Civil Remedies, and/or refer the matter to the Department of Justice for criminal prosecution under 18 U.S.C. 1001, which prohibits false statements in Federal programs.



**INSTRUCTIONS FOR COMPLETING THE
DISADVANTAGED BUSINESS ENTERPRISE (DBE)
AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
UNIFORM CERTIFICATION APPLICATION**

NOTE: All participating firms must be for-profit enterprises. If your firm is not for profit, then you do NOT qualify for the DBE/ACDBE program and should not complete this application. If you require additional space for any question in this application, please attach additional sheets or copies as needed, taking care to indicate on each attached sheet/copy the section and number of this application to which it refers.

Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

- (1) Enter the contact name and title of the person completing this application and the person who will serve as your firm's contact for this application.
- (2) Enter the legal name of your firm, as indicated in your firm's Articles of Incorporation or charter.
- (3) Enter the primary phone number of your firm.
- (4) Enter a secondary phone number, if any.
- (5) Enter your firm's fax number, if any.
- (6) Enter the contact person's email address.
- (7) Enter your firm's website addresses, if any.
- (8) Enter the street address of the firm where its offices are physically located (not a P.O. Box).
- (9) Enter the mailing address of your firm, if it is different from your firm's street address.

B. Prior/Other Certifications and Applications

- (10) Check the appropriate box indicating whether your firm is currently certified in the DBE/ACDBE programs, and provide the name of the certifying agency that certified your firm. List the dates of any site visits conducted by your home state and any other states or UCP members. Also provide the names of state/UCP members that conducted the review.
- (11) Indicate whether your firm or any firms owned by the persons listed has ever been denied certification as a DBE/ACDBE, 8(a), or Small Disadvantaged Business (SDB) firm, or state and local MBE/WBE firm. Indicate if the firm has ever been decertified from one of these programs. Indicate if the application was withdrawn or whether the firm was debarred, suspended, or otherwise had its bidding privileges denied or restricted by any state or local agency, or Federal entity. If your answer is yes, identify the name of the agency, and explain fully the nature of the action in the space provided. Indicate if you have ever appealed this decision to the Department and if so, attach a copy of USDOT's final agency decision(s).

Section 2: GENERAL INFORMATION

A. Business profile:

- (1) Give a concise description of the firm's primary activities, the product(s) or services the company provides, or type of construction. If your company offers more than one product/service, list primary product or service first (attach additional sheets if necessary). This description may be used in our UCP online directory if you are certified as a DBE.

- (2) If you know the appropriate NAICS Code for the line(s) of work you identified in your business profile, enter the codes in the space provided.
- (3) State the date on which your firm was established as stated in your firm's Articles of Incorporation or charter.
- (4) State the date each person became a firm owner.
- (5) Check the appropriate box describing the manner in which you and each other owner acquired ownership of your firm. If you checked "Other," explain in the space provided.
- (6) Check the appropriate box that indicates whether your firm is "for profit." **If you checked "No," then you do NOT qualify for the DBE/ACDBE program** and should not complete this application. All participating firms must be for-profit enterprises. Provide the Federal Tax ID number as stated on your firm's Federal tax return.
- (7) Check the appropriate box that describes the type of legal business structure of your firm, as indicated in your firm's Articles of Incorporation or similar document. If you checked "Other," briefly explain in the space provided.
- (8) Indicate in the spaces provided how many employees your firm has, specifying the number of employees who work on a full-time, part-time, and seasonal basis. Attach a list of employees, their job titles, and dates of employment, to your application.
- (9) Specify the firm's gross receipts for each of the past three years, as stated in your firm's filed Federal tax returns. You must submit complete copies of the firm's Federal tax returns for each year. If there are any affiliates or subsidiaries of the applicant firm or owners, you must provide these firms' gross receipts and submit complete copies of these firm(s) Federal tax returns. Affiliation is defined in 49 C.F.R. §26.5 and 13 C.F.R. Part 121.

B. Relationships and Dealings with Other Businesses

- (1) Check the appropriate box that indicates whether your firm is co-located at any of its business locations, or whether your firm shares a telephone number(s), a post office box, any office space, a yard, warehouse, other facilities, any equipment, financing, or any office staff and/or employees with any other business, organization or entity of any kind. If you answered "Yes," then specify the name of the other firm(s) and fully explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or oral



agreement. Provide an explanation of any items shared with other firms in the space provided.

- (2) Check the appropriate box indicating whether any other firm currently has or had an ownership interest in your firm at present or at any time in the past. If you checked yes, please explain.
- (3) Check the appropriate box that indicates whether at present or at any time in the past your firm:
 - (a) ever existed under different ownership, a different type of ownership, or a different name;
 - (b) existed as a subsidiary of any other firm;
 - (c) existed as a partnership in which one or more of the partners are/were other firms;
 - (d) owned any percentage of any other firm; and
 - (e) had any subsidiaries of its own.
 - (f) served as a subcontractor with another firm constituting more than 25% of your firm's receipts.

If you answered "Yes" to any of the questions in (3)(a-f), you may be asked to explain the arrangement in detail.

Section 3: MAJORITY OWNER INFORMATION

Identify all individuals or holding companies with any ownership interest in your firm, providing the information requested below (if your firm has more than one owner, provide completed copies of this section for each owner):

A. Identify the majority owner of the firm holding 51% or more ownership interest

- (1) Enter the full name of the owner.
- (2) Enter his/her title or position within your firm.
- (3) Give his/her home phone number.
- (4) Enter his/her home (street) address.
- (5) Indicate this owner's gender.
- (6) Identify the owner's ethnic group membership. If you checked "Other," specify this owner's ethnic group/identity not otherwise listed.
- (7) Check the appropriate box to indicate whether this owner is a U.S. citizen or a lawfully admitted permanent resident. If this owner is neither a U.S. citizen nor a lawfully admitted permanent resident of the U.S., then this owner is NOT eligible for certification as a DBE owner.
- (8) Enter the number of years during which this owner has been an owner of your firm.
- (9) Indicate the percentage of the total ownership this person holds and the date acquired, including (if appropriate), the class of stock owned.
- (10) Indicate the dollar value of this owner's initial investment to acquire an ownership interest in your firm, broken down by cash, real estate, equipment, and/or other investment. Describe how you acquired your business and attach documentation substantiating this investment.

B. Additional Owner Information

- (1) Describe the familial relationship of this owner to each other owner of your firm and employees.
- (2) Indicate whether this owner performs a management or supervisory function for any other business. If you checked "Yes," state the name of the other business and this owner's function/title held in that business.

- (3) (a) Check the appropriate box that indicates whether this owner owns or works for any other firm(s) that has any relationship with your firm. If you checked "Yes," identify the name of the other business, the nature of the business relationship, and the owner's function at the firm.
 - (b) If the owner works for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week, please identify this activity.
- (4) (a) Provide the personal net worth of the owner applying for certification in the space provided. Complete and attach the accompanying "Personal Net Worth Statement for DBE/ACDBE Program Eligibility" with your application. Note, complete this section and accompanying statement only for each owner applying for DBE qualification (i.e., for each owner claiming to be socially and economically disadvantaged).
- (b) Check the appropriate box that indicates whether any trust has been created for the benefit of the disadvantaged owner(s). If you answered "Yes," you may be asked to provide a copy of the trust instrument.
- (5) Check the appropriate to indicate whether any of your immediate family members, managers, or employees, own, manage, or are associated with another company. Immediate family member is defined in 49 C.F.R. §26.5. If you answered "Yes," provide the name of each person, your relationship to them, the name of the company, the type of business, and whether they own or manage the company.

Section 4: CONTROL

A. Identify the firm's Officers and Board of Directors

- (1) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each officer.
- (2) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each individual serving on your firm's Board of Directors.
- (3) Check the appropriate box to indicate whether any of your firm's officers and/or directors listed above performs a management or supervisory function for any other business. If you answered "Yes," identify each person by name, his/her title, the name of the other business in which s/he is involved, and his/her function performed in that other business.
- (4) Check the appropriate box that indicates whether any of your firm's officers and/or directors listed above own or work for any other firm(s) that has a relationship with your firm. (e.g., ownership interest, shared office space, financial investments, equipment leases, personnel sharing, etc.) If you answered "Yes," identify the name of the firm, the individual's name, and the nature of his/her business relationship with that other firm.

B. Duties of Owners, Officers, Directors, Managers and Key Personnel

- (1), (2) Specify the roles of the majority and minority owners, directors, officers, and managers, and key personnel who are responsible for the functions listed for the firm. Submit résumés for each owner and non-owner identified below. State the name of the individual, title, race



and gender and percentage ownership if any. Circle the frequency of each person's involvement as follows: "always, frequently, seldom, or never" in each area.

Indicate whether any of the persons listed in this section perform a management or supervisory function for any other business. Identify the person, business, and their title/function. Identify if any of the persons listed above own or work for any other firm(s) that has a relationship with this firm (e.g. ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.) If you answered "Yes," describe the nature of his/her business relationship with that other firm.

C. Inventory: Indicate firm inventory in these categories:

(1) Equipment and Vehicles

State the make and model, and current dollar value of each piece of equipment and motor vehicle held and/or used by your firm. Indicate whether each piece is either owned or leased by your firm or owner, whether it is used as collateral, and where this item is stored.

(2) Office Space

State the street address of each office space held and/or used by your firm. Indicate whether your firm or owner owns or leases the office space and the current dollar value of that property or its lease.

(3) Storage Space

State the street address of each storage space held and/or used by your firm. Indicate whether your firm or owner owns or leases the storage space and the current dollar value of that property or its lease. Provide a signed lease agreement for each property.

D. Does your firm rely on any other firm for management functions or employee payroll?

Check the appropriate box that indicates whether your firm relies on any other firm for management functions or for employee payroll. If you answered "Yes," you may be asked to explain the nature of that reliance and the extent to which the other firm carries out such functions.

E. Financial / Banking Information

State the name, City and State of your firm's bank. Identify the persons able to sign checks on this account. Provide bank authorization and signature cards.

Bonding Information. State your firm's bonding limits both aggregate and project limits.

F. Sources, amounts, and purposes of money loaned to your firm, including the names of persons or firms guaranteeing the loan.

State the name and address of each source, the name of person securing the loan, original dollar amount and the current balance of each loan, and the purpose for which each

loan was made to your firm. Provide copies of signed loan agreements and security agreements

G. Contributions or transfers of assets to/from your firm and to/from any of its owners or another individual over the past two years:

Indicate in the spaces provided, the type of contribution or asset that was transferred, its current dollar value, the person or firm from whom it was transferred, the person or firm to whom it was transferred, the relationship between the two persons and/or firms, and the date of the transfer.

H. Current licenses/permits held by any owner or employee of your firm.

List the name of each person in your firm who holds a professional license or permit, the type of permit or license, the expiration date of the permit or license, and issuing State of the license or permit. Attach copies of licenses, license renewal forms, permits, and haul authority forms.

I. Largest contracts completed by your firm in the past three years, if any.

List the name of each owner or contractor for each contract, the name and location of the projects under each contract, the type of work performed on each contract, and the dollar value of each contract.

J. Largest active jobs on which your firm is currently working.

For each active job listed, state the name of the prime contractor and the project number, the location, the type of work performed, the project start date, the anticipated completion date, and the dollar value of the contract.

Section 5: AIRPORT CONCESSION (ACDBE) APPLICANTS

Complete the entries in this section if you are applying for ACDBE certification. Indicate in Section A if you operate a concession at the airport, and/or supply a good or service to an airport concessionaire. Indicate in Section B whether the applicant firm owns or operates any off-airport locations, providing the type of business, lease information, address/location, and annual gross receipts generated. Provide similar information in section C for any airport concession locations the firm currently owns or operates. If the applicant firm has any affiliates, provide the requested information in Section D. Indicate whether the ACDBE firm is participating in any joint ventures, and if so, include the original and any amended joint venture agreements.

AFFIDAVIT & SIGNATURE

The Affidavit of Certification must accompany your application. Carefully read the attached affidavit in its entirety. Fill in the required information for each blank space, and sign and date the affidavit in the presence of a Notary Public, who must then notarize the form.



Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

I am applying for certification as DBE ACDBE

(1) Contact person and Title: _____

(2) Legal name of firm: _____

(3) Phone #: (____) _____ - _____ (4) Other Phone #: (____) _____ - _____ (5) Fax #: (____) _____ - _____

(6) E-mail: _____ (7) Firm Websites: _____

(8) Street address of firm (No P.O. Box): _____ City: _____ County/Parish: _____ State: _____ Zip: _____ - _____

(9) Mailing address of firm (if different): _____ City: _____ County/Parish: _____ State: _____ Zip: _____ - _____

B. Prior/Other Certifications and Applications

(10) Is your firm currently certified for any of the following U.S. DOT programs?

DBE ACDBE Names of certifying agencies: _____

⊗ If you are certified in your home state as a DBE/ACDBE, you do not have to complete this application for other states. Ask your state UCP about the interstate certification process.

List the dates of any site visits conducted by your home state and any other states or UCP members:

Date ___/___/___ State/UCP Member: _____ Date ___/___/___ State/UCP Member: _____

(11) Indicate whether the firm or any persons listed in this application have ever been:

(a) Denied certification or decertified as a DBE, ACDBE, 8(a), SDB, MBE/WBE firm? Yes No

(b) Withdrawn an application for these programs, or debarred or suspended or otherwise had bidding privileges denied or restricted by any state or local agency, or Federal entity? Yes No

If yes, explain the nature of the action. (If you appealed the decision to DOT or another agency, attach a copy of the decision)

Section 2: GENERAL INFORMATION

A. Business Profile: (1) Give a concise description of the firm's primary activities and the product(s) or service(s) it provides. If your company offers more than one product/service, list the primary product or service first. Please use additional paper if necessary. This description may be used in our database and the UCP online directory if you are certified as a DBE or ACDBE.

(2) Applicable NAICS Codes for this line of work include: _____

(3) This firm was established on ___/___/___ (4) I/We have owned this firm since: ___/___/___



(5) Method of acquisition (Check all that apply):

- Started new business Bought existing business Inherited business Gifted
 Merger or consolidation Other (explain) _____

(6) Is your firm “for profit”? Yes
 Federal Tax ID# _____

No → **⊗ STOP!** If your firm is NOT for-profit, then you do NOT qualify for this program and should not fill out this application.

(7) Type of Legal Business Structure: (check all that apply):

- Sole Proprietorship
 Limited Liability Partnership
 Partnership Corporation
 Limited Liability Company Other, Describe _____

(8) Number of employees: Full-time _____ Part-time _____ Seasonal _____ Total _____
 (Provide a list of employees, their job titles, and dates of employment, to your application).

(9) Specify the firm’s gross receipts for the last 3 years. (Submit complete copies of the firm’s Federal tax returns for each year. If there are affiliates or subsidiaries of the applicant firm or owners, you must submit complete copies of these firms’ Federal tax returns).

Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____

B. Relationships and Dealings with Other Businesses

(1) Is your firm co-located at any of its business locations, or does it share a telephone number, P.O. Box, office or storage space, yard, warehouse, facilities, equipment, inventory, financing, office staff, and/or employees with any other business, organization, or entity? Yes No

If Yes, explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or oral agreement. Also detail the items shared

(2) Has any other firm had an ownership interest in your firm at present or at any time in the past?

Yes No If Yes, explain _____

(3) At present, or at any time in the past, has your firm:

- (a) Ever existed under different ownership, a different type of ownership, or a different name? Yes No
 (b) Existed as a subsidiary of any other firm? Yes No
 (c) Existed as a partnership in which one or more of the partners are/were other firms? Yes No
 (d) Owned any percentage of any other firm? Yes No
 (e) Had any subsidiaries? Yes No
 (f) Served as a subcontractor with another firm constituting more than 25% of your firm’s receipts? Yes No
 (If you answered “Yes” to any of the questions in (2) and/or (3)(a)-(f), you may be asked to provide further details and explain whether the arrangement continues).



Section 3: MAJORITY OWNER INFORMATION

A. Identify the majority owner of the firm holding 51% or more ownership interest.

(1) Full Name: _____ (2) Title: _____ (3) Home Phone #: _____
 () _____ - _____

(4) Home Address (Street and Number): _____ City: _____ State: _____ Zip: _____
 _____ - _____

(5) Gender: Male Female

(6) Ethnic group membership (Check all that apply):

- Black
 Hispanic
 Asian Pacific
 Native American
 Subcontinent Asian
 Other (specify) _____

(7) U.S. Citizenship: U.S. Citizen
 Lawfully Admitted Permanent Resident

(8) Number of years as owner: _____
 (9) Percentage owned: _____ %
 Class of stock owned: _____ Date acquired _____

(10) Initial investment to acquire ownership interest in firm:	Type	Dollar Value
	Cash	\$ _____
	Real Estate	\$ _____
	Equipment	\$ _____
	Other	\$ _____

Describe how you acquired your business:

- Started business myself.
 It was a gift from: _____
 I bought it from: _____
 I inherited it from: _____
 Other _____

(Attach documentation substantiating your investment)

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees:

(2) Does this owner perform a management or supervisory function for any other business? Yes No

If Yes, identify: Name of Business: _____ Function/Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No

Identify the name of the business, and the nature of the relationship, and the owner's function at the firm:

(b) Does this owner work for any other firm, non-profit organization, or engage in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____

(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No

(If Yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage the company: (Please attach extra sheets, if needed): _____



Section 3: OWNER INFORMATION, Cont'd.

A. Identify all individuals, firms, or holding companies that hold LESS THAN 51% ownership interest in the firm (Attach separate sheets for each additional owner)

<p>(1) Full Name: _____</p>	<p>(2) Title: _____</p>	<p>(3) Home Phone #: _____ () _____ - _____</p>										
<p>(4) Home Address (Street and Number): _____</p>	<p>City: _____</p>	<p>State: _____</p>										
<p>(4) Zip: _____ - _____</p>												
<p>(5) Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female</p> <p>(6) Ethnic group membership (Check all that apply)</p> <p><input type="checkbox"/> Black</p> <p><input type="checkbox"/> Hispanic</p> <p><input type="checkbox"/> Asian Pacific</p> <p><input type="checkbox"/> Native American</p> <p><input type="checkbox"/> Subcontinent Asian</p> <p><input type="checkbox"/> Other (specify) _____</p> <p>(7) U.S. Citizenship:</p> <p><input type="checkbox"/> U.S. Citizen</p> <p><input type="checkbox"/> Lawfully Admitted Permanent Resident</p>	<p>(8) Number of years as owner: _____</p> <p>(9) Percentage owned: _____ %</p> <p>Class of stock owned: _____ Date acquired _____</p> <p>(10) Initial investment to acquire ownership interest in firm:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Type</th> <th style="text-align: left; border-bottom: 1px solid black;">Dollar Value</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>\$ _____</td> </tr> <tr> <td>Real Estate</td> <td>\$ _____</td> </tr> <tr> <td>Equipment</td> <td>\$ _____</td> </tr> <tr> <td>Other</td> <td>\$ _____</td> </tr> </tbody> </table> <p>Describe how you acquired your business:</p> <p><input type="checkbox"/> Started business myself.</p> <p><input type="checkbox"/> It was a gift from: _____</p> <p><input type="checkbox"/> I bought it from: _____</p> <p><input type="checkbox"/> I inherited it from: _____</p> <p><input type="checkbox"/> Other _____</p> <p><i>(Attach documentation substantiating your investment)</i></p>		Type	Dollar Value	Cash	\$ _____	Real Estate	\$ _____	Equipment	\$ _____	Other	\$ _____
Type	Dollar Value											
Cash	\$ _____											
Real Estate	\$ _____											
Equipment	\$ _____											
Other	\$ _____											

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees:

(2) Does this owner perform a management or supervisory function for any other business? Yes No

If Yes, identify: Name of Business: _____ Function/Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No

Identify the name of the business, and the nature of the relationship, and the owner's function at the firm:

(b) Does this owner work for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____

(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No

(If Yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage: *(Please attach extra sheets, if needed):* _____

Section 4: CONTROL


A. Identify your firm's Officers and Board of Directors (If additional space is required, attach a separate sheet):

	Name	Title	Date Appointed	Ethnicity	Gender
(1) Officers of the Company	(a)				
	(b)				
	(c)				
	(d)				
(2) Board of Directors	(a)				
	(b)				
	(c)				
	(d)				

(3) Do any of the persons listed above perform a management or supervisory function for any other business?
 Yes No If Yes, identify for each:

Person: _____ Title: _____
 Business: _____ Function: _____

Person: _____ Title: _____
 Business: _____ Function: _____

(4) Do any of the persons listed in section A above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.)

 Yes No

If Yes, identify for each:

Firm Name: _____ Person: _____
 Nature of Business Relationship: _____

B. Duties of Owners, Officers, Directors, Managers, and Key Personnel
1. Complete for all Owners who are responsible for the following functions of the firm (Attach separate sheets as needed).

A = Always F = Frequently	S = Seldom N = Never	Majority Owner (51% or more)				Minority Owner (49% or less)			
		Name: _____	Title: _____	Percent Owned: _____		Name: _____	Title: _____	Percent Owned: _____	
Sets policy for company direction/scope of operations		A	F	S	N	A	F	S	N
Bidding and estimating		A	F	S	N	A	F	S	N
Major purchasing decisions		A	F	S	N	A	F	S	N
Marketing and sales		A	F	S	N	A	F	S	N
Supervises field operations		A	F	S	N	A	F	S	N
Attend bid opening and lettings		A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable/payable, etc.)		A	F	S	N	A	F	S	N
Hires and fires management staff		A	F	S	N	A	F	S	N
Hire and fire field staff or crew		A	F	S	N	A	F	S	N
Designates profits spending or investment		A	F	S	N	A	F	S	N
Obligates business by contract/credit		A	F	S	N	A	F	S	N
Purchase equipment		A	F	S	N	A	F	S	N
Signs business checks		A	F	S	N	A	F	S	N



2. Complete for all Officers, Directors, Managers, and Key Personnel who are responsible for the following functions of the firm. (Attach separate sheets as needed).

A= Always S = Seldom F = Frequently N = Never	Officer/Director/Manager/Key Personnel				Officer/Director/Manager/ Key Personnel			
	Name: _____				Name: _____			
	Title: _____				Title: _____			
	Race and Gender: _____				Race and Gender: _____			
	Percent Owned: _____				Percent Owned: _____			
Sets policy for company direction/scope of operations	A	F	S	N	A	F	S	N
Bidding and estimating	A	F	S	N	A	F	S	N
Major purchasing decisions	A	F	S	N	A	F	S	N
Marketing and sales	A	F	S	N	A	F	S	N
Supervises field operations	A	F	S	N	A	F	S	N
Attend bid opening and lettings	A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable/payable, etc.)	A	F	S	N	A	F	S	N
Hires and fires management staff	A	F	S	N	A	F	S	N
Hire and fire field staff or crew	A	F	S	N	A	F	S	N
Designates profits spending or investment	A	F	S	N	A	F	S	N
Obligates business by contract/credit	A	F	S	N	A	F	S	N
Purchase equipment	A	F	S	N	A	F	S	N
Signs business checks	A	F	S	N	A	F	S	N

Do any of the persons listed in B1 or B2 perform a management or supervisory function for any other business? If Yes, identify the person, the business, and their title/function: _____

Do any of the persons listed above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) If Yes, describe the nature of the business relationship: _____

C. Inventory: Indicate your firm's inventory in the following categories (Please attach additional sheets if needed):=

1. Equipment and Vehicles

Make and Model	Current Value	Owned or Leased by Firm or Owner?	Used as collateral?	Where is item stored?
1. _____				
2. _____				
3. _____				
4. _____				
5. _____				
6. _____				
7. _____				
8. _____				
9. _____				

2. Office Space

Street Address Owned or Leased by Firm or Owner? Current Value of Property or Lease



3. Storage Space *(Provide signed lease agreements for the properties listed)*

Street Address	Owned or Leased by Firm or Owner?	Current Value of Property or Lease
_____	_____	_____
_____	_____	_____

D. Does your firm rely on any other firm for management functions or employee payroll? Yes No

E. Financial/Banking Information *(Provide bank authorization and signature cards)*

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Bonding Information: If you have bonding capacity, identify the firm's bonding aggregate and project limits:
 Aggregate limit \$ _____ Project limit \$ _____

F. Identify all sources, amounts, and purposes of money loaned to your firm including from financial institutions. Identify whether you the owner and any other person or firm loaned money to the applicant DBE/ACDBE. Include the names of any persons or firms guaranteeing the loan, if other than the listed owner. *(Provide copies of signed loan agreements and security agreements).*

Name of Source	Address of Source	Name of Person Guaranteeing the Loan	Original Amount	Current Balance	Purpose of Loan
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

G. List all contributions or transfers of assets to/from your firm and to/from any of its owners or another individual over the past two years *(Attach additional sheets if needed):*

Contribution/Asset	Dollar Value	From Whom Transferred	To Whom Transferred	Relationship	Date of Transfer
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

H. List current licenses/permits held by any owner and/or employee of your firm *(e.g. contractor, engineer, architect, etc.)(Attach additional sheets if needed):*

Name of License/Permit Holder	Type of License/Permit	Expiration Date	State
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____



I. List the three largest contracts completed by your firm in the past three years, if any:

Name of Owner/Contractor	Name/Location of Project	Type of Work Performed	Dollar Value of Contract
1. _____			
2. _____			
3. _____			

J. List the three largest active jobs on which your firm is currently working:

Name of Prime Contractor and Project Number	Location of Project	Type of Work	Project Start Date	Anticipated Completion Date	Dollar Value of Contract
1. _____					
2. _____					
3. _____					

Additional Information:



SECTION 5 - AIRPORT CONCESSION

(ACDBE APPLICANTS ONLY)

A. I am applying for ACDBE certification to: *(check all that apply)*

Operate a concession at an airport Supply a good or service to an airport concessionaire

B. Does the applicant firm own/operate any off-airport locations? Yes No *If Yes, identify the following*

Type of Business (e.g., F&B, News & Gift, Retail, Duty Free, Advertising, etc.)	Lease Term (years)	Lease Start Date	Address / Location	Annual Gross Receipts Generated

C. Does the applicant firm currently own/operate any airport concession locations? Yes No *If Yes, supply the following information:*

Airport Name	Concession Type (e.g., F&B, News & Gift, Retail, Duty Free, Advertising, etc.)	Number of Leases	Number of Locations	Annual Gross Receipts Generated	Lease Type <i>(e.g. Direct Lease, Subcontract Management Agreement, etc. enter all that apply to the leases listed)</i>

D. Does the applicant firm have any affiliates? Yes No *If Yes, provide the following information concerning any locations owned/operated by affiliate firms.*

Airport Name	Concession Type (e.g., F&B, News & Gift, Retail, Duty Free, Advertising, etc.)	Number of Leases	Number of Locations	Annual Gross Receipts Generated	Lease Type <i>(e.g. Direct Lease, Subcontract Management Agreement, etc. enter all that apply to the leases listed)</i>

E. Is the ACDBE applicant firm a participant in any joint ventures? Yes No *If Yes, attach all original and any amended Joint Venture Agreements and any amendments to the agreements.*



AFFIDAVIT OF CERTIFICATION

This form must be signed and notarized for each owner upon which disadvantaged status is relied.

A MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION IS SUFFICIENT CAUSE FOR DENIAL OF CERTIFICATION, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

I _____ (full name printed),
swear or affirm under penalty of law that I am
_____ (title) of the applicant firm
_____ and that I
have read and understood all of the questions in this
application and that all of the foregoing information and
statements submitted in this application and its attachments
and supporting documents are true and correct to the best of
my knowledge, and that all responses to the questions are full
and complete, omitting no material information. The responses
include all material information necessary to fully and
accurately identify and explain the operations, capabilities and
pertinent history of the named firm as well as the ownership,
control, and affiliations thereof.

I recognize that the information submitted in this application is
for the purpose of inducing certification approval by a
government agency. I understand that a government agency
may, by means it deems appropriate, determine the accuracy
and truth of the statements in the application, and I authorize
such agency to contact any entity named in the application, and
the named firm's bonding companies, banking institutions,
credit agencies, contractors, clients, and other certifying
agencies for the purpose of verifying the information supplied
and determining the named firm's eligibility.

I agree to submit to government audit, examination and review
of books, records, documents and files, in whatever form they
exist, of the named firm and its affiliates, inspection of its
places(s) of business and equipment, and to permit interviews
of its principals, agents, and employees. I understand that
refusal to permit such inquiries shall be grounds for denial of
certification.

If awarded a contract, subcontract, concession lease or
sublease, I agree to promptly and directly provide the prime
contractor, if any, and the Department, recipient agency, or
federal funding agency on an ongoing basis, current, complete
and accurate information regarding (1) work performed on the
project; (2) payments; and (3) proposed changes, if any, to the
foregoing arrangements.

I agree to provide written notice to the recipient agency or
Unified Certification Program of any material change in the
information contained in the original application within 30
calendar days of such change (e.g., ownership changes,
address/telephone number, personal net worth exceeding \$1.32
million, etc.).

I acknowledge and agree that any misrepresentations in this
application or in records pertaining to a contract or subcontract
will be grounds for terminating any contract or subcontract
which may be awarded; denial or revocation of certification;
suspension and debarment; and for initiating action under
federal and/or state law concerning false statement, fraud or
other applicable offenses.

I certify that I am a socially and economically disadvantaged
individual who is an owner of the above-referenced firm seeking
certification as a Disadvantaged Business Enterprise or Airport
Concession Disadvantaged Business Enterprise. In support of my
application, I certify that I am a member of one or more of the
following groups, and that I have held myself out as a member of
the group(s): (Check all that apply):

- Female Black American Hispanic American
 Native American Asian-Pacific American
 Subcontinent Asian American Other (specify)

I certify that I am socially disadvantaged because I have been
subjected to racial or ethnic prejudice or cultural bias, or have
suffered the effects of discrimination, because of my identity
as a member of one or more of the groups identified above,
without regard to my individual qualities.

I further certify that my personal net worth does not exceed
\$1.32 million, and that I am economically disadvantaged
because my ability to compete in the free enterprise system has
been impaired due to diminished capital and credit
opportunities as compared to others in the same or similar line
of business who are not socially and economically
disadvantaged.

I declare under penalty of perjury that the information
provided in this application and supporting documents is true
and correct.

Signature _____ (Date) _____
(DBE/ACDBE Applicant)

NOTARY CERTIFICATE



UNIFORM CERTIFICATION APPLICATION SUPPORTING DOCUMENTS CHECKLIST

In order to complete your application for DBE or ACDBE certification, you must attach copies of all of the following REQUIRED documents. A failure to supply any information requested by the UCP may result in your firm denied DBE/ACDBE certification.

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 who the applicant firm relies upon to satisfy the Regulation's 51% ownership requirement.
- Personal Federal tax returns for the past 3 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 3 years.
- 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
- 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's, 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

Partnership or Joint Venture

- Original and any amended Partnership or Joint Venture Agreements

Corporation or LLC

- Official Articles of Incorporation (*signed by the state official*)
- Both sides of all corporate stock certificates and your firm's stock transfer ledger
- Shareholders' Agreement(s)
- Minutes of all stockholders and board of director's meetings

- Corporate by-laws and any amendments
- Corporate bank resolution and bank signature cards
- Official Certificate of Formation and Operating Agreement with any amendments (for LLCs)

Optional Documents to Be Provided on Request

The certifying agency to which you are applying may require the submission of the following documents. If requested to provide these document, you must supply them with your application or at the on-site visit.

- Proof of citizenship
- Insurance agreements for each truck owned or operated by your firm
- Audited financial statements (if available)
- Trust agreements held by any owner claiming disadvantaged status
- Year-end balance sheets and income statements for the past 3 years (*or life of firm, if less than three years*)

Suppliers

- List of product lines carried and list of distribution equipment owned and/or leased



U.S. Department of
Transportation

**Personal Net Worth Statement
For DBE/ACDBE Program Eligibility**

OMB APPROVAL NO: [2105-0510](#)

EXPIRATION DATE: 10/31/2021

As of _____

This form is used by all participants in the U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) and Airport Concession DBE (ACDBE) Programs. Each individual owner of a firm applying to participate as a DBE or ACDBE, whose ownership and control are relied upon for DBE certification must complete this form. Each person signing this form authorizes the certifying agency to make inquiries as necessary to verify the accuracy of the statements made. The agency you apply to will use the information provided to determine whether an owner is economically disadvantaged as defined in the DBE program regulations 49 C.F.R. Parts 23 and 26. **Return form to appropriate certifying agency, not U.S. DOT.**

Applicant Name:		
Residence: (As reported to the IRS) Address, City, State and Zip Code		Residence Phone
Business Name of Applicant Firm		Business Phone
Marital Status: <input type="checkbox"/> Single, <input type="checkbox"/> Married, <input type="checkbox"/> Divorced, <input type="checkbox"/> Union	Spouse's Full Name:	

ASSETS		(Omit Cents)	LIABILITIES		(Omit Cents)
Cash and Cash Equivalents	\$		Loan on Life Insurance (Complete Section 5)	\$	
Retirement Accounts (IRAs, 401Ks, 403Bs, Pensions, etc.) (Report full value minus tax and interest penalties that would apply if assets were distributed today) (Complete Section 3)	\$		Mortgages on Real Estate Excluding Primary Residence Debt (Complete Section 4)	\$	
Brokerage, Investment Accounts	\$		Notes, Obligations on Personal Property (Complete Section 6)	\$	
Assets Held in Trust	\$		Notes & Accounts Payable to Banks and Others (Complete Section 2)	\$	
Loans from You to the Firm, Other Entities, Individuals, & Other Receivables (Complete Section 6)	\$		Other Liabilities (Complete Section 8)	\$	
Real Estate Excluding Primary Residence (Complete Section 4)	\$		Unpaid Taxes (Complete Section 8)	\$	
Life Insurance (Cash Surrender Value Only) (Complete Section 5)	\$				
Other Personal Property and Assets (Complete Section 6)	\$				
Business Interests Other Than the Applicant Firm (Complete Section 7)	\$				
Total Assets	\$		Total Liabilities	\$	
			NET WORTH		

Section 2. Notes Payable to Banks and Others

Name of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Brokerage and custodial accounts, stocks, bonds, retirement accounts. (Full Value) (Use attachments if necessary).

Name of Security / Brokerage Account / Retirement Account	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned (Including Primary Residence, Investment Properties, Personal Property Leased or Rented for Business Purposes, Farm Properties, or any Other Income Producing property). (List each parcel separately. Add additional sheets if necessary).

	Primary Residence	Property B	Property C
Type of Property			
Address			
Date Acquired and Method of Acquisition (purchase, inherit, divorce, gift, etc.)			
Names on Deed			
Purchase Price			
Present Market Value			
Source of Market Valuation			
Name of all Mortgage Holders			
Mortgage Acc. # and balance (as of date of form)			
Equity line of credit balance			
Amount of Payment Per Month/Year (Specify)			

Section 5. Life Insurance Held (Give face amount and cash surrender value of policies, name of insurance company and beneficiaries).

Insurance Company	Face Value	Cash Surrender Amount	Beneficiaries	Loan on Policy Information

Section 6. Other Personal Property and Assets (Use attachments as necessary)

Type of Property or Asset	Total Present Value	Amount of Liability (Balance)	Is this asset insured?	Lien or Note amount and Terms of Payment
Automobiles and Vehicles (including recreation vehicles, motorcycles, boats, etc.) Include personally owned vehicles that are leased or rented to businesses or other individuals.				
Household Goods / Jewelry				
Loans from Owner to Firm, Other Entities, Individuals				
Other (List)				
Accounts and Notes Receivables				

Section 7. Value of Other Business Investments, Other Businesses Owned (excluding applicant firm)
Sole Proprietorships, General Partners, Joint Ventures, Limited Liability Companies, Closely-held and Public Traded Corporations

Section 8. Other Liabilities and Unpaid Taxes (Describe)

Section 9. Transfer of Assets: Have you within 2 years of this personal net worth statement, transferred assets to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust? Yes No If yes, describe.

I declare under penalty of perjury that the information provided in this personal net worth statement and supporting documents is complete, true and correct. I certify that no assets have been transferred to any beneficiary for less than fair market value in the last two years. I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application and this personal net worth statement, and I authorize such agency to contact any entity named in the application or this personal financial statement, including the names banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility. I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded; denial or revocation of certification; suspension and debarment; and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.

NOTARY CERTIFICATE:
(Insert applicable state acknowledgment, affirmation, or oath)

Signature (DBE/ACDBE Owner)

Date

In collecting the information requested by this form, the Department of Transportation complies with Federal Freedom of Information and Privacy Act (5 U.S.C. 552 and 552a) provisions. The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Disadvantaged Business Enterprise (DBE) Program or Airport Concessionaire DBE Programs as defined in 49 C.F.R. Parts 23 and 26. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).



General Instructions for Completing the Personal Net Worth Statement for DBE/ACDBE Program Eligibility

Please do not make adjustments to your figures pursuant to U.S. DOT regulations 49 C.F.R. Parts 23 and 26. The agency that you apply to will use the information provided on your completed Personal Net Worth (PNW) Statement to determine whether you meet the economic disadvantage requirements of 49 C.F.R. Parts 23 and 26. If there are discrepancies or questions regarding your form, it may be returned to you to correct and complete again.

An individual's personal net worth according to 49 C.F.R. Parts 23 and 26 includes only his or her own share of assets held separately, jointly, or as community property with the individual's spouse and excludes the following:

- Individual's ownership interest in the applicant firm;
- Individual's equity in his or her primary residence;
- Federal Tax and penalties, if applicable, that would accrue if retirement savings or investments (e.g., pension plans, Individual Retirement Accounts, 401(k) accounts, etc.) were distributed at the present time.

Indicate on the form if any items are jointly owned. If the personal net worth of the majority owner(s) of the firm exceeds \$1.32 million, as defined by 49 C.F.R. Parts 23 and 26, the firm is not eligible for DBE or ACDBE certification. If the personal net worth of the majority owner(s) exceeds the \$1.32 million cap specified in §26.67(a)(2)(i) at any time after your firm is certified, the firm is no longer eligible for certification. Should that occur, it is your responsibility to contact your certifying agency in writing to advise that your firm no longer qualifies as a DBE or ACDBE. You must fill out all line items on the Personal Net Worth Statement.

If necessary, use additional sheets of paper to report all information and details. If you have any questions about completing this form, please contact the certifying agency.

Assets

All assets must be reported at their current fair market values as of the date of your statement. Assessor's assessed value for real estate, for example, is not acceptable. Assets held in a trust should be included.

Cash and Cash Equivalents: On page 1, enter the total amount of cash or cash equivalents in bank accounts, including checking, savings, money market, certificates of deposit held domestic or foreign. Provide copies of the bank statement.

Retirement Accounts, IRA, 401Ks, 403Bs, Pensions: On page 1, enter the full value minus Federal tax and penalties that would apply if assets were distributed as of the date of the form. Describe the number of shares, name of securities, cost market value, date of quotation, and total value in section 3 on page 2.

Brokerage and Custodial Accounts, Stocks, Bonds, Retirement Accounts: Report total value on page 1, and on

page 2, section 3, enter the name of the security, brokerage account, retirement account, etc.; the cost; market value of the asset; the date of quotation; and total value as of the date of the PNW statement.

Assets Held in Trust: Enter the total value of the assets held in trust on page 1, and provide the names of beneficiaries and trustees, and other information in Section 6 on page 3.

Loans from you to the firm, other Entities, Individuals, and Other Receivables not listed: Enter current balances of loans you have extended to this firm and to other entities or individuals, plus interest payable on those loans; and other receivables not listed above. Complete Section 6 on page 3.

Real Estate: The total value of real estate excluding your primary residence should be listed on page 1. In section 4 on page 2, please list your primary residence in column 1, including the address, method of acquisition, date of acquired, names of deed, purchase price, present fair market value, source of market valuation, names of all mortgage holders, mortgage account number and balance, equity line of credit balance, and amount of payment. List this information for all real estate held. Please ensure that this section contains all real estate owned, including rental properties, vacation properties, commercial properties, personal property leased or rented for business purposes, farm properties and any other income producing properties, etc. Attach additional sheets if needed.

Life Insurance: On page 1, enter the cash surrender value of this asset. In section 5 on page 2, enter the name of the insurance company, the face value of the policy, cash surrender value, names of beneficiaries, and loans on the policy.

Other Personal Property and Assets: Enter the total value of personal property and assets you own on page 1. Personal property includes motor vehicles, boats, trailers, jewelry, furniture, household goods, collectibles, clothing, and personally owned vehicles that are leased or rented to businesses or other individuals. In section 6 on page 3, list these assets and enter the present value, the balance of any liabilities, whether the asset is insured, and lien or note information and terms of payments. For accounts and notes receivable, enter the total value of all monies owed to you personally, if any. You may also be asked to provide a copy of any liens or notes on the property.

Other Business Interests Other than Applicant Firm: On page 1, enter the total value of your other business investments (excluding the applicant firm). In section 7 on page 3, enter information concerning the businesses you hold an ownership interest in, such as sole proprietorships, partnerships, joint ventures, corporations, or limited liability corporations (other than the applicant firm). Do not reduce the value of these entries by any loans from the outside firm to the DBE/ACDBE applicant business.

Liabilities

Mortgages on Real Estate: Enter the total balance on all mortgages payable on real estate on page 1.

Loans on Life Insurance: Enter the total value of all loans due on life insurance policies on page 1, and complete section 5 on page 2.

Notes & Accounts Payable to Bank and Others: On page 1, section 2, enter details concerning any liability, including name of noteholders, original and current balances, payment terms, and security/collateral information. The entries should include automobile installment accounts. This should not, however, include any mortgage balances as this information is captured in section 4. Do not include loans for your business or mortgages for your properties in this section. You may be asked to submit copy of note/security agreement, and the most recent account statement.

Other Liabilities: On page 1, enter the total value due on all other liabilities not listed in the previous entries. In section 8, page 3, report the name of the individual obligated, names of co-signers, description of the liability, the name of the entity owed, the date of the obligation, payment amounts and terms. Note: Do not include contingent liabilities in this section. Contingent liabilities are liabilities that belong to you only if an event(s) should occur. For example, if you have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a

contingent liability. Contingent liabilities do not count toward your net worth until they become actual liabilities.

Unpaid Taxes: Enter the total amount of all taxes that are currently due, but are unpaid on page 1, and complete section 8 on page 3. Contingent tax liabilities or anticipated taxes for current year should not be included. Describe in detail the name of the individual obligated, names of co-signers, the type of unpaid tax, to whom the tax is payable, due date, amount, and to what property, if any, the tax lien attaches. If none, state "NONE." You must include documentation, such as tax liens, to support the amounts.

Transfers of Assets:

Transfers of Assets: If you checked the box indicating yes on page 3 in this category, provide details on all asset transfers (within 2 years of the date of this personal net worth statement) to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust. Include a description of the asset; names of individuals on the deed, title, note or other instrument indicating ownership rights; the names of individuals receiving the assets and their relation to the transferor; the date of the transfer; and the value or consideration received. Submit documentation requested on the form related to the transfer.

Affidavit

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

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



**DEPARTMENT OF TRANSPORTATION
OFFICE OF CIVIL RIGHTS
1823 14TH STREET
SACRAMENTO, CA 95811**

ANNUAL UPDATE DECLARATION

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE/DISADVANTAGED BUSINESS ENTERPRISE (ACDBE/DBE) CERTIFICATION

*Fill out all information and do not leave any blanks. Attach supporting documents and return form to agency listed above. Failure to complete and return this form will result in **suspension** from the DBE program pursuant to 49 CFR §26.88. Your firm's certification may also be removed for non-cooperation.*

Firm Name	Firm CUCP ID#
Address	City, State ZIP
Mailing Address(if different from above)	City, State ZIP
() () ()	
Phone #	Cell Phone #
Fax #	Email Address
	Web Address (if any)

1. During the past year, have there been any changes in the firm's

Primary business activity (type of work)?.....	YES <input type="checkbox"/> NO <input type="checkbox"/>
Business structure?	YES <input type="checkbox"/> NO <input type="checkbox"/>
Ownership?.....	YES <input type="checkbox"/> NO <input type="checkbox"/>
Professional licensing?.....	YES <input type="checkbox"/> NO <input type="checkbox"/>
Geographical work area selections?.....	YES <input type="checkbox"/> NO <input type="checkbox"/>
Is the DBE owner's personal net worth above the threshold of \$1.32M?.....	YES <input type="checkbox"/> NO <input type="checkbox"/>

If yes to any question in #1, please submit a letter on company letterhead describing changes and attach relevant supporting documentation.

2. Enter firm's **total gross receipts** for the past three years, **including all affiliate firms**:

20___ \$_____ ; 20___ \$_____ ; 20___ \$_____

3. Provide all requested documentation in the attached cover letter. If you do not have the cover letter, contact your certification agency for assistance

I/We declare under penalty of perjury laws of the United States that there have been no changes in the firm's circumstances affecting its ability to meet the size, disadvantaged status, ownership, or control requirements of 49 CFR Parts 23 and/or 26, except for any changes for which I/we have provided written notice. I/We further declare my/our Personal Net Worth does not exceed \$1,320,000 and that I am/we are socially or economically disadvantaged¹.

Each individual owner whose ownership and control is relied upon for certification is required to sign below. Attach additional page(s) as needed.

Signature _____

Signature _____

Printed Name _____

Printed Name _____

Title _____ Date _____

Title _____ Date _____

¹Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C Section 1001 (False Statement) and could subject you to fines, imprisonment or both. All owners claiming social and economic disadvantaged status must sign this declaration. In addition, signing this form I agree to adhere to 49 CFR Part 26 and 13 CFR Part 121, § 26.83(i), §26.5 and §26.65(b).¹

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

CALIFORNIA UNIFIED
CERTIFICATION PROGRAM
(CUCP)

California Department of Transportation

Interstate Certification Process

The California Unified Certification Program has published the **DBE Interstate Application Checklist** and the **DBE Interstate Application Affidavit**. The Interstate Certification process applies to firms already certified in their home state and seeking certification in California. Guidance provided by the US DOT, in the summer of 2014, provided that a firm currently is certified in its home state is not required to submit a **new** uniform certification application as if it were seeking certification for the first time. A DBE firm may simply present a copy of its DBE application among other required documents as submitted to its home State's UCP. The DBE Interstate Application Checklist provides the list of items required. The DBE Interstate Application Affidavit **must** be completed and submitted with the application.

Instructions: As an out-of-state applicant, your firm must be currently certified as a Disadvantaged Business Enterprise (DBE) or Airport Concession Disadvantaged Business Enterprise (ACDBE) pursuant to 49 Code of Federal Regulations Part 23 or 26 in your "home" state before you can apply to the California Unified Certification Program (CUCP). Pursuant to 49 CFR § 26.85(c), the firm's owner(s) (hereinafter "you") acknowledge and agree to comply with the following regulations:

You must provide to the CUCP, along with this declaration form, a completed copy of the application form, all supporting documents, and any other information you have submitted to your home state or any other state related to your firm's DBE or ACDBE certification. This includes affidavits of no change (see § 26.83(j)) and any notices of changes (see § 26.83(i)) that you have submitted to your home state, as well as any correspondence you have had with your home state's UCP or any other government entity concerning your application or status as a DBE or ACDBE firm.

You must also provide to the CUCP any notices or correspondence from states other than your home state relating to your status as an applicant or certified DBE in those states, if applicable. For example, if you have been denied certification or decertified by a state UCP other than your home state, or subject to a decertification action there, you must inform the CUCP of this fact and provide all documentation concerning this action to the CUCP.

If you have filed a certification appeal with the U.S. Department of Transportation (DOT) (see § 26.89), you must inform the CUCP of this fact and provide your letter of appeal and DOT's response to the CUCP.

You must submit this declaration form executed under penalty of perjury of the laws of the United States.

This declaration must affirm that you have submitted all the information required by 49 CFR 26.85(c) and the information is complete and, in the case of the information required by § 26.85(c)(1), is an identical copy of the information submitted to your home state. If the on-site report from your home state supporting your certification in your home state is more than three years old, as of the date of your application to the CUCP, please acknowledge in your declaration that you also affirm that the facts in the on-site report remain true and correct.

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

Is your firm currently certified as a DBE or ACDBE in your home state? (If Yes, check appropriate box and provide requested information. If No, please STOP and apply to your state Unified Certification Program before applying to California.)	Name of Certifying Agency in Firm's State Has your firm's state UCP conducted an on-site visit? <input type="checkbox"/> Yes, on ____/____/____ <input type="checkbox"/> No
<input type="checkbox"/> DBE <input type="checkbox"/> ACDBE	

A. Home State Certification

I affirm that the facts in the on-site report conducted by my state UCP over three years ago from the date of this declaration remain true and correct. Check if applicable

B. Contact Information

(1) Contact Person and Title		(2) Legal Name of Firm	
(3) Phone #	(4) Alternate Phone #	(5) Fax #	
(6) E-mail		(7) Website (If available)	
(8) Street Address of Firm (No P.O. Box)	City	County/Parist	State Zip
(9) Mailing Address of Firm (If different)	City	County/Parist	State Zip

A. Indicate Counties Where You Prefer to Perform Work

<input type="checkbox"/> 01 Alameda	<input type="checkbox"/> 11 Glenn	<input type="checkbox"/> 21 Marin	<input type="checkbox"/> 31 Placer	<input type="checkbox"/> 41 San Mateo	<input type="checkbox"/> 51 Sutter
<input type="checkbox"/> 02 Alpine	<input type="checkbox"/> 12 Humboldt	<input type="checkbox"/> 22 Mariposa	<input type="checkbox"/> 32 Plumas	<input type="checkbox"/> 42 Santa Barbara	<input type="checkbox"/> 52 Tehama
<input type="checkbox"/> 03 Amador	<input type="checkbox"/> 13 Imperial	<input type="checkbox"/> 23 Mendocino	<input type="checkbox"/> 33 Riverside	<input type="checkbox"/> 43 Santa Clara	<input type="checkbox"/> 53 Trinity
<input type="checkbox"/> 04 Butte	<input type="checkbox"/> 14 Inyo	<input type="checkbox"/> 24 Merced	<input type="checkbox"/> 34 Sacramento	<input type="checkbox"/> 44 Santa Cruz	<input type="checkbox"/> 54 Tulare
<input type="checkbox"/> 05 Calaveras	<input type="checkbox"/> 15 Kern	<input type="checkbox"/> 25 Modoc	<input type="checkbox"/> 35 San Benito	<input type="checkbox"/> 45 Shasta	<input type="checkbox"/> 55 Tuolumne
<input type="checkbox"/> 06 Colusa	<input type="checkbox"/> 16 Kings	<input type="checkbox"/> 26 Mono	<input type="checkbox"/> 36 San Bernardino	<input type="checkbox"/> 46 Sierra	<input type="checkbox"/> 56 Ventura
<input type="checkbox"/> 07 Contra Costa	<input type="checkbox"/> 17 Lake	<input type="checkbox"/> 27 Monterey	<input type="checkbox"/> 37 San Diego	<input type="checkbox"/> 47 Siskiyou	<input type="checkbox"/> 57 Yolo
<input type="checkbox"/> 08 Del Norte	<input type="checkbox"/> 18 Lassen	<input type="checkbox"/> 28 Napa	<input type="checkbox"/> 38 San Francisco	<input type="checkbox"/> 48 Solano	<input type="checkbox"/> 58 Yuba
<input type="checkbox"/> 09 El Dorado	<input type="checkbox"/> 19 Los Angeles	<input type="checkbox"/> 29 Nevada	<input type="checkbox"/> 39 San Joaquin	<input type="checkbox"/> 49 Sonoma	
<input type="checkbox"/> 10 Fresno	<input type="checkbox"/> 20 Madera	<input type="checkbox"/> 30 Orange	<input type="checkbox"/> 40 San Luis Obispo	<input type="checkbox"/> 50 Stanislaus	

**California Unified Certification Program (CUCP)
DBE Interstate Application Checklist
49 CFR Part 26.85(c)**

The California Department of Transportation Office of Civil Rights (OCR) and its certifying agencies (CUCP) do not have reciprocity with other State UCP's. The CUCP, as a whole, chooses not to accept other State's DBE certification of a firm. Therefore, as the applicant, your firm must provide the following information in paragraphs (1) through (5) of this section to the CUCP agency where the interstate application will be submitted.

- 1. You **must** provide **a complete copy** of the application form (*that was provided to your home state*), all supporting documents, and any other information you have submitted to your home State. This includes affidavits of no change, any notices of changes that you have submitted to your home State, as well as any correspondence you have had with your home State's UCP or any other recipient concerning your application or status as a DBE firm.
- 2. You **must** provide a current **Personal Net Worth Statement** for all disadvantaged owners of the firm. Additionally, you must provide the last **3 years** of **personal and business taxes** for the firm and all **affiliated businesses** associated with the firm or firm's owner.
- 3. You **must** provide any notices or correspondence from states other than your home State relating to your status as an applicant or certified DBE in those states. For example, if you have been denied certification or decertified in another State, or subject to a decertification action, you must inform the CUCP Certifying Agency of this fact and provided all documentation concerning this action to the CUCP Certifying Agency, with whom you're applying for Interstate certification.
- 4. If you have filed a certification appeal with the US DOT, you must inform the CUCP Certifying Agency of this fact and provide your letter of appeal, and the US DOT's response to the CUCP Certifying Agency.
- 5. You **must** submit an affidavit sworn to by the firm's owner(s) before a person who is authorized by State law to administer oaths or an unsworn declaration executed under penalty of perjury of the laws of the United States.
 - (i) This affidavit must affirm that you have submitted all the information required by 49 CFR Part 26.85(c), and the information is complete and, in the case of the information required by 26.85(c)(1), is an identical copy of the information submitted to State A.

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

- (ii) If the on-site report from you home State supporting your certification in you home State is more than three years old, as of the date of your application to the CUCP Agency, we may require your affidavit also affirm that the facts in the on-site report remain true and correct.

**California Unified Certification Program
DISADVANTAGED BUSINESS ENTERPRISE
Interstate Application Affidavit**

Business Name:	
Federal Identification No: (EIN)	
Business Address:	
Telephone No:	
Business Contact Email Address:	

I/We the undersigned owner(s) of the above referenced firm submit the enclosed application for Disadvantaged Business Enterprise (DBE) certification in the State of California and do hereby declare and affirm the facts presented herein are true and correct to the best of my/our knowledge:

1. All the information required by 49 CFR 26.85(c) is attached, and complete.
2. The facts set forth in the on-site conducted _____ from _____(home state) remain true and correct.
3. An identical copy of the application, all supporting documents, and any other information submitted to my/our home state, along with any other state related to this firm's certification, including all affidavits of no change, any notices of changes, as well as all correspondence related to the firm's applications or status as a DBE has been provided with the affidavit.

ANY MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION OR AFFIDAVIT IS SUFFICIENT CAUSE FOR DENIAL OF CERTIFICATION, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

Owner 1 Signature	Printed Name and Title	Date
Owner 2 Signature	Printed Name and Title	Date
Owner 3 Signature	Printed Name and Title	Date
Owner 4 Signature	Printed Name and Title	Date

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

CALIFORNIA UNIFIED
CERTIFICATION PROGRAM
(CUCP)



Notary

STATE OF: _____ **COUNTY OF:** _____

Sworn to (or affirmed) and subscribed before me this _____ day _____ 20_____

(NOTARY SEAL)

(Signature of Notary)

(Name of Notary, Typed, Printed, or Seal)

Personally, known or produced identification, _____ (type of identification).

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



Roster of Certifying Agencies

Note: If you received this information as a hard copy, the Uniform DBE/ACDBE Certification Application form and Personal Net Worth Statement are available at:

<https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/ready-apply>

If the firm has its principal place of business in another state and is currently certified in that state, please contact the California Department of Transportation.

Area	Counties	DBE Certifying Agencies	
Riverside, Imperial & San Diego (RIS)	Imperial Riverside San Diego	<p><u>SUBMIT APPLICATION PACKAGE TO:</u></p> <ul style="list-style-type: none"> ➤ CITY OF LOS ANGELES* ➤ LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> ➤ CALIFORNIA DEPARTMENT OF TRANSPORTATION <p style="text-align: center;">SEE CONTACT INFORMATION BELOW</p>	
Los Angeles Area	Kern Los Angeles Orange San Bernardino San Luis Obispo Santa Barbara Ventura	<p>CITY OF LOS ANGELES Bureau of Contract Admin. Centralized Certification Section 1149 S. Broadway, Ste 300 Los Angeles, CA 90015 Phone: (213) 847-2684 Fax: (213) 847-2777 Email: bca.certifications@lacity.org</p> <p>http://bca.lacity.org</p> <p><i>*Please note: <u>Only firms located within City of Los Angeles may apply</u></i></p>	<p>LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (METRO) Diversity and Economic Opportunity Department One Gateway Plaza, MS 99-8-4 Los Angeles, CA 90012 Phone: (213) 922-2600 Fax: (213) 922-7660 Email: certificationunit@metro.net</p> <p><i>Please Note: <u>Metro only accepts online applications.</u></i></p> <p><i>Please use link below to apply:</i> metro.gob2g.com</p>

Note: List of agencies subject to change

Rev 1/26/2021

AREA	COUNTIES	DBE CERTIFYING AGENCIES	
Bay Area/ Central Valley	Alameda Amador Calaveras Contra Costa Fresno Kings Madera Marin Mariposa Merced Monterey Napa San Benito San Francisco San Joaquin San Mateo Santa Clara Santa Cruz Solano Sonoma Stanislaus Tulare Tuolumne	<p>S.F. BAY AREA RAPID TRANSIT DISTRICT (BART) Office of Civil Rights 300 Lakeside Drive 16th Floor Oakland, CA 94612 Phone: (510) 464-6100 Fax: (510) 464-7587 www.bart.gov</p> <p>CITY OF FRESNO Finance Department, Purchasing Division, DBE Program 2600 Fresno Street, Room 2156 Fresno, CA 93721-3622 Phone: (559) 621-7036 Fax: (559) 488-1069 www.fresno.gov</p> <p>SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA) Business Diversity Programs 3331 North First Street, Bldg. B San Jose, CA 95134-1906 Phone: (408) 321-5962 osdb.osdb@vta.org www.vta.org/osb</p>	<p>SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY (SFMTA) Contract Compliance Office One S. Van Ness Avenue, 6th Flr San Francisco, CA 94103 Phone: (415) 701-4436 Fax: (415) 701-4347 www.sfmuni.com</p> <p>SAN MATEO COUNTY TRANSIT DISTRICT (SAMTRANS)/ PENINSULA CORRIDOR JOINT POWERS BOARD (JPB) DBE Office 1250 San Carlos Avenue San Carlos, CA 94070 Phone: (650) 508-7939 Fax: (650) 508-7738 www.samtrans.com</p>
Northern California	Alpine Butte Colusa Del Norte El Dorado Glenn Humboldt Inyo Lake Lassen Mendocino Modoc Mono Nevada Placer Plumas Sacramento Shasta Sierra Siskiyou Sutter Tehama Trinity Yolo Yuba	<p>CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) Office of Civil Rights 1823 - 14th Street Sacramento, CA 95811 Phone: (916) 324-1700 or Fax: (916) 324-1862 www.dot.ca.gov</p>	

ACDBE CERTIFYING AGENCIES

CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS)

**Office of Civil Rights
1823 14th Street
Sacramento, CA 95811
Phone: (916) 324-1700 ** Fax: (916) 324-1862
www.dot.ca.gov**

FOR LOS ANGELES WORLD AIRPORTS PLEASE CONTACT:

**CITY OF LOS ANGELES
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
Phone (213) 847-2684 ** Fax: (213) 847-2777
<http://bca.lacity.org>**

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY (SDCRAA)

**Small Business Development Department
P.O. Box 82776
San Diego, CA 92138-2776
Phone: (619) 400-2568 ** Fax: (619) 400-2566
www.san.org**

(San Diego Concessions Only)

SAN FRANCISCO INTERNATIONAL AIRPORT

**Small Business Affairs Office
P.O. Box 8097
San Francisco, CA 94128
Phone: (650) 821-5021 ** Fax: (650) 821-5146
www.flysfo.com**

(SFO Concessions Only)

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY (SFMTA)

**Contract Compliance Office
One S. Van Ness Avenue, 6th Floor
San Francisco, CA 94103
Phone: (415) 701-4436 ** Fax: (415) 701-4347
www.sfmuni.com**

ELECTRONIC CODE OF FEDERAL REGULATIONS

e-CFR data is current as of June 3, 2021

[Title 49](#) → [Subtitle A](#) → [Part 26](#)

Title 49: Transportation

PART 26—PARTICIPATION BY DISADVANTAGED BUSINESS ENTERPRISES IN DEPARTMENT OF TRANSPORTATION FINANCIAL ASSISTANCE PROGRAMS

Contents

Subpart A—General

- §26.1 What are the objectives of this part?
- §26.3 To whom does this part apply?
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- §26.7 What discriminatory actions are forbidden?
- §26.9 How does the Department issue guidance and interpretations under this part?
- §26.11 What records do recipients keep and report?
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- §26.15 How can recipients apply for exemptions or waivers?

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§26.61 How are burdens of proof allocated in the certification process?

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§26.81 What are the requirements for Unified Certification Programs?

§26.83 What procedures do recipients follow in making certification decisions?

§26.85 Interstate certification.

§26.86 What rules govern recipients' denials of initial requests for certification?

§26.87 What procedures does a recipient use to remove a DBE's eligibility?

§26.88 Summary suspension of certification.

§26.89 What is the process for certification appeals to the Department of Transportation?

§26.91 What actions do recipients take following DOT certification appeal decisions?

Subpart F—Compliance and Enforcement

§26.101 What compliance procedures apply to recipients?

§26.103 What enforcement actions apply in FHWA and FTA programs?

§26.105 What enforcement actions apply in FAA programs?

§26.107 What enforcement actions apply to firms participating in the DBE program?

§26.109 What are the rules governing information, confidentiality, cooperation, and intimidation or retaliation?

Appendix A to Part 26—Guidance Concerning Good Faith Efforts

Appendix B to Part 26—Uniform Report of DBE Awards or Commitments and Payments Form

Appendix C to Part 26—DBE Business Development Program Guidelines

Appendix D to Part 26—Mentor-Protégé Program Guidelines

Appendix E to Part 26—Individual Determinations of Social and Economic Disadvantage

Appendix F to Part 26—Uniform Certification Application Form

Appendix G to Part 26—Personal Net Worth Statement

AUTHORITY: 23 U.S.C. 324; 42 U.S.C. 2000d, *et seq.*; Sec. 1101(b), Pub. L. 114-94, 129 Stat. 1312, 1324; 49 U.S.C. 47113, 47123; Sec. 150, Pub. L. 115-254, 132 Stat. 3215.

SOURCE: 64 FR 5126, Feb. 2, 1999, unless otherwise noted.

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Subpart A—General

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§26.1 What are the objectives of this part?

This part seeks to achieve several objectives:

- (a) To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's highway, transit, and airport financial assistance programs;
- (b) To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
- (c) To ensure that the Department's DBE program is narrowly tailored in accordance with applicable law;
- (d) To ensure that only firms that fully meet this part's eligibility standards are permitted to participate as DBEs;
- (e) To help remove barriers to the participation of DBEs in DOT-assisted contracts;
- (f) To promote the use of DBEs in all types of federally-assisted contracts and procurement activities conducted by recipients.
- (g) To assist the development of firms that can compete successfully in the marketplace outside the DBE program; and
- (h) To provide appropriate flexibility to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

[64 FR 5126, Feb. 2, 1999, as amended at 79 FR 59592, Oct. 2, 2014]

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§26.3 To whom does this part apply?

(a) If you are a recipient of any of the following types of funds, this part applies to you:

(1) Federal-aid highway funds authorized under Titles I (other than Part B) and V of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Pub. L. 102-240, 105 Stat. 1914, or Titles I, III, and V of the Transportation Equity Act for the 21st Century (TEA-21), Pub. L. 105-178, 112 Stat. 107. Titles I, III, and V of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, 119 Stat. 1144; and Divisions A and B of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Pub. L. 112-141, 126 Stat. 405.

(2) Federal transit funds authorized by Titles I, III, V and VI of ISTEA, Pub. L. 102-240 or by Federal transit laws in Title 49, U.S. Code, or Titles I, III, and V of the TEA-21, Pub. L. 105-178. Titles I, III, and V of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, 119 Stat. 1144; and Divisions A and B of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Pub. L. 112-141, 126 Stat. 405.

(3) Airport funds authorized by 49 U.S.C. 47101, *et seq.*

(b) [Reserved]

(c) If you are letting a contract, and that contract is to be performed entirely outside the United States, its territories and possessions, Puerto Rico, Guam, or the Northern Marianas Islands, this part does not apply to the contract.

(d) If you are letting a contract in which DOT financial assistance does not participate, this part does not apply to the contract.

[64 FR 5126, Feb. 2, 1999, as amended at 79 FR 59592, Oct. 2, 2014]

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§26.5 What do the terms used in this part mean?

Affiliation has the same meaning the term has in the Small Business Administration (SBA) regulations, 13 CFR part 121.

(1) Except as otherwise provided in 13 CFR part 121, concerns are affiliates of each other when, either directly or indirectly:

(i) One concern controls or has the power to control the other; or

(ii) A third party or parties controls or has the power to control both; or

(iii) An identity of interest between or among parties exists such that affiliation may be found.

(2) In determining whether affiliation exists, it is necessary to consider all appropriate factors, including common ownership, common management, and contractual relationships. Affiliates must be considered together in determining whether a concern meets small business size criteria and the statutory cap on the participation of firms in the DBE program.

Alaska Native means a citizen of the United States who is a person of one-fourth degree or more Alaskan Indian (including Tsimshian Indians not enrolled in the Metlaktla Indian Community), Eskimo, or Aleut blood, or a combination of those bloodlines. The term includes, in the absence of proof of a minimum blood quantum, any citizen whom a Native village or Native group regards as an Alaska Native if their father or mother is regarded as an Alaska Native.

Alaska Native Corporation (ANC) means any Regional Corporation, Village Corporation, Urban Corporation, or Group Corporation organized under the laws of the State of Alaska in accordance with the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, *et seq.*).

Assets mean all the property of a person available for paying debts or for distribution, including one's respective share of jointly held assets. This includes, but is not limited to, cash on hand and in banks, savings accounts, IRA or other retirement accounts, accounts receivable, life insurance, stocks and bonds, real estate, and personal property.

Business, business concern or business enterprise means an entity organized for profit with a place of business located in the United States, and which operates primarily within the United States or which makes a significant contribution to the United States economy through payment of taxes or use of American products, materials, or labor.

Compliance means that a recipient has correctly implemented the requirements of this part.

Contingent Liability means a liability that depends on the occurrence of a future and uncertain event. This includes, but is not limited to, guaranty for debts owed by the applicant concern, legal claims and judgments, and provisions for federal income tax.

Contract means a legally binding relationship obligating a seller to furnish supplies or services (including, but not limited to, construction and professional services) and the buyer to pay for them. For purposes of this part, a lease is considered to be a contract.

Contractor means one who participates, through a contract or subcontract (at any tier), in a DOT-assisted highway, transit, or airport program.

Days mean calendar days. In computing any period of time described in this part, the day from which the period begins to run is not counted, and when the last day of the period is a Saturday, Sunday, or Federal holiday, the period extends to the next day that is not a Saturday, Sunday, or Federal holiday. Similarly, in circumstances where the recipient's offices are closed for all or part of the last day, the period extends to the next day on which the agency is open.

Department or DOT means the U.S. Department of Transportation, including the Office of the Secretary, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Aviation Administration (FAA).

Disadvantaged business enterprise or DBE means a for-profit small business concern—

(1) That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and

(2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

DOT-assisted contract means any contract between a recipient and a contractor (at any tier) funded in whole or in part with DOT financial assistance, including letters of credit or loan guarantees, except a contract solely for the purchase of land.

Good faith efforts means efforts to achieve a DBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement.

Home state means the state in which a DBE firm or applicant for DBE certification maintains its principal place of business.

Immediate family member means father, mother, husband, wife, son, daughter, brother, sister, grandfather, grandmother, father-in-law, mother-in-law, sister-in-law, brother-in-law, and domestic partner and civil unions recognized under State law.

Indian tribe means any Indian tribe, band, nation, or other organized group or community of Indians, including any ANC, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or is recognized as such by the State in which the tribe, band, nation, group, or community resides. See the definition of "Indian tribe" in this section.

Joint venture means an association of a DBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the DBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

Liabilities mean financial or pecuniary obligations. This includes, but is not limited to, accounts payable, notes payable to bank or others, installment accounts, mortgages on real estate, and unpaid taxes.

Native Hawaiian means any individual whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Native Hawaiian Organization means any community service organization serving Native Hawaiians in the State of Hawaii which is a not-for-profit organization chartered by the State of Hawaii, is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians.

Noncompliance means that a recipient has not correctly implemented the requirements of this part.

Operating Administration or *OA* means any of the following parts of DOT: the Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA). The "Administrator" of an operating administration includes his or her designees.

Personal net worth means the net value of the assets of an individual remaining after total liabilities are deducted. An individual's personal net worth does not include: The individual's ownership interest in an applicant or participating DBE firm; or the individual's equity in his or her primary place of residence. An individual's personal net worth includes only his or her own share of assets held jointly or as community property with the individual's spouse.

Primary industry classification means the most current North American Industry Classification System (NAICS) designation which best describes the primary business of a firm. The NAICS is described in the North American Industry Classification Manual—United States, which is available on the Internet at the U.S. Census Bureau Web site: <http://www.census.gov/eos/www/naics/>.

Primary recipient means a recipient which receives DOT financial assistance and passes some or all of it on to another recipient.

Principal place of business means the business location where the individuals who manage the firm's day-to-day operations spend most working hours. If the offices from which management is directed and where the business records are kept are in different locations, the recipient will determine the principal place of business.

Program means any undertaking on a recipient's part to use DOT financial assistance, authorized by the laws to which this part applies.

Race-conscious measure or program is one that is focused specifically on assisting only DBEs, including women-owned DBEs.

Race-neutral measure or program is one that is, or can be, used to assist all small businesses. For the purposes of this part, *race-neutral* includes gender-neutrality.

Recipient is any entity, public or private, to which DOT financial assistance is extended, whether directly or through another recipient, through the programs of the FAA, FHWA, or FTA, or who has applied for such assistance.

Secretary means the Secretary of Transportation or his/her designee.

Set-aside means a contracting practice restricting eligibility for the competitive award of a contract solely to DBE firms.

Small Business Administration or *SBA* means the United States Small Business Administration.

SBA certified firm refers to firms that have a current, valid certification from or recognized by the SBA under the 8(a) BD or SDB programs.

Small business concern means, with respect to firms seeking to participate as DBEs in DOT-assisted contracts, a small business concern as defined pursuant to section 3 of the Small Business Act and Small Business Administration regulations implementing it (13 CFR part 121) that also does not exceed the cap on average annual gross receipts specified in §26.65(b).

Socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who has been subjected to racial or ethnic prejudice or cultural bias within American society because of his or her identity as a members of groups and without regard to his or her individual qualities. The social disadvantage must stem from circumstances beyond the individual's control.

(1) Any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis. An individual must demonstrate that he or she has held himself or herself out, as a member of a designated group if you require it.

(2) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:

(i) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;

(ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

(iii) "Native Americans," which includes persons who are enrolled members of a federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians;

(iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Samoa, Macao, Fiji, Tonga, Kirbati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;

(v) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;

(vi) Women;

(vii) Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.

(3) Being born in a particular country does not, standing alone, mean that a person is necessarily a member of one of the groups listed in this definition.

Spouse means a married person, including a person in a domestic partnership or a civil union recognized under State law.

Transit vehicle manufacturer means any manufacturer whose primary business purpose is to manufacture vehicles specifically built for public mass transportation. Such vehicles include, but are not limited to: Buses, rail cars, trolleys, ferries, and vehicles manufactured specifically for paratransit purposes. Producers of vehicles that receive post-production alterations or retrofitting to be used for public transportation purposes (e.g., so-called cutaway vehicles, vans customized for service to people with disabilities) are also considered transit vehicle manufacturers. Businesses that manufacture, mass-produce, or distribute vehicles solely for personal use and for sale "off the lot" are not considered transit vehicle manufacturers.

Tribally-owned concern means any concern at least 51 percent owned by an Indian tribe as defined in this section.

You refers to a recipient, unless a statement in the text of this part or the context requires otherwise (i.e., 'You must do XYZ' means that recipients must do XYZ).

[64 FR 5126, Feb. 2, 1999, as amended at 64 FR 34570, June 28, 1999; 68 FR 35553, June 16, 2003; 76 FR 5096, Jan. 28, 2011; 79 FR 59592, Oct. 2, 2014]

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§26.7 What discriminatory actions are forbidden?

(a) You must never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by this part on the basis of race, color, sex, or national origin.

(b) In administering your DBE program, you must not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the program with respect to individuals of a particular race, color, sex, or national origin.

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§26.9 How does the Department issue guidance and interpretations under this part?

(a) Only guidance and interpretations (including interpretations set forth in certification appeal decisions) consistent with this part 26 and issued after March 4, 1999 express the

official positions and views of the Department of Transportation or any of its operating administrations.

(b) The Secretary of Transportation, Office of the Secretary of Transportation, FHWA, FTA, and FAA may issue written interpretations of or written guidance concerning this part. Written interpretations and guidance are valid, and express the official positions and views of the Department of Transportation or any of its operating administrations, only if they are issued over the signature of the Secretary of Transportation or if they contain the following statement:

The General Counsel of the Department of Transportation has reviewed this document and approved it as consistent with the language and intent of 49 CFR part 26.

[72 FR 15617, Apr. 2, 2007]

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§26.11 What records do recipients keep and report?

(a) You must transmit the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to this part, at the intervals stated on the form.

(b) You must continue to provide data about your DBE program to the Department as directed by DOT operating administrations.

(c) You must create and maintain a bidders list.

(1) The purpose of this list is to provide you as accurate data as possible about the universe of DBE and non-DBE contractors and subcontractors who seek to work on your Federally-assisted contracts for use in helping you set your overall goals.

(2) You must obtain the following information about DBE and non-DBE contractors and subcontractors who seek to work on your Federally-assisted contracts:

(i) Firm name;

(ii) Firm address;

(iii) Firm's status as a DBE or non-DBE;

(iv) Age of the firm; and

(v) The annual gross receipts of the firm. You may obtain this information by asking each firm to indicate into what gross receipts bracket they fit (*e.g.*, less than \$500,000; \$500,000-\$1 million; \$1-2 million; \$2-5 million; etc.) rather than requesting an exact figure from the firm.

(3) You may acquire the information for your bidders list in a variety of ways. For example, you can collect the data from all bidders, before or after the bid due date. You can conduct a survey that will result in statistically sound estimate of the universe of DBE and non-DBE contractors and subcontractors who seek to work on your Federally-assisted contracts. You may combine different data collection approaches (*e.g.*, collect name and address information from all bidders, while conducting a survey with respect to age and gross receipts information).

(d) You must maintain records documenting a firm's compliance with the requirements of this part. At a minimum, you must keep a complete application package for each certified firm and all affidavits of no-change, change notices, and on-site reviews. These records must be retained in accordance with applicable record retention requirements for the recipient's financial assistance agreement. Other certification or compliance related records must be retained for a minimum of three (3) years unless otherwise provided by applicable record retention requirements for the recipient's financial assistance agreement, whichever is longer.

(e) The State department of transportation in each UCP established pursuant to §26.81 of this part must report to the Department of Transportation's Office of Civil Rights, by January 1, 2015, and each year thereafter, the percentage and location in the State of certified DBE firms in the UCP Directory controlled by the following:

- (1) Women;
- (2) Socially and economically disadvantaged individuals (other than women); and
- (3) Individuals who are women and are otherwise socially and economically disadvantaged individuals.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 76 FR 5096, Jan. 28, 2011; 79 FR 59593, Oct. 2, 2014]

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§26.13 What assurances must recipients and contractors make?

(a) Each financial assistance agreement you sign with a DOT operating administration (or a primary recipient) must include the following assurance: The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements 49 CFR part 26. The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

(b) Each contract you sign with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance: The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;

(3) Liquidated damages; and/or

(4) Disqualifying the contractor from future bidding as non-responsible.

[79 FR 59593, Oct. 2, 2014]

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§26.15 How can recipients apply for exemptions or waivers?

(a) You can apply for an exemption from any provision of this part. To apply, you must request the exemption in writing from the Office of the Secretary of Transportation, FHWA, FTA, or FAA. The Secretary will grant the request only if it documents special or exceptional circumstances, not likely to be generally applicable, and not contemplated in connection with the rulemaking that established this part, that make your compliance with a specific provision of this part impractical. You must agree to take any steps that the Department specifies to comply with the intent of the provision from which an exemption is granted. The Secretary will issue a written response to all exemption requests.

(b) You can apply for a waiver of any provision of Subpart B or C of this part including, but not limited to, any provisions regarding administrative requirements, overall goals, contract goals or good faith efforts. Program waivers are for the purpose of authorizing you to operate a DBE program that achieves the objectives of this part by means that may differ from one or more of the requirements of Subpart B or C of this part. To receive a program waiver, you must follow these procedures:

(1) You must apply through the concerned operating administration. The application must include a specific program proposal and address how you will meet the criteria of paragraph (b)(2) of this section. Before submitting your application, you must have had public participation in developing your proposal, including consultation with the DBE community and at least one public hearing. Your application must include a summary of the public participation process and the information gathered through it.

(2) Your application must show that—

(i) There is a reasonable basis to conclude that you could achieve a level of DBE participation consistent with the objectives of this part using different or innovative means other than those that are provided in subpart B or C of this part;

(ii) Conditions in your jurisdiction are appropriate for implementing the proposal;

(iii) Your proposal would prevent discrimination against any individual or group in access to contracting opportunities or other benefits of the program; and

(iv) Your proposal is consistent with applicable law and program requirements of the concerned operating administration's financial assistance program.

(3) The Secretary has the authority to approve your application. If the Secretary grants your application, you may administer your DBE program as provided in your proposal, subject to the following conditions:

(i) DBE eligibility is determined as provided in subparts D and E of this part, and DBE participation is counted as provided in §26.49;

(ii) Your level of DBE participation continues to be consistent with the objectives of this part;

(iii) There is a reasonable limitation on the duration of your modified program; and

(iv) Any other conditions the Secretary makes on the grant of the waiver.

(4) The Secretary may end a program waiver at any time and require you to comply with this part's provisions. The Secretary may also extend the waiver, if he or she determines that all requirements of paragraphs (b)(2) and (3) of this section continue to be met. Any such extension shall be for no longer than period originally set for the duration of the program.

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Subpart B—Administrative Requirements for DBE Programs for Federally-Assisted Contracting

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§26.21 Who must have a DBE program?

(a) If you are in one of these categories and let DOT-assisted contracts, you must have a DBE program meeting the requirements of this part:

(1) All FHWA primary recipients receiving funds authorized by a statute to which this part applies;

(2) FTA recipients receiving planning, capital and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds \$250,000 in FTA funds in a Federal fiscal year;

(3) FAA recipients receiving grants for airport planning or development who will award prime contracts the cumulative total value of which exceeds \$250,000 in FAA funds in a Federal fiscal year.

(b)(1) You must submit a DBE program conforming to this part by August 31, 1999 to the concerned operating administration (OA). Once the OA has approved your program, the approval counts for all of your DOT-assisted programs (except that goals are reviewed by the particular operating administration that provides funding for your DOT-assisted contracts).

(2) You do not have to submit regular updates of your DBE programs, as long as you remain in compliance. However, you must submit significant changes in the program for approval.

(c) You are not eligible to receive DOT financial assistance unless DOT has approved your DBE program and you are in compliance with it and this part. You must continue to carry out your program until all funds from DOT financial assistance have been expended.

[64 FR 5126, Feb. 2, 1999, as amended at 64 FR 34570, June 28, 1999; 65 FR 68951, Nov. 15, 2000; 79 FR 59593, Oct. 2, 2014]

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§26.23 What is the requirement for a policy statement?

You must issue a signed and dated policy statement that expresses your commitment to your DBE program, states its objectives, and outlines responsibilities for its implementation. You must circulate the statement throughout your organization and to the DBE and non-DBE business communities that perform work on your DOT-assisted contracts.

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§26.25 What is the requirement for a liaison officer?

You must have a DBE liaison officer, who shall have direct, independent access to your Chief Executive Officer concerning DBE program matters. The liaison officer shall be responsible for implementing all aspects of your DBE program. You must also have adequate staff to administer the program in compliance with this part.

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§26.27 What efforts must recipients make concerning DBE financial institutions?

You must thoroughly investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in your community and make reasonable efforts to use these institutions. You must also encourage prime contractors to use such institutions.

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§26.29 What prompt payment mechanisms must recipients have?

(a) You must establish, as part of your DBE program, a contract clause to require prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment you make to the prime contractor.

(b) You must ensure prompt and full payment of retainage from the prime contractor to the subcontractor within 30 days after the subcontractor's work is satisfactorily completed. You must use one of the following methods to comply with this requirement:

(1) You may decline to hold retainage from prime contractors and prohibit prime contractors from holding retainage from subcontractors.

(2) You may decline to hold retainage from prime contractors and require a contract clause obligating prime contractors to make prompt and full payment of any retainage kept by prime contractor to the subcontractor within 30 days after the subcontractor's work is satisfactorily completed.

(3) You may hold retainage from prime contractors and provide for prompt and regular incremental acceptances of portions of the prime contract, pay retainage to prime contractors based on these acceptances, and require a contract clause obligating the prime contractor to pay all retainage owed to the subcontractor for satisfactory completion of the accepted work within 30 days after your payment to the prime contractor.

(c) For purposes of this section, a subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented as required by the recipient. When a recipient has made an incremental acceptance of a portion of a prime contract, the work of a subcontractor covered by that acceptance is deemed to be satisfactorily completed.

(d) Your DBE program must provide appropriate means to enforce the requirements of this section. These means may include appropriate penalties for failure to comply, the terms and conditions of which you set. Your program may also provide that any delay or postponement of payment among the parties may take place only for good cause, with your prior written approval.

(e) You may also establish, as part of your DBE program, any of the following additional mechanisms to ensure prompt payment:

(1) A contract clause that requires prime contractors to include in their subcontracts language providing that prime contractors and subcontractors will use appropriate alternative dispute resolution mechanisms to resolve payment disputes. You may specify the nature of such mechanisms.

(2) A contract clause providing that the prime contractor will not be reimbursed for work performed by subcontractors unless and until the prime contractor ensures that the subcontractors are promptly paid for the work they have performed.

(3) Other mechanisms, consistent with this part and applicable state and local law, to ensure that DBEs and other contractors are fully and promptly paid.

[68 FR 35553, June 16, 2003]

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§26.31 What information must you include in your DBE directory?

(a) In the directory required under §26.81(g) of this Part, you must list all firms eligible to participate as DBEs in your program. In the listing for each firm, you must include its address, phone number, and the types of work the firm has been certified to perform as a DBE.

(b) You must list each type of work for which a firm is eligible to be certified by using the most specific NAICS code available to describe each type of work. You must make any changes to your current directory entries necessary to meet the requirement of this paragraph (a) by August 26, 2011.

[76 FR 5096, Jan. 28, 2011]

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§26.33 What steps must a recipient take to address overconcentration of DBEs in certain types of work?

(a) If you determine that DBE firms are so overconcentrated in a certain type of work as to unduly burden the opportunity of non-DBE firms to participate in this type of work, you must devise appropriate measures to address this overconcentration.

(b) These measures may include the use of incentives, technical assistance, business development programs, mentor-protégé programs, and other appropriate measures designed to assist DBEs in performing work outside of the specific field in which you have determined that non-DBEs are unduly burdened. You may also consider varying your use of contract goals, to the extent consistent with §26.51, to ensure that non-DBEs are not unfairly prevented from competing for subcontracts.

(c) You must obtain the approval of the concerned DOT operating administration for your determination of overconcentration and the measures you devise to address it. Once approved, the measures become part of your DBE program.

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§26.35 What role do business development and mentor-protégé programs have in the DBE program?

(a) You may or, if an operating administration directs you to, you must establish a DBE business development program (BDP) to assist firms in gaining the ability to compete successfully in the marketplace outside the DBE program. You may require a DBE firm, as a condition of receiving assistance through the BDP, to agree to terminate its participation in the DBE program after a certain time has passed or certain objectives have been reached. See Appendix C of this part for guidance on administering BDP programs.

(b) As part of a BDP or separately, you may establish a “mentor-protégé” program, in which another DBE or non-DBE firm is the principal source of business development assistance to a DBE firm.

(1) Only firms you have certified as DBEs before they are proposed for participation in a mentor-protégé program are eligible to participate in the mentor-protégé program.

(2) During the course of the mentor-protégé relationship, you must:

(i) Not award DBE credit to a non-DBE mentor firm for using its own protégé firm for more than one half of its goal on any contract let by the recipient; and

(ii) Not award DBE credit to a non-DBE mentor firm for using its own protégé firm for more than every other contract performed by the protégé firm.

(3) For purposes of making determinations of business size under this part, you must not treat protégé firms as affiliates of mentor firms, when both firms are participating under an approved mentor-protégé program. See Appendix D of this part for guidance concerning the operation of mentor-protégé programs.

(c) Your BDPs and mentor-protégé programs must be approved by the concerned operating administration before you implement them. Once approved, they become part of your DBE program.

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§26.37 What are a recipient's responsibilities for monitoring the performance of other program participants?

(a) You must implement appropriate mechanisms to ensure compliance with the part's requirements by all program participants (e.g., applying legal and contract remedies available under Federal, state and local law). You must set forth these mechanisms in your DBE program.

(b) Your DBE program must also include a monitoring and enforcement mechanism to ensure that work committed to DBEs at contract award or subsequently (e.g., as the result of modification to the contract) is actually performed by the DBEs to which the work was committed. This mechanism must include a written certification that you have reviewed

contracting records and monitored work sites in your state for this purpose. The monitoring to which this paragraph refers may be conducted in conjunction with monitoring of contract performance for other purposes (e.g., close-out reviews for a contract).

(c) This mechanism must provide for a running tally of actual DBE attainments (e.g., payments actually made to DBE firms), including a means of comparing these attainments to commitments. In your reports of DBE participation to the Department, you must display both commitments and attainments.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 68 FR 35554, June 16, 2003; 76 FR 5097, Jan. 28, 2011]

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§26.39 Fostering small business participation.

(a) Your DBE program must include an element to structure contracting requirements to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors.

(b) This element must be submitted to the appropriate DOT operating administration for approval as a part of your DBE program by February 28, 2012. As part of this program element you may include, but are not limited to, the following strategies:

(1) Establishing a race-neutral small business set-aside for prime contracts under a stated amount (e.g., \$1 million).

(2) In multi-year design-build contracts or other large contracts (e.g., for “megaprojects”) requiring bidders on the prime contract to specify elements of the contract or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform.

(3) On prime contracts not having DBE contract goals, requiring the prime contractor to provide subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved.

(4) Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts.

(5) To meet the portion of your overall goal you project to meet through race-neutral measures, ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform.

(c) You must actively implement your program elements to foster small business participation. Doing so is a requirement of good faith implementation of your DBE program.

[76 FR 5097, Jan. 28, 2011]

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Subpart C—Goals, Good Faith Efforts, and Counting

SunLine Transit Agency DBE Program FFY 2022-2024

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§26.41 What is the role of the statutory 10 percent goal in this program?

(a) The statutes authorizing this program provide that, except to the extent the Secretary determines otherwise, not less than 10 percent of the authorized funds are to be expended with DBEs.

(b) This 10 percent goal is an aspirational goal at the national level, which the Department uses as a tool in evaluating and monitoring DBEs' opportunities to participate in DOT-assisted contracts.

(c) The national 10 percent goal does not authorize or require recipients to set overall or contract goals at the 10 percent level, or any other particular level, or to take any special administrative steps if their goals are above or below 10 percent.

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§26.43 Can recipients use set-asides or quotas as part of this program?

(a) You are not permitted to use quotas for DBEs on DOT-assisted contracts subject to this part.

(b) You may not set-aside contracts for DBEs on DOT-assisted contracts subject to this part, except that, in limited and extreme circumstances, you may use set-asides when no other method could be reasonably expected to redress egregious instances of discrimination.

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§26.45 How do recipients set overall goals?

(a)(1) Except as provided in paragraph (a)(2) of this section, you must set an overall goal for DBE participation in your DOT-assisted contracts.

(2) If you are a FTA or FAA recipient who reasonably anticipates awarding (excluding transit vehicle purchases) \$250,000 or less in FTA or FAA funds in prime contracts in a Federal fiscal year, you are not required to develop overall goals for FTA or FAA respectively for that fiscal year. However, if you have an existing DBE program, it must remain in effect and you must seek to fulfill the objectives outlined in §26.1.

(b) Your overall goal must be based on demonstrable evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing and able to participate on your DOT-assisted contracts (hereafter, the "relative availability of DBEs"). The goal must reflect your determination of the level of DBE participation you would expect absent the effects of discrimination. You cannot simply rely on either the 10 percent national goal, your previous overall goal or past DBE participation rates in your program without reference to the relative availability of DBEs in your market.

(c) *Step 1.* You must begin your goal setting process by determining a base figure for the relative availability of DBEs. The following are examples of approaches that you may take toward determining a base figure. These examples are provided as a starting point for your goal setting process. Any percentage figure derived from one of these examples should be considered a basis from which you begin when examining all evidence available in your jurisdiction. ~~These examples are not intended~~ as an exhaustive list. Other methods or

combinations of methods to determine a base figure may be used, subject to approval by the concerned operating administration.

(1) *Use DBE Directories and Census Bureau Data.* Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) data base, determine the number of all ready, willing and able businesses available in your market that perform work in the same NAICS codes. (Information about the CBP data base may be obtained from the Census Bureau at their web site, www.census.gov/epcd/cbp/view/cbpview.html.) Divide the number of DBEs by the number of all businesses to derive a base figure for the relative availability of DBEs in your market.

(2) *Use a bidders list.* Determine the number of DBEs that have bid or quoted (successful and unsuccessful) on your DOT-assisted prime contracts or subcontracts in the past three years. Determine the number of all businesses that have bid or quoted (successful and unsuccessful) on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number of all businesses to derive a base figure for the relative availability of DBEs in your market. When using this approach, you must establish a mechanism (documented in your goal submission) to directly capture data on DBE and non-DBE prime and subcontractors that submitted bids or quotes on your DOT-assisted contracts.

(3) *Use data from a disparity study.* Use a percentage figure derived from data in a valid, applicable disparity study.

(4) *Use the goal of another DOT recipient.* If another DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.

(5) *Alternative methods.* Except as otherwise provided in this paragraph, you may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in your market. The exclusive use of a list of prequalified contractors or plan holders, or a bidders list that does not comply with the requirements of paragraph (c)(2) of this section, is not an acceptable alternative means of determining the availability of DBEs.

(d) *Step 2.* Once you have calculated a base figure, you must examine all of the evidence available in your jurisdiction to determine what adjustment, if any, is needed to the base figure to arrive at your overall goal. If the evidence does not suggest an adjustment is necessary, then no adjustment shall be made.

(1) There are many types of evidence that must be considered when adjusting the base figure. These include:

(i) The current capacity of DBEs to perform work in your DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years;

(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure; and

(iii) If your base figure is the goal of another recipient, you must adjust it for differences in your local market and your contracting program.

(2) If available, you must consider evidence from related fields that affect the opportunities for DBEs to form, grow and compete. These include, but are not limited to:

(i) Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate in your program;

(ii) Data on employment, self-employment, education, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.

(3) If you attempt to make an adjustment to your base figure to account for the continuing effects of past discrimination (often called the “but for” factor) or the effects of an ongoing DBE program, the adjustment must be based on demonstrable evidence that is logically and directly related to the effect for which the adjustment is sought.

(e) Once you have determined a percentage figure in accordance with paragraphs (c) and (d) of this section, you should express your overall goal as follows:

(1) If you are an FHWA recipient, as a percentage of all Federal-aid highway funds you will expend in FHWA-assisted contracts in the forthcoming three fiscal years.

(2) If you are an FTA or FAA recipient, as a percentage of all FT or FAA funds (exclusive of FTA funds to be used for the purchase of transit vehicles) that you will expend in FTA or FAA-assisted contracts in the three forthcoming fiscal years.

(3) In appropriate cases, the FHWA, FTA or FAA Administrator may permit or require you to express your overall goal as a percentage of funds for a particular grant or project or group of grants and/or projects, including entire projects. Like other overall goals, a project goal may be adjusted to reflect changed circumstances, with the concurrence of the appropriate operating administration.

(i) A project goal is an overall goal, and must meet all the substantive and procedural requirements of this section pertaining to overall goals.

(ii) A project goal covers the entire length of the project to which it applies.

(iii) The project goal should include a projection of the DBE participation anticipated to be obtained during each fiscal year covered by the project goal.

(iv) The funds for the project to which the project goal pertains are separated from the base from which your regular overall goal, applicable to contracts not part of the project covered by a project goal, is calculated.

(f)(1)(i) If you set your overall goal on a fiscal year basis, you must submit it to the applicable DOT operating administration by August 1 at three-year intervals, based on a schedule established by the FHWA, FTA, or FAA, as applicable, and posted on that agency's Web site.

(ii) You may adjust your three-year overall goal during the three-year period to which it applies, in order to reflect changed circumstances. You must submit such an adjustment to the concerned operating administration for review and approval.

(iii) The operating administration may direct you to undertake a review of your goal if necessary to ensure that the goal continues to fit your circumstances appropriately.

(iv) While you are required to submit an overall goal to FHWA, FTA, or FAA only every three years, the overall goal and the provisions of Sec. 26.47(c) apply to each year during that three-year period.

(v) You may make, for informational purposes, projections of your expected DBE achievements during each of the three years covered by your overall goal. However, it is the overall goal itself, and not these informational projections, to which the provisions of section 26.47(c) of this part apply.

(2) If you are a recipient and set your overall goal on a project or grant basis as provided in paragraph (e)(3) of this section, you must submit the goal for review at a time determined by the FHWA, FTA or FAA Administrator, as applicable.

(3) You must include with your overall goal submission a description of the methodology you used to establish the goal, including your base figure and the evidence with which it was calculated, and the adjustments you made to the base figure and the evidence you relied on for the adjustments. You should also include a summary listing of the relevant available evidence in your jurisdiction and, where applicable, an explanation of why you did not use that evidence to adjust your base figure. You must also include your projection of the portions of the overall goal you expect to meet through race-neutral and race-conscious measures, respectively (see 26.51(c)).

(4) You are not required to obtain prior operating administration concurrence with your overall goal. However, if the operating administration's review suggests that your overall goal has not been correctly calculated or that your method for calculating goals is inadequate, the operating administration may, after consulting with you, adjust your overall goal or require that you do so. The adjusted overall goal is binding on you. In evaluating the adequacy or soundness of the methodology used to derive the overall goal, the operating administration will be guided by goal setting principles and best practices identified by the Department in guidance issued pursuant to §26.9.

(5) If you need additional time to collect data or take other steps to develop an approach to setting overall goals, you may request the approval of the concerned operating administration for an interim goal and/or goal-setting mechanism. Such a mechanism must:

(i) Reflect the relative availability of DBEs in your local market to the maximum extent feasible given the data available to you; and

(ii) Avoid imposing undue burdens on non-DBEs.

(6) Timely submission and operating administration approval of your overall goal is a condition of eligibility for DOT financial assistance.

(7) If you fail to establish and implement goals as provided in this section, you are not in compliance with this part. If you establish and implement goals in a way different from that provided in this part, you are not in compliance with this part. If you fail to comply with this requirement, you are not eligible to receive DOT financial assistance.

(g)(1) In establishing an overall goal, you must provide for consultation and publication. This includes:

(i) Consultation with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have

information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and your efforts to establish a level playing field for the participation of DBEs. The consultation must include a scheduled, direct, interactive exchange (e.g., a face-to-face meeting, video conference, teleconference) with as many interested stakeholders as possible focused on obtaining information relevant to the goal setting process, and it must occur before you are required to submit your methodology to the operating administration for review pursuant to paragraph (f) of this section. You must document in your goal submission the consultation process you engaged in. Notwithstanding paragraph (f)(4) of this section, you may not implement your proposed goal until you have complied with this requirement.

(ii) A published notice announcing your proposed overall goal before submission to the operating administration on August 1st. The notice must be posted on your official Internet Web site and may be posted in any other sources (e.g., minority-focused media, trade association publications). If the proposed goal changes following review by the operating administration, the revised goal must be posted on your official Internet Web site.

(2) At your discretion, you may inform the public that the proposed overall goal and its rationale are available for inspection during normal business hours at your principal office and for a 30-day comment period. Notice of the comment period must include addresses to which comments may be sent. The public comment period will not extend the August 1st deadline set in paragraph (f) of this section.

(h) Your overall goals must provide for participation by all certified DBEs and must not be subdivided into group-specific goals.

[64 FR 5126, Feb. 2, 1999, as amended at 64 FR 34570, June 28, 1999; 65 FR 68951, Nov. 15, 2000; 68 FR 35553, June 16, 2003; 75 FR 5536, Feb. 3, 2010; 76 FR 5097, Jan. 28, 2011; 79 FR 59593, Oct. 2, 2014]

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§26.47 Can recipients be penalized for failing to meet overall goals?

(a) You cannot be penalized, or treated by the Department as being in noncompliance with this rule, because your DBE participation falls short of your overall goal, unless you have failed to administer your program in good faith.

(b) If you do not have an approved DBE program or overall goal, or if you fail to implement your program in good faith, you are in noncompliance with this part.

(c) If the awards and commitments shown on your Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall goal applicable to that fiscal year, you must do the following in order to be regarded by the Department as implementing your DBE program in good faith:

(1) Analyze in detail the reasons for the difference between the overall goal and your awards and commitments in that fiscal year;

(2) Establish specific steps and milestones to correct the problems you have identified in your analysis and to enable you to meet fully your goal for the new fiscal year;

(3)(i) If you are a state highway agency; one of the 50 largest transit authorities as determined by the FTA; or an Operational Evolution Partnership Plan airport or other airport

designated by the FAA, you must submit, within 90 days of the end of the fiscal year, the analysis and corrective actions developed under paragraphs (c)(1) and (2) of this section to the appropriate operating administration for approval. If the operating administration approves the report, you will be regarded as complying with the requirements of this section for the remainder of the fiscal year.

(ii) As a transit authority or airport not meeting the criteria of paragraph (c)(3)(i) of this section, you must retain analysis and corrective actions in your records for three years and make it available to FTA or FAA on request for their review.

(4) FHWA, FTA, or FAA may impose conditions on the recipient as part of its approval of the recipient's analysis and corrective actions including, but not limited to, modifications to your overall goal methodology, changes in your race-conscious/race-neutral split, or the introduction of additional race-neutral or race-conscious measures.

(5) You may be regarded as being in noncompliance with this Part, and therefore subject to the remedies in §26.103 or §26.105 of this part and other applicable regulations, for failing to implement your DBE program in good faith if any of the following things occur:

(i) You do not submit your analysis and corrective actions to FHWA, FTA, or FAA in a timely manner as required under paragraph (c)(3) of this section;

(ii) FHWA, FTA, or FAA disapproves your analysis or corrective actions; or

(iii) You do not fully implement the corrective actions to which you have committed or conditions that FHWA, FTA, or FAA has imposed following review of your analysis and corrective actions.

(d) If, as recipient, your Uniform Report of DBE Awards or Commitments and Payments or other information coming to the attention of FTA, FHWA, or FAA, demonstrates that current trends make it unlikely that you will achieve DBE awards and commitments that would be necessary to allow you to meet your overall goal at the end of the fiscal year, FHWA, FTA, or FAA, as applicable, may require you to make further good faith efforts, such as by modifying your race-conscious/race-neutral split or introducing additional race-neutral or race-conscious measures for the remainder of the fiscal year.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5098, Jan. 28, 2011]

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§26.49 How are overall goals established for transit vehicle manufacturers?

(a) If you are an FTA recipient, you must require in your DBE program that each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, certify that it has complied with the requirements of this section. You do not include FTA assistance used in transit vehicle procurements in the base amount from which your overall goal is calculated.

(1) Only those transit vehicle manufacturers listed on FTA's certified list of Transit Vehicle Manufacturers, or that have submitted a goal methodology to FTA that has been approved or has not been disapproved, at the time of solicitation are eligible to bid.

(2) A TVM's failure to implement the DBE Program in the manner as prescribed in this section and throughout 49 CFR part 26 will be deemed as non-compliance, which will result

in removal from FTA's certified TVMs list, resulting in that manufacturer becoming ineligible to bid.

(3) FTA recipient's failure to comply with the requirements set forth in paragraph (a) of this section may result in formal enforcement action or appropriate sanction as determined by FTA (e.g., FTA declining to participate in the vehicle procurement).

(4) FTA recipients are required to submit within 30 days of making an award, the name of the successful bidder, and the total dollar value of the contract in the manner prescribed in the grant agreement.

(b) If you are a transit vehicle manufacturer, you must establish and submit for FTA's approval an annual overall percentage goal.

(1) In setting your overall goal, you should be guided, to the extent applicable, by the principles underlying §26.45. The base from which you calculate this goal is the amount of FTA financial assistance included in transit vehicle contracts you will bid on during the fiscal year in question, less the portion(s) attributable to the manufacturing process performed entirely by the transit vehicle manufacturer's own forces.

(i) You must consider and include in your base figure all domestic contracting opportunities made available to non-DBE firms; and

(ii) You must exclude from this base figure funds attributable to work performed outside the United States and its territories, possessions, and commonwealths.

(iii) In establishing an overall goal, the transit vehicle manufacturer must provide for public participation. This includes consultation with interested parties consistent with §26.45(g).

(2) The requirements of this part with respect to submission and approval of overall goals apply to you as they do to recipients.

(c) Transit vehicle manufacturers awarded must comply with the reporting requirements of §26.11 of this part including the requirement to submit the Uniform Report of Awards or Commitments and Payments, in order to remain eligible to bid on FTA assisted transit vehicle procurements.

(d) Transit vehicle manufacturers must implement all other applicable requirements of this part, except those relating to UCPs and DBE certification procedures.

(e) If you are an FHWA or FAA recipient, you may, with FHWA or FAA approval, use the procedures of this section with respect to procurements of vehicles or specialized equipment. If you choose to do so, then the manufacturers of this equipment must meet the same requirements (including goal approval by FHWA or FAA) as transit vehicle manufacturers must meet in FTA-assisted procurements.

(f) As a recipient you may, with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of complying through the procedures of this section.

[79 FR 59594, Oct. 2, 2014]

§26.51 What means do recipients use to meet overall goals?

(a) You must meet the maximum feasible portion of your overall goal by using race-neutral means of facilitating race-neutral DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract on a prime contract that does not carry a DBE contract goal.

(b) Race-neutral means include, but are not limited to, the following:

(1) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under §26.39 of this part.

(2) Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing);

(3) Providing technical assistance and other services;

(4) Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);

(5) Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;

(6) Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;

(7) Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;

(8) Ensuring distribution of your DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and

(9) Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

(c) Each time you submit your overall goal for review by the concerned operating administration, you must also submit your projection of the portion of the goal that you expect to meet through race-neutral means and your basis for that projection. This projection is subject to approval by the concerned operating administration, in conjunction with its review of your overall goal.

(d) You must establish contract goals to meet any portion of your overall goal you do not project being able to meet using race-neutral means.

(e) The following provisions apply to the use of contract goals:

(1) You may use contract goals only on those DOT-assisted contracts that have subcontracting possibilities.

(2) You are not required to set a contract goal on every DOT-assisted contract. You are not required to set each contract goal at the same percentage level as the overall goal. The goal for a specific contract may be higher or lower than that percentage level of the overall goal, depending on such factors as the type of work involved, the location of the work, and the availability of DBEs for the work of the particular contract. However, over the period covered by your overall goal, you must set contract goals so that they will cumulatively result in meeting any portion of your overall goal you do not project being able to meet through the use of race-neutral means.

(3) Operating administration approval of each contract goal is not necessarily required. However, operating administrations may review and approve or disapprove any contract goal you establish.

(4) Your contract goals must provide for participation by all certified DBEs and must not be subdivided into group-specific goals.

(f) To ensure that your DBE program continues to be narrowly tailored to overcome the effects of discrimination, you must adjust your use of contract goals as follows:

(1) If your approved projection under paragraph (c) of this section estimates that you can meet your entire overall goal for a given year through race-neutral means, you must implement your program without setting contract goals during that year, unless it becomes necessary in order meet your overall goal.

Example to paragraph (f)(1): Your overall goal for Year 1 is 12 percent. You estimate that you can obtain 12 percent or more DBE participation through the use of race-neutral measures, without any use of contract goals. In this case, you do not set any contract goals for the contracts that will be performed in Year 1. However, if part way through Year 1, your DBE awards or commitments are not at a level that would permit you to achieve your overall goal for Year 1, you could begin setting race-conscious DBE contract goals during the remainder of the year as part of your obligation to implement your program in good faith.

(2) If, during the course of any year in which you are using contract goals, you determine that you will exceed your overall goal, you must reduce or eliminate the use of contract goals to the extent necessary to ensure that the use of contract goals does not result in exceeding the overall goal. If you determine that you will fall short of your overall goal, then you must make appropriate modifications in your use of race-neutral and/or race-conscious measures to allow you to meet the overall goal.

Example to paragraph (f)(2): In Year II, your overall goal is 12 percent. You have estimated that you can obtain 5 percent DBE participation through use of race-neutral measures. You therefore plan to obtain the remaining 7 percent participation through use of DBE goals. By September, you have already obtained 11 percent DBE participation for the year. For contracts let during the remainder of the year, you use contract goals only to the extent necessary to obtain an additional one percent DBE participation. However, if you determine in September that your participation for the year is likely to be only 8 percent total, then you would increase your use of race-neutral and/or race-conscious means during the remainder of the year in order to achieve your overall goal.

(3) If the DBE participation you have obtained by race-neutral means alone meets or exceeds your overall goals for two consecutive years, you are not required to make a projection of the amount of your goal you can meet using such means in the next year. You do not set contract goals on any contracts in the next year. You continue using only race-

neutral means to meet your overall goals unless and until you do not meet your overall goal for a year.

Example to paragraph (f)(3): Your overall goal for Years I and Year II is 10 percent. The DBE participation you obtain through race-neutral measures alone is 10 percent or more in each year. (For this purpose, it does not matter whether you obtained additional DBE participation through using contract goals in these years.) In Year III and following years, you do not need to make a projection under paragraph (c) of this section of the portion of your overall goal you expect to meet using race-neutral means. You simply use race-neutral means to achieve your overall goals. However, if in Year VI your DBE participation falls short of your overall goal, then you must make a paragraph (c) projection for Year VII and, if necessary, resume use of contract goals in that year.

(4) If you obtain DBE participation that exceeds your overall goal in two consecutive years through the use of contract goals (*i.e.*, not through the use of race-neutral means alone), you must reduce your use of contract goals proportionately in the following year.

Example to paragraph (f)(4): In Years I and II, your overall goal is 12 percent, and you obtain 14 and 16 percent DBE participation, respectively. You have exceeded your goals over the two-year period by an average of 25 percent. In Year III, your overall goal is again 12 percent, and your paragraph (c) projection estimates that you will obtain 4 percent DBE participation through race-neutral means and 8 percent through contract goals. You then reduce the contract goal projection by 25 percent (*i.e.*, from 8 to 6 percent) and set contract goals accordingly during the year. If in Year III you obtain 11 percent participation, you do not use this contract goal adjustment mechanism for Year IV, because there have not been two *consecutive* years of exceeding overall goals.

(g) In any year in which you project meeting part of your goal through race-neutral means and the remainder through contract goals, you must maintain data separately on DBE achievements in those contracts with and without contract goals, respectively. You must report this data to the concerned operating administration as provided in §26.11.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5098, Jan. 28, 2011; 79 FR 59595, Oct. 2, 2014]

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§26.53 What are the good faith efforts procedures recipients follow in situations where there are contract goals?

(a) When you have established a DBE contract goal, you must award the contract only to a bidder/offeror who makes good faith efforts to meet it. You must determine that a bidder/offeror has made good faith efforts if the bidder/offeror does either of the following things:

(1) Documents that it has obtained enough DBE participation to meet the goal; or

(2) Documents that it made adequate good faith efforts to meet the goal, even though it did not succeed in obtaining enough DBE participation to do so. If the bidder/offeror does document adequate good faith efforts, you must not deny award of the contract on the basis that the bidder/offeror failed to meet the goal. See Appendix A of this part for guidance in determining the adequacy of a bidder/offeror's good faith efforts.

(b) In your solicitations for DOT-assisted contracts for which a contract goal has been established, you must require the following:

(1) Award of the contract will be conditioned on meeting the requirements of this section;

(2) All bidders or offerors will be required to submit the following information to the recipient, at the time provided in paragraph (b)(3) of this section:

(i) The names and addresses of DBE firms that will participate in the contract;

(ii) A description of the work that each DBE will perform. To count toward meeting a goal, each DBE firm must be certified in a NAICS code applicable to the kind of work the firm would perform on the contract;

(iii) The dollar amount of the participation of each DBE firm participating;

(iv) Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet a contract goal; and

(v) Written confirmation from each listed DBE firm that it is participating in the contract in the kind and amount of work provided in the prime contractor's commitment.

(vi) If the contract goal is not met, evidence of good faith efforts (see Appendix A of this part). The documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract; and

(3)(i) At your discretion, the bidder/offeror must present the information required by paragraph (b)(2) of this section—

(A) Under sealed bid procedures, as a matter of responsiveness, or with initial proposals, under contract negotiation procedures; or

(B) No later than 7 days after bid opening as a matter of responsibility. The 7 days shall be reduced to 5 days beginning January 1, 2017.

(ii) Provided that, in a negotiated procurement, including a design-build procurement, the bidder/offeror may make a contractually binding commitment to meet the goal at the time of bid submission or the presentation of initial proposals but provide the information required by paragraph (b)(2) of this section before the final selection for the contract is made by the recipient.

(c) You must make sure all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before committing yourself to the performance of the contract by the bidder/offeror.

(d) If you determine that the apparent successful bidder/offeror has failed to meet the requirements of paragraph (a) of this section, you must, before awarding the contract, provide the bidder/offeror an opportunity for administrative reconsideration.

(1) As part of this reconsideration, the bidder/offeror must have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so.

(2) Your decision on reconsideration must be made by an official who did not take part in the original determination that the bidder/offeror failed to meet the goal or make adequate good faith efforts to do so.

(3) The bidder/offeror must have the opportunity to meet in person with your reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so.

(4) You must send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so.

(5) The result of the reconsideration process is not administratively appealable to the Department of Transportation.

(e) In a “design-build” or “turnkey” contracting situation, in which the recipient lets a master contract to a contractor, who in turn lets subsequent subcontracts for the work of the project, a recipient may establish a goal for the project. The master contractor then establishes contract goals, as appropriate, for the subcontracts it lets. Recipients must maintain oversight of the master contractor's activities to ensure that they are conducted consistent with the requirements of this part.

(f)(1)(i) You must require that a prime contractor not terminate a DBE subcontractor listed in response to paragraph (b)(2) of this section (or an approved substitute DBE firm) without your prior written consent. This includes, but is not limited to, instances in which a prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

(ii) You must include in each prime contract a provision stating:

(A) That the contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains your written consent as provided in this paragraph (f); and

(B) That, unless your consent is provided under this paragraph (f), the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

(2) You may provide such written consent only if you agree, for reasons stated in your concurrence document, that the prime contractor has good cause to terminate the DBE firm.

(3) For purposes of this paragraph, good cause includes the following circumstances:

(i) The listed DBE subcontractor fails or refuses to execute a written contract;

(ii) The listed DBE subcontractor fails or refuses to perform the work of its subcontract in a way consistent with normal industry standards. Provided, however, that good cause does not exist if the failure or refusal of the DBE subcontractor to perform its work on the subcontract results from the bad faith or discriminatory action of the prime contractor;

(iii) The listed DBE subcontractor fails or refuses to meet the prime contractor's reasonable, nondiscriminatory bond requirements.

(iv) The listed DBE subcontractor becomes bankrupt, insolvent, or exhibits credit unworthiness;

(v) The listed DBE subcontractor is ineligible to work on public works projects because of suspension and debarment proceedings pursuant 2 CFR Parts 180, 215 and 1,200 or applicable state law;

(vii) You have determined that the listed DBE subcontractor is not a responsible contractor.

(vi) The listed DBE subcontractor voluntarily withdraws from the project and provides to you written notice of its withdrawal;

(vii) The listed DBE is ineligible to receive DBE credit for the type of work required;

(viii) A DBE owner dies or becomes disabled with the result that the listed DBE contractor is unable to complete its work on the contract;

(ix) Other documented good cause that you determine compels the termination of the DBE subcontractor. Provided, that good cause does not exist if the prime contractor seeks to terminate a DBE it relied upon to obtain the contract so that the prime contractor can self-perform the work for which the DBE contractor was engaged or so that the prime contractor can substitute another DBE or non-DBE contractor after contract award.

(4) Before transmitting to you its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to you, of its intent to request to terminate and/or substitute, and the reason for the request.

(5) The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise you and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why you should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), you may provide a response period shorter than five days.

(6) In addition to post-award terminations, the provisions of this section apply to preaward deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

(g) When a DBE subcontractor is terminated as provided in paragraph (f) of this section, or fails to complete its work on the contract for any reason, you must require the prime contractor to make good faith efforts to find another DBE subcontractor to substitute for the original DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the DBE that was terminated, to the extent needed to meet the contract goal you established for the procurement. The good faith efforts shall be documented by the contractor. If the recipient requests documentation under this provision, the contractor shall submit the documentation within 7 days, which may be extended for an additional 7 days if necessary at the request of the contractor, and the recipient shall provide a written determination to the contractor stating whether or not good faith efforts have been demonstrated.

(h) You must include in each prime contract the contract clause required by §26.13(b) stating that failure by the contractor to carry out the requirements of this part is a material breach of the contract and may result in the termination of the contract or such other remedies set forth in that section you deem appropriate if the prime contractor fails to comply with the requirements of this section.

(i) You must apply the requirements of this section to DBE bidders/offerors for prime contracts. In determining whether a DBE bidder/offeror for a prime contract has met a contract goal, you count the work the DBE has committed to performing with its own forces as well as the work that it has committed to be performed by DBE subcontractors and DBE suppliers.

(j) You must require the contractor awarded the contract to make available upon request a copy of all DBE subcontracts. The subcontractor shall ensure that all subcontracts or an agreement with DBEs to supply labor or materials require that the subcontract and all lower tier subcontractors be performed in accordance with this part's provisions.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5098, Jan. 28, 2011; 79 FR 59595, Oct. 2, 2014]

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§26.55 How is DBE participation counted toward goals?

(a) When a DBE participates in a contract, you count only the value of the work actually performed by the DBE toward DBE goals.

(1) Count the entire amount of that portion of a construction contract (or other contract not covered by paragraph (a)(2) of this section) that is performed by the DBE's own forces. Include the cost of supplies and materials obtained by the DBE for the work of the contract, including supplies purchased or equipment leased by the DBE (except supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate).

(2) Count the entire amount of fees or commissions charged by a DBE firm for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of a DOT-assisted contract, toward DBE goals, provided you determine the fee to be reasonable and not excessive as compared with fees customarily allowed for similar services.

(3) When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward DBE goals only if the DBE's subcontractor is itself a DBE. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE goals.

(b) When a DBE performs as a participant in a joint venture, count a portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the DBE performs with its own forces toward DBE goals.

(c) Count expenditures to a DBE contractor toward DBE goals only if the DBE is performing a commercially useful function on that contract.

(1) A DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. To determine whether a DBE is performing a commercially useful function, you must evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the DBE credit claimed for its performance of the work, and other relevant factors.

(2) A DBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such

an extra participant, you must examine similar transactions, particularly those in which DBEs do not participate.

(3) If a DBE does not perform or exercise responsibility for at least 30 percent of the total cost of its contract with its own work force, or the DBE subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved, you must presume that it is not performing a commercially useful function.

(4) When a DBE is presumed not to be performing a commercially useful function as provided in paragraph (c)(3) of this section, the DBE may present evidence to rebut this presumption. You may determine that the firm is performing a commercially useful function given the type of work involved and normal industry practices.

(5) Your decisions on commercially useful function matters are subject to review by the concerned operating administration, but are not administratively appealable to DOT.

(d) Use the following factors in determining whether a DBE trucking company is performing a commercially useful function:

(1) The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.

(2) The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.

(3) The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.

(4) The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.

(5) The DBE may also lease trucks from a non-DBE firm, including from an owner-operator. The DBE that leases trucks equipped with drivers from a non-DBE is entitled to credit for the total value of transportation services provided by non-DBE leased trucks equipped with drivers not to exceed the value of transportation services on the contract provided by DBE-owned trucks or leased trucks with DBE employee drivers. Additional participation by non-DBE owned trucks equipped with drivers receives credit only for the fee or commission it receives as a result of the lease arrangement. If a recipient chooses this approach, it must obtain written consent from the appropriate DOT operating administration.

Example to paragraph (d)(5): DBE Firm X uses two of its own trucks on a contract. It leases two trucks from DBE Firm Y and six trucks equipped with drivers from non-DBE Firm Z. DBE credit would be awarded for the total value of transportation services provided by Firm X and Firm Y, and may also be awarded for the total value of transportation services provided by four of the six trucks provided by Firm Z. In all, full credit would be allowed for the participation of eight trucks. DBE credit could be awarded only for the fees or commissions pertaining to the remaining trucks Firm X receives as a result of the lease with Firm Z.

(6) The DBE may lease trucks without drivers from a non-DBE truck leasing company. If the DBE leases trucks from a non-DBE truck leasing company and uses its own employees as drivers, it is entitled to credit for the total value of these hauling services.

Example to paragraph (d)(6): DBE Firm X uses two of its own trucks on a contract. It leases two additional trucks from non-DBE Firm Z. Firm X uses its own employees to drive the trucks leased from Firm Z. DBE credit would be awarded for the total value of the transportation services provided by all four trucks.

(7) For purposes of this paragraph (d), a lease must indicate that the DBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the DBE.

(e) Count expenditures with DBEs for materials or supplies toward DBE goals as provided in the following:

(1)(i) If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies toward DBE goals.

(ii) For purposes of this paragraph (e)(1), a manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.

(2)(i) If the materials or supplies are purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies toward DBE goals.

(ii) For purposes of this section, a regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

(A) To be a regular dealer, the firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question.

(B) A person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business as provided in this paragraph (e)(2)(ii) if the person both owns and operates distribution equipment for the products. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis.

(C) Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not regular dealers within the meaning of this paragraph (e)(2).

(3) With respect to materials or supplies purchased from a DBE which is neither a manufacturer nor a regular dealer, count the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on a job site, toward DBE goals, provided you determine the fees to be reasonable and not excessive as compared with fees customarily allowed for similar services. Do not count any portion of the cost of the materials and supplies themselves toward DBE goals, however.

(4) You must determine the amount of credit awarded to a firm for the provisions of materials and supplies (e.g., whether a firm is acting as a regular dealer or a transaction

expediter) on a contract-by-contract basis.

(f) If a firm is not currently certified as a DBE in accordance with the standards of subpart D of this part at the time of the execution of the contract, do not count the firm's participation toward any DBE goals, except as provided for in §26.87(i).

(g) Do not count the dollar value of work performed under a contract with a firm after it has ceased to be certified toward your overall goal.

(h) Do not count the participation of a DBE subcontractor toward a contractor's final compliance with its DBE obligations on a contract until the amount being counted has actually been paid to the DBE.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 68 FR 35554, June 16, 2003; 79 FR 59595, Oct. 2, 2014]

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Subpart D—Certification Standards

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§26.61 How are burdens of proof allocated in the certification process?

(a) In determining whether to certify a firm as eligible to participate as a DBE, you must apply the standards of this subpart.

(b) The firm seeking certification has the burden of demonstrating to you, by a preponderance of the evidence, that it meets the requirements of this subpart concerning group membership or individual disadvantage, business size, ownership, and control.

(c) You must rebuttably presume that members of the designated groups identified in §26.67(a) are socially and economically disadvantaged. This means they do not have the burden of proving to you that they are socially and economically disadvantaged. In order to obtain the benefit of the rebuttable presumption, individuals must submit a signed, notarized statement that they are a member of one of the groups in §26.67(a). Applicants do have the obligation to provide you information concerning their economic disadvantage (see §26.67).

(d) Individuals who are not presumed to be socially and economically disadvantaged, and individuals concerning whom the presumption of disadvantage has been rebutted, have the burden of proving to you, by a preponderance of the evidence, that they are socially and economically disadvantaged. (See Appendix E of this part.)

(e) You must make determinations concerning whether individuals and firms have met their burden of demonstrating group membership, ownership, control, and social and economic disadvantage (where disadvantage must be demonstrated on an individual basis) by considering all the facts in the record, viewed as a whole.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35554, June 16, 2003]

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§26.63 What rules govern group membership determinations?

(a)(1) If, after reviewing the signed notarized statement of membership in a presumptively disadvantaged group (see §26.61(c)), you have a well founded reason to question the individual's claim of membership in that group, you must require the individual to present additional evidence that he or she is a member of the group.

(2) You must provide the individual a written explanation of your reasons for questioning his or her group membership and a written request for additional evidence as outlined in paragraph (b) of this section.

(3) In implementing this section, you must take special care to ensure that you do not impose a disproportionate burden on members of any particular designated group. Imposing a disproportionate burden on members of a particular group could violate §26.7(b) and/or Title VI of the Civil Rights Act of 1964 and 49 CFR part 21.

(b) In making such a determination, you must consider whether the person has held himself out to be a member of the group over a long period of time prior to application for certification and whether the person is regarded as a member of the group by the relevant community. You may require the applicant to produce appropriate documentation of group membership.

(1) If you determine that an individual claiming to be a member of a group presumed to be disadvantaged is not a member of a designated disadvantaged group, the individual must demonstrate social and economic disadvantage on an individual basis.

(2) Your decisions concerning membership in a designated group are subject to the certification appeals procedure of §26.89.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35554, June 16, 2003]

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§26.65 What rules govern business size determinations?

(a) To be an eligible DBE, a firm (including its affiliates) must be an existing small business, as defined by Small Business Administration (SBA) standards. As a recipient, you must apply current SBA business size standard(s) found in 13 CFR part 121 appropriate to the type(s) of work the firm seeks to perform in DOT-assisted contracts, including the primary industry classification of the applicant.

(b) Even if it meets the requirements of paragraph (a) of this section, a firm is not an eligible DBE for the purposes of Federal Highway Administration and Federal Transit Administration-assisted work in any Federal fiscal year if the firm (including its affiliates) has had average annual gross receipts, as defined by SBA regulations (see 13 CFR 121.104), over the firm's previous three fiscal years, in excess of \$26.29 million. The Department will adjust this amount for inflation on an annual basis. The adjusted amount will be published on the Department's website in subsequent years.

(c) The Department adjusts the number in paragraph (b) of this section annually using the Department of Commerce price deflators for purchases by State and local governments as the basis for this adjustment.

[74 FR 15224, Apr. 3, 2009, as amended at 79 FR 59596, Oct. 2, 2014; 85 FR 80647, Dec. 14, 2020]

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§26.67 What rules determine social and economic disadvantage?

(a) *Presumption of disadvantage.* (1) You must rebuttably presume that citizens of the United States (or lawfully admitted permanent residents) who are women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, or other minorities found to be disadvantaged by the SBA, are socially and economically disadvantaged individuals. You must require applicants to submit a signed, notarized certification that each presumptively disadvantaged owner is, in fact, socially and economically disadvantaged.

(2)(i) You must require each individual owner of a firm applying to participate as a DBE, whose ownership and control are relied upon for DBE certification, to certify that he or she has a personal net worth that does not exceed \$1.32 million.

(ii) You must require each individual who makes this certification to support it with a signed, notarized statement of personal net worth, with appropriate supporting documentation. To meet this requirement, you must use the DOT personal net worth form provided in appendix G to this part without change or revision. Where necessary to accurately determine an individual's personal net worth, you may, on a case-by-case basis, require additional financial information from the owner of an applicant firm (e.g., information concerning the assets of the owner's spouse, where needed to clarify whether assets have been transferred to the spouse or when the owner's spouse is involved in the operation of the company). Requests for additional information shall not be unduly burdensome or intrusive.

(iii) In determining an individual's net worth, you must observe the following requirements:

(A) Exclude an individual's ownership interest in the applicant firm;

(B) Exclude the individual's equity in his or her primary residence (except any portion of such equity that is attributable to excessive withdrawals from the applicant firm). The equity is the market value of the residence less any mortgages and home equity loan balances. Recipients must ensure that home equity loan balances are included in the equity calculation and not as a separate liability on the individual's personal net worth form. Exclusions for net worth purposes are not exclusions for asset valuation or access to capital and credit purposes.

(C) Do not use a contingent liability to reduce an individual's net worth.

(D) With respect to assets held in vested pension plans, Individual Retirement Accounts, 401(k) accounts, or other retirement savings or investment programs in which the assets cannot be distributed to the individual at the present time without significant adverse tax or interest consequences, include only the present value of such assets, less the tax and interest penalties that would accrue if the asset were distributed at the present time.

(iv) Notwithstanding any provision of Federal or State law, you must not release an individual's personal net worth statement nor any documents pertaining to it to any third party without the written consent of the submitter. Provided, that you must transmit this information to DOT in any certification appeal proceeding under §26.89 of this part or to any other State to which the individual's firm has applied for certification under §26.85 of this part.

(b) *Rebuttal of presumption of disadvantage.* (1) An individual's presumption of economic disadvantage may be rebutted in two ways.

(i) If the statement of personal net worth and supporting documentation that an individual submits under paragraph (a)(2) of this section shows that the individual's personal net worth exceeds \$1.32 million, the individual's presumption of economic disadvantage is rebutted. You are not required to have a proceeding under paragraph (b)(2) of this section in order to rebut the presumption of economic disadvantage in this case.

Example to paragraph (b)(1)(i): An individual with very high assets and significant liabilities may, in accounting terms, have a PNW of less than \$1.32 million. However, the person's assets collectively (e.g., high income level, a very expensive house, a yacht, extensive real or personal property holdings) may lead a reasonable person to conclude that he or she is not economically disadvantaged. The recipient may rebut the individual's presumption of economic disadvantage under these circumstances, as provided in this section, even though the individual's PNW is less than \$1.32 million.

(ii)(A) If the statement of personal net worth and supporting documentation that an individual submits under paragraph (a)(2) of this section demonstrates that the individual is able to accumulate substantial wealth, the individual's presumption of economic disadvantage is rebutted. In making this determination, as a certifying agency, you may consider factors that include, but are not limited to, the following:

(1) Whether the average adjusted gross income of the owner over the most recent three year period exceeds \$350,000;

(2) Whether the income was unusual and not likely to occur in the future;

(3) Whether the earnings were offset by losses;

(4) Whether the income was reinvested in the firm or used to pay taxes arising in the normal course of operations by the firm;

(5) Other evidence that income is not indicative of lack of economic disadvantage; and

(6) Whether the total fair market value of the owner's assets exceed \$6 million.

(B) You must have a proceeding under paragraph (b)(2) of this section in order to rebut the presumption of economic disadvantage in this case.

(2) If you have a reasonable basis to believe that an individual who is a member of one of the designated groups is not, in fact, socially and/or economically disadvantaged you may, at any time, start a proceeding to determine whether the presumption should be regarded as rebutted with respect to that individual. Your proceeding must follow the procedures of §26.87.

(3) In such a proceeding, you have the burden of demonstrating, by a preponderance of the evidence, that the individual is not socially and economically disadvantaged. You may require the individual to produce information relevant to the determination of his or her disadvantage.

(4) When an individual's presumption of social and/or economic disadvantage has been rebutted, his or her ownership and control of the firm in question cannot be used for purposes of DBE eligibility under this subpart unless and until he or she makes an individual showing of social and/or economic disadvantage. If the basis for rebutting the presumption is a determination that the individual's personal net worth exceeds \$1.32 million, the individual is no longer eligible for participation in the program and cannot regain eligibility by making an individual showing of disadvantage, so long as his or her PNW remains above that amount.

(c) *Transfers within two years.* (1) Except as set forth in paragraph (c)(2) of this section, recipients must attribute to an individual claiming disadvantaged status any assets which that individual has transferred to an immediate family member, to a trust a beneficiary of which is an immediate family member, or to the applicant firm for less than fair market value, within two years prior to a concern's application for participation in the DBE program or within two years of recipient's review of the firm's annual affidavit, unless the individual claiming disadvantaged status can demonstrate that the transfer is to or on behalf of an immediate family member for that individual's education, medical expenses, or some other form of essential support.

(2) Recipients must not attribute to an individual claiming disadvantaged status any assets transferred by that individual to an immediate family member that are consistent with the customary recognition of special occasions, such as birthdays, graduations, anniversaries, and retirements.

(d) *Individual determinations of social and economic disadvantage.* Firms owned and controlled by individuals who are not presumed to be socially and economically disadvantaged (including individuals whose presumed disadvantage has been rebutted) may apply for DBE certification. You must make a case-by-case determination of whether each individual whose ownership and control are relied upon for DBE certification is socially and economically disadvantaged. In such a proceeding, the applicant firm has the burden of demonstrating to you, by a preponderance of the evidence, that the individuals who own and control it are socially and economically disadvantaged. An individual whose personal net worth exceeds \$1.32 million shall not be deemed to be economically disadvantaged. In making these determinations, use the guidance found in Appendix E of this part. You must require that applicants provide sufficient information to permit determinations under the guidance of appendix E of this part.

[79 FR 59596, Oct. 2, 2014]

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§26.69 What rules govern determinations of ownership?

(a) In determining whether the socially and economically disadvantaged participants in a firm own the firm, you must consider all the facts in the record viewed as a whole, including the origin of all assets and how and when they were used in obtaining the firm. All transactions for the establishment and ownership (or transfer of ownership) must be in the normal course of business, reflecting commercial and arms-length practices.

(b) To be an eligible DBE, a firm must be at least 51 percent owned by socially and economically disadvantaged individuals.

(1) In the case of a corporation, such individuals must own at least 51 percent of the each class of voting stock outstanding and 51 percent of the aggregate of all stock outstanding.

(2) In the case of a partnership, 51 percent of each class of partnership interest must be owned by socially and economically disadvantaged individuals. Such ownership must be reflected in the firm's partnership agreement.

(3) In the case of a limited liability company, at least 51 percent of each class of member interest must be owned by socially and economically disadvantaged individuals.

(c)(1) The firm's ownership by socially and economically disadvantaged individuals, including their contribution of capital or expertise to acquire their ownership interests, must be real, substantial, and continuing, going beyond pro forma ownership of the firm as reflected in ownership documents. Proof of contribution of capital should be submitted at the time of the application. When the contribution of capital is through a loan, there must be documentation of the value of assets used as collateral for the loan.

(2) Insufficient contributions include a promise to contribute capital, an unsecured note payable to the firm or an owner who is not a disadvantaged individual, mere participation in a firm's activities as an employee, or capitalization not commensurate with the value for the firm.

(3) The disadvantaged owners must enjoy the customary incidents of ownership, and share in the risks and be entitled to the profits and loss commensurate with their ownership interests, as demonstrated by the substance, not merely the form, of arrangements. Any terms or practices that give a non-disadvantaged individual or firm a priority or superior right to a firm's profits, compared to the disadvantaged owner(s), are grounds for denial.

(4) Debt instruments from financial institutions or other organizations that lend funds in the normal course of their business do not render a firm ineligible, even if the debtor's ownership interest is security for the loan.

Examples to paragraph (c): (i) An individual pays \$100 to acquire a majority interest in a firm worth \$1 million. The individual's contribution to capital would not be viewed as substantial.

(ii) A 51% disadvantaged owner and a non-disadvantaged 49% owner contribute \$100 and \$10,000, respectively, to acquire a firm grossing \$1 million. This may be indicative of a pro forma arrangement that does not meet the requirements of (c)(1).

(iii) The disadvantaged owner of a DBE applicant firm spends \$250 to file articles of incorporation and obtains a \$100,000 loan, but makes only nominal or sporadic payments to repay the loan. This type of contribution is not of a continuing nature.

(d) All securities that constitute ownership of a firm shall be held directly by disadvantaged persons. Except as provided in this paragraph (d), no securities or assets held in trust, or by any guardian for a minor, are considered as held by disadvantaged persons in determining the ownership of a firm. However, securities or assets held in trust are regarded as held by a disadvantaged individual for purposes of determining ownership of the firm, if—

(1) The beneficial owner of securities or assets held in trust is a disadvantaged individual, and the trustee is the same or another such individual; or

(2) The beneficial owner of a trust is a disadvantaged individual who, rather than the trustee, exercises effective control over the management, policy-making, and daily operational activities of the firm. Assets held in a revocable living trust may be counted only in the situation where the same disadvantaged individual is the sole grantor, beneficiary, and trustee.

(e) The contributions of capital or expertise by the socially and economically disadvantaged owners to acquire their ownership interests must be real and substantial. Examples of insufficient contributions include a promise to contribute capital, an unsecured note payable to the firm or an owner who is not a disadvantaged individual, or mere participation in a firm's activities as an employee. Debt instruments from financial institutions

or other organizations that lend funds in the normal course of their business do not render a firm ineligible, even if the debtor's ownership interest is security for the loan.

(f) The following requirements apply to situations in which expertise is relied upon as part of a disadvantaged owner's contribution to acquire ownership:

(1) The owner's expertise must be—

(i) In a specialized field;

(ii) Of outstanding quality;

(iii) In areas critical to the firm's operations;

(iv) Indispensable to the firm's potential success;

(v) Specific to the type of work the firm performs; and

(vi) Documented in the records of the firm. These records must clearly show the contribution of expertise and its value to the firm.

(2) The individual whose expertise is relied upon must have a significant financial investment in the firm.

(g) You must always deem as held by a socially and economically disadvantaged individual, for purposes of determining ownership, all interests in a business or other assets obtained by the individual—

(1) As the result of a final property settlement or court order in a divorce or legal separation, provided that no term or condition of the agreement or divorce decree is inconsistent with this section; or

(2) Through inheritance, or otherwise because of the death of the former owner.

(h)(1) You must presume as not being held by a socially and economically disadvantaged individual, for purposes of determining ownership, all interests in a business or other assets obtained by the individual as the result of a gift, or transfer without adequate consideration, from any non-disadvantaged individual or non-DBE firm who is—

(i) Involved in the same firm for which the individual is seeking certification, or an affiliate of that firm;

(ii) Involved in the same or a similar line of business; or

(iii) Engaged in an ongoing business relationship with the firm, or an affiliate of the firm, for which the individual is seeking certification.

(2) To overcome this presumption and permit the interests or assets to be counted, the disadvantaged individual must demonstrate to you, by clear and convincing evidence, that—

(i) The gift or transfer to the disadvantaged individual was made for reasons other than obtaining certification as a DBE; and

(ii) The disadvantaged individual actually controls the management, policy, and operations of the firm, or an affiliate of the firm, or the continuing participation of a non-disadvantaged

Attachment 6 firm, notwithstanding the continuing participation of a non-disadvantaged individual who provided the gift or transfer.

(i) You must apply the following rules in situations in which marital assets form a basis for ownership of a firm:

(1) When marital assets (other than the assets of the business in question), held jointly or as community property by both spouses, are used to acquire the ownership interest asserted by one spouse, you must deem the ownership interest in the firm to have been acquired by that spouse with his or her own individual resources, provided that the other spouse irrevocably renounces and transfers all rights in the ownership interest in the manner sanctioned by the laws of the state in which either spouse or the firm is domiciled. You do not count a greater portion of joint or community property assets toward ownership than state law would recognize as belonging to the socially and economically disadvantaged owner of the applicant firm.

(2) A copy of the document legally transferring and renouncing the other spouse's rights in the jointly owned or community assets used to acquire an ownership interest in the firm must be included as part of the firm's application for DBE certification.

(j) You may consider the following factors in determining the ownership of a firm. However, you must not regard a contribution of capital as failing to be real and substantial, or find a firm ineligible, solely because—

(1) A socially and economically disadvantaged individual acquired his or her ownership interest as the result of a gift, or transfer without adequate consideration, other than the types set forth in paragraph (h) of this section;

(2) There is a provision for the co-signature of a spouse who is not a socially and economically disadvantaged individual on financing agreements, contracts for the purchase or sale of real or personal property, bank signature cards, or other documents; or

(3) Ownership of the firm in question or its assets is transferred for adequate consideration from a spouse who is not a socially and economically disadvantaged individual to a spouse who is such an individual. In this case, you must give particularly close and careful scrutiny to the ownership and control of a firm to ensure that it is owned and controlled, in substance as well as in form, by a socially and economically disadvantaged individual.

[64 FR 5126, Feb. 2, 1999, as amended at 79 FR 59597, Oct. 2, 2014]

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§26.71 What rules govern determinations concerning control?

(a) In determining whether socially and economically disadvantaged owners control a firm, you must consider all the facts in the record, viewed as a whole.

(b) Only an independent business may be certified as a DBE. An independent business is one the viability of which does not depend on its relationship with another firm or firms.

(1) In determining whether a potential DBE is an independent business, you must scrutinize relationships with non-DBE firms, in such areas as personnel, facilities, equipment, financial and/or bonding support, and other resources.

(2) You must consider whether present or recent employer/employee relationships between the disadvantaged owner(s) of the potential DBE and non-DBE firms or persons associated with non-DBE firms compromise the independence of the potential DBE firm.

(3) You must examine the firm's relationships with prime contractors to determine whether a pattern of exclusive or primary dealings with a prime contractor compromises the independence of the potential DBE firm.

(4) In considering factors related to the independence of a potential DBE firm, you must consider the consistency of relationships between the potential DBE and non-DBE firms with normal industry practice.

(c) A DBE firm must not be subject to any formal or informal restrictions which limit the customary discretion of the socially and economically disadvantaged owners. There can be no restrictions through corporate charter provisions, by-law provisions, contracts or any other formal or informal devices (e.g., cumulative voting rights, voting powers attached to different classes of stock, employment contracts, requirements for concurrence by non-disadvantaged partners, conditions precedent or subsequent, executory agreements, voting trusts, restrictions on or assignments of voting rights) that prevent the socially and economically disadvantaged owners, without the cooperation or vote of any non-disadvantaged individual, from making any business decision of the firm. This paragraph does not preclude a spousal co-signature on documents as provided for in §26.69(j)(2).

(d) The socially and economically disadvantaged owners must possess the power to direct or cause the direction of the management and policies of the firm and to make day-to-day as well as long-term decisions on matters of management, policy and operations.

(1) A disadvantaged owner must hold the highest officer position in the company (e.g., chief executive officer or president).

(2) In a corporation, disadvantaged owners must control the board of directors.

(3) In a partnership, one or more disadvantaged owners must serve as general partners, with control over all partnership decisions.

(e) Individuals who are not socially and economically disadvantaged or immediate family members may be involved in a DBE firm as owners, managers, employees, stockholders, officers, and/or directors. Such individuals must not, however possess or exercise the power to control the firm, or be disproportionately responsible for the operation of the firm.

(f) The socially and economically disadvantaged owners of the firm may delegate various areas of the management, policymaking, or daily operations of the firm to other participants in the firm, regardless of whether these participants are socially and economically disadvantaged individuals. Such delegations of authority must be revocable, and the socially and economically disadvantaged owners must retain the power to hire and fire any person to whom such authority is delegated. The managerial role of the socially and economically disadvantaged owners in the firm's overall affairs must be such that the recipient can reasonably conclude that the socially and economically disadvantaged owners actually exercise control over the firm's operations, management, and policy.

(g) The socially and economically disadvantaged owners must have an overall understanding of, and managerial and technical competence and experience directly related to, the type of business in which the firm is engaged and the firm's operations. The socially

and economically disadvantaged owners are not required to have experience or expertise in every critical area of the firm's operations, or to have greater experience or expertise in a given field than managers or key employees. The socially and economically disadvantaged owners must have the ability to intelligently and critically evaluate information presented by other participants in the firm's activities and to use this information to make independent decisions concerning the firm's daily operations, management, and policymaking. Generally, expertise limited to office management, administration, or bookkeeping functions unrelated to the principal business activities of the firm is insufficient to demonstrate control.

(h) If state or local law requires the persons to have a particular license or other credential in order to own and/or control a certain type of firm, then the socially and economically disadvantaged persons who own and control a potential DBE firm of that type must possess the required license or credential. If state or local law does not require such a person to have such a license or credential to own and/or control a firm, you must not deny certification solely on the ground that the person lacks the license or credential. However, you may take into account the absence of the license or credential as one factor in determining whether the socially and economically disadvantaged owners actually control the firm.

(i)(1) You may consider differences in remuneration between the socially and economically disadvantaged owners and other participants in the firm in determining whether to certify a firm as a DBE. Such consideration shall be in the context of the duties of the persons involved, normal industry practices, the firm's policy and practice concerning reinvestment of income, and any other explanations for the differences proffered by the firm. You may determine that a firm is controlled by its socially and economically disadvantaged owner although that owner's remuneration is lower than that of some other participants in the firm.

(2) In a case where a non-disadvantaged individual formerly controlled the firm, and a socially and economically disadvantaged individual now controls it, you may consider a difference between the remuneration of the former and current controller of the firm as a factor in determining who controls the firm, particularly when the non-disadvantaged individual remains involved with the firm and continues to receive greater compensation than the disadvantaged individual.

(j) In order to be viewed as controlling a firm, a socially and economically disadvantaged owner cannot engage in outside employment or other business interests that conflict with the management of the firm or prevent the individual from devoting sufficient time and attention to the affairs of the firm to control its activities. For example, absentee ownership of a business and part-time work in a full-time firm are not viewed as constituting control. However, an individual could be viewed as controlling a part-time business that operates only on evenings and/or weekends, if the individual controls it all the time it is operating.

(k)(1) A socially and economically disadvantaged individual may control a firm even though one or more of the individual's immediate family members (who themselves are not socially and economically disadvantaged individuals) participate in the firm as a manager, employee, owner, or in another capacity. Except as otherwise provided in this paragraph, you must make a judgment about the control the socially and economically disadvantaged owner exercises vis-a-vis other persons involved in the business as you do in other situations, without regard to whether or not the other persons are immediate family members.

(2) If you cannot determine that the socially and economically disadvantaged owners—as distinct from the family as a whole—control the firm, then the socially and economically disadvantaged owners have failed to carry their burden of proof concerning control, even though they may participate significantly in the firm's activities.

(l) Where a firm was formerly owned and/or controlled by a non-disadvantaged individual (whether or not an immediate family member), ownership and/or control were transferred to a socially and economically disadvantaged individual, and the nondisadvantaged individual remains involved with the firm in any capacity, there is a rebuttable presumption of control by the non-disadvantaged individual unless the disadvantaged individual now owning the firm demonstrates to you, by clear and convincing evidence, that:

(1) The transfer of ownership and/or control to the disadvantaged individual was made for reasons other than obtaining certification as a DBE; and

(2) The disadvantaged individual actually controls the management, policy, and operations of the firm, notwithstanding the continuing participation of a nondisadvantaged individual who formerly owned and/or controlled the firm.

(m) In determining whether a firm is controlled by its socially and economically disadvantaged owners, you may consider whether the firm owns equipment necessary to perform its work. However, you must not determine that a firm is not controlled by socially and economically disadvantaged individuals solely because the firm leases, rather than owns, such equipment, where leasing equipment is a normal industry practice and the lease does not involve a relationship with a prime contractor or other party that compromises the independence of the firm.

(n) You must grant certification to a firm only for specific types of work in which the socially and economically disadvantaged owners have the ability to control the firm. To become certified in an additional type of work, the firm need demonstrate to you only that its socially and economically disadvantaged owners are able to control the firm with respect to that type of work. You must not require that the firm be recertified or submit a new application for certification, but you must verify the disadvantaged owner's control of the firm in the additional type of work.

(1) The types of work a firm can perform (whether on initial certification or when a new type of work is added) must be described in terms of the most specific available NAICS code for that type of work. If you choose, you may also, in addition to applying the appropriate NAICS code, apply a descriptor from a classification scheme of equivalent detail and specificity. A correct NAICS code is one that describes, as specifically as possible, the principal goods or services which the firm would provide to DOT recipients. Multiple NAICS codes may be assigned where appropriate. Program participants must rely on, and not depart from, the plain meaning of NAICS code descriptions in determining the scope of a firm's certification. If your Directory does not list types of work for any firm in a manner consistent with this paragraph (a)(1), you must update the Directory entry for that firm to meet the requirements of this paragraph (a)(1) by August 28, 2011.

(2) Firms and recipients must check carefully to make sure that the NAICS codes cited in a certification are kept up-to-date and accurately reflect work which the UCP has determined the firm's owners can control. The firm bears the burden of providing detailed company information the certifying agency needs to make an appropriate NAICS code designation.

(3) If a firm believes that there is not a NAICS code that fully or clearly describes the type(s) of work in which it is seeking to be certified as a DBE, the firm may request that the certifying agency, in its certification documentation, supplement the assigned NAICS code(s) with a clear, specific, and detailed narrative description of the type of work in which the firm is certified. A vague, general, or confusing description is not sufficient for this purpose, and recipients should not rely on such a description in determining whether a firm's participation can be counted toward DBE goals.

(4) A certifier is not precluded from changing a certification classification or description if there is a factual basis in the record. However, certifiers must not make after-the-fact statements about the scope of a certification, not supported by evidence in the record of the certification action.

(o) A business operating under a franchise or license agreement may be certified if it meets the standards in this subpart and the franchiser or licensor is not affiliated with the franchisee or licensee. In determining whether affiliation exists, you should generally not consider the restraints relating to standardized quality, advertising, accounting format, and other provisions imposed on the franchisee or licensee by the franchise agreement or license, provided that the franchisee or licensee has the right to profit from its efforts and bears the risk of loss commensurate with ownership. Alternatively, even though a franchisee or licensee may not be controlled by virtue of such provisions in the franchise agreement or license, affiliation could arise through other means, such as common management or excessive restrictions on the sale or transfer of the franchise interest or license.

(p) In order for a partnership to be controlled by socially and economically disadvantaged individuals, any non-disadvantaged partners must not have the power, without the specific written concurrence of the socially and economically disadvantaged partner(s), to contractually bind the partnership or subject the partnership to contract or tort liability.

(q) The socially and economically disadvantaged individuals controlling a firm may use an employee leasing company. The use of such a company does not preclude the socially and economically disadvantaged individuals from controlling their firm if they continue to maintain an employer-employee relationship with the leased employees. This includes being responsible for hiring, firing, training, assigning, and otherwise controlling the on-the-job activities of the employees, as well as ultimate responsibility for wage and tax obligations related to the employees.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5099, Jan. 28, 2011; 79 FR 59597, Oct. 2, 2014]

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§26.73 What are other rules affecting certification?

(a)(1) Consideration of whether a firm performs a commercially useful function or is a regular dealer pertains solely to counting toward DBE goals the participation of firms that have already been certified as DBEs. Except as provided in paragraph (a)(2) of this section, you must not consider commercially useful function issues in any way in making decisions about whether to certify a firm as a DBE.

(2) You may consider, in making certification decisions, whether a firm has exhibited a pattern of conduct indicating its involvement in attempts to evade or subvert the intent or requirements of the DBE program.

(b)(1) You must evaluate the eligibility of a firm on the basis of present circumstances. You must not refuse to certify a firm based solely on historical information indicating a lack of ownership or control of the firm by socially and economically disadvantaged individuals at some time in the past, if the firm currently meets the ownership and control standards of this part.

(2) You must not refuse to certify a firm solely on the basis that it is a newly formed firm, has not completed projects or contracts at the time of its application, has not yet realized profits from its activities, or has not demonstrated a potential for success. If the firm meets disadvantaged, size, ownership, and control requirements of this Part, the firm is eligible for certification.

(c) DBE firms and firms seeking DBE certification shall cooperate fully with your requests (and DOT requests) for information relevant to the certification process. Failure or refusal to provide such information is a ground for a denial or removal of certification.

(d) Only firms organized for profit may be eligible DBEs. Not-for-profit organizations, even though controlled by socially and economically disadvantaged individuals, are not eligible to be certified as DBEs.

(e) An eligible DBE firm must be owned by individuals who are socially and economically disadvantaged. Except as provided in this paragraph, a firm that is not owned by such individuals, but instead is owned by another firm—even a DBE firm—cannot be an eligible DBE.

(1) If socially and economically disadvantaged individuals own and control a firm through a parent or holding company, established for tax, capitalization or other purposes consistent with industry practice, and the parent or holding company in turn owns and controls an operating subsidiary, you may certify the subsidiary if it otherwise meets all requirements of this subpart. In this situation, the individual owners and controllers of the parent or holding company are deemed to control the subsidiary through the parent or holding company.

(2) You may certify such a subsidiary only if there is cumulatively 51 percent ownership of the subsidiary by socially and economically disadvantaged individuals. The following examples illustrate how this cumulative ownership provision works:

Example 1: Socially and economically disadvantaged individuals own 100 percent of a holding company, which has a wholly-owned subsidiary. The subsidiary may be certified, if it meets all other requirements.

Example 2: Disadvantaged individuals own 100 percent of the holding company, which owns 51 percent of a subsidiary. The subsidiary may be certified, if all other requirements are met.

Example 3: Disadvantaged individuals own 80 percent of the holding company, which in turn owns 70 percent of a subsidiary. In this case, the cumulative ownership of the subsidiary by disadvantaged individuals is 56 percent (80 percent of the 70 percent). This is more than 51 percent, so you may certify the subsidiary, if all other requirements are met.

Example 4: Same as Example 2 or 3, but someone other than the socially and economically disadvantaged owners of the parent or holding company controls the subsidiary. Even though the subsidiary is owned by disadvantaged individuals, through the holding or parent company, you cannot certify it because it fails to meet control requirements.

Example 5: Disadvantaged individuals own 60 percent of the holding company, which in turn owns 51 percent of a subsidiary. In this case, the cumulative ownership of the subsidiary by disadvantaged individuals is about 31 percent. This is less than 51 percent, so you cannot certify the subsidiary.

Example 6: The holding company, in addition to the subsidiary seeking certification, owns several other companies. The combined gross receipts of the holding companies and its subsidiaries are greater than the

size standard for the subsidiary seeking certification and/or the gross receipts cap of §26.65(b). Under the rules concerning affiliation, the subsidiary fails to meet the size standard and cannot be certified.

(f) Recognition of a business as a separate entity for tax or corporate purposes is not necessarily sufficient to demonstrate that a firm is an independent business, owned and controlled by socially and economically disadvantaged individuals.

(g) You must not require a DBE firm to be prequalified as a condition for certification.

(h) A firm that is owned by an Indian tribe or Native Hawaiian organization, rather than by Indians or Native Hawaiians as individuals, may be eligible for certification. Such a firm must meet the size standards of §26.65. Such a firm must be controlled by socially and economically disadvantaged individuals, as provided in §26.71.

(i) The following special rules apply to the certification of firms related to Alaska Native Corporations (ANCs).

(1) Notwithstanding any other provisions of this subpart, a direct or indirect subsidiary corporation, joint venture, or partnership entity of an ANC is eligible for certification as a DBE if it meets all of the following requirements:

(i) The Settlement Common Stock of the underlying ANC and other stock of the ANC held by holders of the Settlement Common Stock and by Natives and descendants of Natives represents a majority of both the total equity of the ANC and the total voting power of the corporation for purposes of electing directors;

(ii) The shares of stock or other units of common ownership interest in the subsidiary, joint venture, or partnership entity held by the ANC and by holders of its Settlement Common Stock represent a majority of both the total equity of the entity and the total voting power of the entity for the purpose of electing directors, the general partner, or principal officers; and

(iii) The subsidiary, joint venture, or partnership entity has been certified by the Small Business Administration under the 8(a) or small disadvantaged business program.

(2) As a recipient to whom an ANC-related entity applies for certification, you do not use the DOT uniform application form (see Appendix F of this part). You must obtain from the firm documentation sufficient to demonstrate that entity meets the requirements of paragraph (i) (1) of this section. You must also obtain sufficient information about the firm to allow you to administer your program (e.g., information that would appear in your DBE Directory).

(3) If an ANC-related firm does not meet all the conditions of paragraph (i)(1) of this section, then it must meet the requirements of paragraph (h) of this section in order to be certified, on the same basis as firms owned by Indian Tribes or Native Hawaiian Organizations.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35555, June 16, 2003; 76 FR 5099, Jan. 28, 2011; 79 FR 59598, Oct. 2, 2014]

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Subpart E—Certification Procedures

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§26.81 What are the requirements for Unified Certification Programs?

Summary of the Alaska Native Corporation (ANC) Program, 2022-2024

(a) You and all other DOT recipients in your state must participate in a Unified Certification Program (UCP).

(1) Within three years of March 4, 1999, you and the other recipients in your state must sign an agreement establishing the UCP for that state and submit the agreement to the Secretary for approval. The Secretary may, on the basis of extenuating circumstances shown by the recipients in the state, extend this deadline for no more than one additional year.

(2) The agreement must provide for the establishment of a UCP meeting all the requirements of this section. The agreement must specify that the UCP will follow all certification procedures and standards of this part, on the same basis as recipients; that the UCP shall cooperate fully with oversight, review, and monitoring activities of DOT and its operating administrations; and that the UCP shall implement DOT directives and guidance concerning certification matters. The agreement shall also commit recipients to ensuring that the UCP has sufficient resources and expertise to carry out the requirements of this part. The agreement shall include an implementation schedule ensuring that the UCP is fully operational no later than 18 months following the approval of the agreement by the Secretary.

(3) Subject to approval by the Secretary, the UCP in each state may take any form acceptable to the recipients in that state.

(4) The Secretary shall review the UCP and approve it, disapprove it, or remand it to the recipients in the state for revisions. A complete agreement which is not disapproved or remanded within 180 days of its receipt is deemed to be accepted.

(5) If you and the other recipients in your state fail to meet the deadlines set forth in this paragraph (a), you shall have the opportunity to make an explanation to the Secretary why a deadline could not be met and why meeting the deadline was beyond your control. If you fail to make such an explanation, or the explanation does not justify the failure to meet the deadline, the Secretary shall direct you to complete the required action by a date certain. If you and the other recipients fail to carry out this direction in a timely manner, you are collectively in noncompliance with this part.

(b) The UCP shall make all certification decisions on behalf of all DOT recipients in the state with respect to participation in the DOT DBE Program.

(1) Certification decisions by the UCP shall be binding on all DOT recipients within the state.

(2) The UCP shall provide "one-stop shopping" to applicants for certification, such that an applicant is required to apply only once for a DBE certification that will be honored by all recipients in the state.

(3) All obligations of recipients with respect to certification and nondiscrimination must be carried out by UCPs, and recipients may use only UCPs that comply with the certification and nondiscrimination requirements of this part.

(c) All certifications by UCPs shall be pre-certifications; i.e., certifications that have been made final before the due date for bids or offers on a contract on which a firm seeks to participate as a DBE.

(d) A UCP is not required to process an application for certification from a firm having its principal place of business outside the state if the firm is not certified by the UCP in the state in which it maintains its principal place of business. The “home state” UCP shall share its information and documents concerning the firm with other UCPs that are considering the firm's application.

(e) Subject to DOT approval as provided in this section, the recipients in two or more states may form a regional UCP. UCPs may also enter into written reciprocity agreements with other UCPs. Such an agreement shall outline the specific responsibilities of each participant. A UCP may accept the certification of any other UCP or DOT recipient.

(f) Pending the establishment of UCPs meeting the requirements of this section, you may enter into agreements with other recipients, on a regional or inter-jurisdictional basis, to perform certification functions required by this part. You may also grant reciprocity to other recipient's certification decisions.

(g) Each UCP shall maintain a unified DBE directory containing, for all firms certified by the UCP (including those from other states certified under the provisions of this part), the information required by §26.31. The UCP shall make the directory available to the public electronically, on the internet, as well as in print. The UCP shall update the electronic version of the directory by including additions, deletions, and other changes as soon as they are made and shall revise the print version of the Directory at least once a year.

(h) Except as otherwise specified in this section, all provisions of this subpart and subpart D of this part pertaining to recipients also apply to UCPs.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5100, Jan. 28, 2011]

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§26.83 What procedures do recipients follow in making certification decisions?

(a) You must ensure that only firms certified as eligible DBEs under this section participate as DBEs in your program.

(b) You must determine the eligibility of firms as DBEs consistent with the standards of subpart D of this part. When a UCP is formed, the UCP must meet all the requirements of subpart D of this part and this subpart that recipients are required to meet.

(c)(1) You must take all the following steps in determining whether a DBE firm meets the standards of subpart D of this part:

(i) Perform an on-site visit to the firm's principal place of business. You must interview the principal officers and review their résumés and/or work histories. You may interview key personnel of the firm if necessary. You must also perform an on-site visit to job sites if there are such sites on which the firm is working at the time of the eligibility investigation in your jurisdiction or local area. You may rely upon the site visit report of any other recipient with respect to a firm applying for certification;

(ii) Analyze documentation related to the legal structure, ownership, and control of the applicant firm. This includes, but is not limited to, Articles of Incorporation/Organization; corporate by-laws or operating agreements; organizational, annual and board/member meeting records; stock ledgers and certificates; and State-issued Certificates of Good

(iii) Analyze the bonding and financial capacity of the firm; lease and loan agreements; bank account signature cards;

(iv) Determine the work history of the firm, including contracts it has received, work it has completed; and payroll records;

(v) Obtain a statement from the firm of the type of work it prefers to perform as part of the DBE program and its preferred locations for performing the work, if any.

(vi) Obtain or compile a list of the equipment owned by or available to the firm and the licenses the firm and its key personnel possess to perform the work it seeks to do as part of the DBE program;

(vii) Obtain complete Federal income tax returns (or requests for extensions) filed by the firm, its affiliates, and the socially and economically disadvantaged owners for the last 3 years. A complete return includes all forms, schedules, and statements filed with the Internal Revenue Service.

(viii) Require potential DBEs to complete and submit an appropriate application form, except as otherwise provided in §26.85 of this part.

(2) You must use the application form provided in Appendix F to this part without change or revision. However, you may provide in your DBE program, with the written approval of the concerned operating administration, for supplementing the form by requesting specified additional information not inconsistent with this part.

(3) You must make sure that the applicant attests to the accuracy and truthfulness of the information on the application form. This shall be done either in the form of an affidavit sworn to by the applicant before a person who is authorized by State law to administer oaths or in the form of an unsworn declaration executed under penalty of perjury of the laws of the United States.

(4) You must review all information on the form prior to making a decision about the eligibility of the firm. You may request clarification of information contained in the application at any time in the application process.

(d) When another recipient, in connection with its consideration of the eligibility of a firm, makes a written request for certification information you have obtained about that firm (e.g., including application materials or the report of a site visit, if you have made one to the firm), you must promptly make the information available to the other recipient.

(e) [Reserved]

(f) Subject to the approval of the concerned operating administration as part of your DBE program, you may impose a reasonable application fee for certification. Fee waivers shall be made in appropriate cases.

(g) You must safeguard from disclosure to unauthorized persons information gathered as part of the certification process that may reasonably be regarded as proprietary or other confidential business information, consistent with applicable Federal, state, and local law.

(h)(1) Once you have certified a DBE, it shall remain certified until and unless you have removed its certification, in whole or in part, through the procedures of §26.87 of this part,

except as provided in §26.07(b)(1) of this part.

(2) You may not require DBEs to reapply for certification or undergo a recertification process. However, you may conduct a certification review of a certified DBE firm, including a new on-site review, if appropriate in light of changed circumstances (e.g., of the kind requiring notice under paragraph (i) of this section or relating to suspension of certification under §26.88), a complaint, or other information concerning the firm's eligibility. If information comes to your attention that leads you to question the firm's eligibility, you may conduct an on-site review on an unannounced basis, at the firm's offices and job sites.

(i) If you are a DBE, you must inform the recipient or UCP in writing of any change in circumstances affecting your ability to meet size, disadvantaged status, ownership, or control requirements of this part or any material change in the information provided in your application form.

(1) Changes in management responsibility among members of a limited liability company are covered by this requirement.

(2) You must attach supporting documentation describing in detail the nature of such changes.

(3) The notice must take the form of an affidavit sworn to by the applicant before a person who is authorized by state law to administer oaths or of an unsworn declaration executed under penalty of perjury of the laws of the United States. You must provide the written notification within 30 days of the occurrence of the change. If you fail to make timely notification of such a change, you will be deemed to have failed to cooperate under §26.109(c).

(j) If you are a DBE, you must provide to the recipient, every year on the anniversary of the date of your certification, an affidavit sworn to by the firm's owners before a person who is authorized by State law to administer oaths or an unsworn declaration executed under penalty of perjury of the laws of the United States. This affidavit must affirm that there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantaged status, ownership, or control requirements of this part or any material changes in the information provided in its application form, except for changes about which you have notified the recipient under paragraph (i) of this section. The affidavit shall specifically affirm that your firm continues to meet SBA business size criteria and the overall gross receipts cap of this part, documenting this affirmation with supporting documentation of your firm's size and gross receipts (e.g., submission of Federal tax returns). If you fail to provide this affidavit in a timely manner, you will be deemed to have failed to cooperate under §26.109(c).

(k) If you are a recipient, you must make decisions on applications for certification within 90 days of receiving from the applicant firm all information required under this part. You may extend this time period once, for no more than an additional 60 days, upon written notice to the firm, explaining fully and specifically the reasons for the extension. You may establish a different time frame in your DBE program, upon a showing that this time frame is not feasible, and subject to the approval of the concerned operating administration. Your failure to make a decision by the applicable deadline under this paragraph is deemed a constructive denial of the application, on the basis of which the firm may appeal to DOT under §26.89.

(l) As a recipient or UCP, you must advise each applicant within 30 days from your receipt of the application whether the application is complete and suitable for evaluation and, if not, what additional information or action is required.

(m) Except as otherwise provided in this paragraph, if an applicant for DBE certification withdraws its application before you have issued a decision on the application, the applicant can resubmit the application at any time. As a recipient or UCP, you may not apply the waiting period provided under §26.86(c) of this part before allowing the applicant to resubmit its application. However, you may place the reapplication at the “end of the line,” behind other applications that have been made since the firm's previous application was withdrawn. You may also apply the waiting period provided under §26.86(c) of this part to a firm that has established a pattern of frequently withdrawing applications before you make a decision.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35555, June 16, 2003; 76 FR 5100, Jan. 28, 2011; 79 FR 59598, Oct. 2, 2014]

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§26.85 Interstate certification.

(a) This section applies with respect to any firm that is currently certified in its home state.

(b) When a firm currently certified in its home state (“State A”) applies to another State (“State B”) for DBE certification, State B may, at its discretion, accept State A's certification and certify the firm, without further procedures.

(1) To obtain certification in this manner, the firm must provide to State B a copy of its certification notice from State A.

(2) Before certifying the firm, State B must confirm that the firm has a current valid certification from State A. State B can do so by reviewing State A's electronic directory or obtaining written confirmation from State A.

(c) In any situation in which State B chooses not to accept State A's certification of a firm as provided in paragraph (b) of this section, as the applicant firm you must provide the information in paragraphs (c)(1) through (4) of this section to State B.

(1) You must provide to State B a complete copy of the application form, all supporting documents, and any other information you have submitted to State A or any other state related to your firm's certification. This includes affidavits of no change (see §26.83(j)) and any notices of changes (see §26.83(i)) that you have submitted to State A, as well as any correspondence you have had with State A's UCP or any other recipient concerning your application or status as a DBE firm.

(2) You must also provide to State B any notices or correspondence from states other than State A relating to your status as an applicant or certified DBE in those states. For example, if you have been denied certification or decertified in State C, or subject to a decertification action there, you must inform State B of this fact and provide all documentation concerning this action to State B.

(3) If you have filed a certification appeal with DOT (see §26.89), you must inform State B of the fact and provide your letter of appeal and DOT's response to State B.

(4) You must submit an affidavit sworn to by the firm's owners before a person who is authorized by State law to administer oaths or an unsworn declaration executed under penalty of perjury of the laws of the United States.

(i) This affidavit must affirm that you have submitted all the information required by 49 CFR 26.85(c) and the information is complete and, in the case of the information required by §26.85(c)(1), is an identical copy of the information submitted to State A.

(ii) If the on-site report from State A supporting your certification in State A is more than three years old, as of the date of your application to State B, State B may require that your affidavit also affirm that the facts in the on-site report remain true and correct.

(d) As State B, when you receive from an applicant firm all the information required by paragraph (c) of this section, you must take the following actions:

(1) Within seven days contact State A and request a copy of the site visit review report for the firm (see §26.83(c)(1)), any updates to the site visit review, and any evaluation of the firm based on the site visit. As State A, you must transmit this information to State B within seven days of receiving the request. A pattern by State B of not making such requests in a timely manner or by "State A" or any other State of not complying with such requests in a timely manner is noncompliance with this Part.

(2) Determine whether there is good cause to believe that State A's certification of the firm is erroneous or should not apply in your State. Reasons for making such a determination may include the following:

(i) Evidence that State A's certification was obtained by fraud;

(ii) New information, not available to State A at the time of its certification, showing that the firm does not meet all eligibility criteria;

(iii) State A's certification was factually erroneous or was inconsistent with the requirements of this part;

(iv) The State law of State B requires a result different from that of the State law of State A.

(v) The information provided by the applicant firm did not meet the requirements of paragraph (c) of this section.

(3) If, as State B, unless you have determined that there is good cause to believe that State A's certification is erroneous or should not apply in your State, you must, no later than 60 days from the date on which you received from the applicant firm all the information required by paragraph (c) of this section, send to the applicant firm a notice that it is certified and place the firm on your directory of certified firms.

(4) If, as State B, you have determined that there is good cause to believe that State A's certification is erroneous or should not apply in your State, you must, no later than 60 days from the date on which you received from the applicant firm all the information required by paragraph (c) of this section, send to the applicant firm a notice stating the reasons for your determination.

(i) This notice must state with particularity the specific reasons why State B believes that the firm does not meet the requirements of this Part for DBE eligibility and must offer the firm an opportunity to respond to State B with respect to these reasons.

(ii) The firm may elect to respond in writing, to request an in-person meeting with State B's decision-making agency or both. If the firm

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§26.86 What rules govern recipients' denials of initial requests for certification?

(a) When you deny a request by a firm, which is not currently certified with you, to be certified as a DBE, you must provide the firm a written explanation of the reasons for the denial, specifically referencing the evidence in the record that supports each reason for the denial. All documents and other information on which the denial is based must be made available to the applicant, on request.

(b) [Reserved]

(c) When a firm is denied certification, you must establish a time period of no more than twelve months that must elapse before the firm may reapply to the recipient for certification. You may provide, in your DBE program, subject to approval by the concerned operating administration, a shorter waiting period for reapplication. The time period for reapplication begins to run on the date the explanation required by paragraph (a) of this section is received by the firm. An applicant's appeal of your decision to the Department pursuant to §26.89 does not extend this period.

(d) When you make an administratively final denial of certification concerning a firm, the firm may appeal the denial to the Department under §26.89.

[64 FR 5126, Feb. 2, 1999. Redesignated and amended at 68 FR 35555, June 16, 2003; 79 FR 59598, Oct. 2, 2014]

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§26.87 What procedures does a recipient use to remove a DBE's eligibility?

(a) *Ineligibility complaints.* (1) Any person may file with you a written complaint alleging that a currently-certified firm is ineligible and specifying the alleged reasons why the firm is ineligible. You are not required to accept a general allegation that a firm is ineligible or an anonymous complaint. The complaint may include any information or arguments supporting the complainant's assertion that the firm is ineligible and should not continue to be certified. Confidentiality of complainants' identities must be protected as provided in §26.109(b).

(2) You must review your records concerning the firm, any material provided by the firm and the complainant, and other available information. You may request additional information from the firm or conduct any other investigation that you deem necessary.

(3) If you determine, based on this review, that there is reasonable cause to believe that the firm is ineligible, you must provide written notice to the firm that you propose to find the firm ineligible, setting forth the reasons for the proposed determination. If you determine that such reasonable cause does not exist, you must notify the complainant and the firm in writing of this determination and the reasons for it. All statements of reasons for findings on the issue of reasonable cause must specifically reference the evidence in the record on which each reason is based.

(b) *Recipient-initiated proceedings.* If, based on notification by the firm of a change in its circumstances or other information that comes to your attention, you determine that there is reasonable cause to believe that a currently certified firm is ineligible, you must provide written notice to the firm that you propose to find the firm ineligible, setting forth the reasons

for the proposed determination. The statement of reasons for the finding of reasonable cause must specifically reference the evidence in the record on which each reason is based.

(c) *DOT directive to initiate proceeding.* (1) If the concerned operating administration determines that information in your certification records, or other information available to the concerned operating administration, provides reasonable cause to believe that a firm you certified does not meet the eligibility criteria of this part, the concerned operating administration may direct you to initiate a proceeding to remove the firm's certification.

(2) The concerned operating administration must provide you and the firm a notice setting forth the reasons for the directive, including any relevant documentation or other information.

(3) You must immediately commence and prosecute a proceeding to remove eligibility as provided by paragraph (b) of this section.

(d) *Hearing.* When you notify a firm that there is reasonable cause to remove its eligibility, as provided in paragraph (a), (b), or (c) of this section, you must give the firm an opportunity for an informal hearing, at which the firm may respond to the reasons for the proposal to remove its eligibility in person and provide information and arguments concerning why it should remain certified.

(1) In such a proceeding, you bear the burden of proving, by a preponderance of the evidence, that the firm does not meet the certification standards of this part.

(2) You must maintain a complete record of the hearing, by any means acceptable under state law for the retention of a verbatim record of an administrative hearing. If there is an appeal to DOT under §26.89, you must provide a transcript of the hearing to DOT and, on request, to the firm. You must retain the original record of the hearing. You may charge the firm only for the cost of copying the record.

(3) The firm may elect to present information and arguments in writing, without going to a hearing. In such a situation, you bear the same burden of proving, by a preponderance of the evidence, that the firm does not meet the certification standards, as you would during a hearing.

(e) *Separation of functions.* You must ensure that the decision in a proceeding to remove a firm's eligibility is made by an office and personnel that did not take part in actions leading to or seeking to implement the proposal to remove the firm's eligibility and are not subject, with respect to the matter, to direction from the office or personnel who did take part in these actions.

(1) Your method of implementing this requirement must be made part of your DBE program.

(2) The decisionmaker must be an individual who is knowledgeable about the certification requirements of your DBE program and this part.

(3) Before a UCP is operational in its state, a small airport or small transit authority (*i.e.*, an airport or transit authority serving an area with less than 250,000 population) is required to meet this requirement only to the extent feasible.

(f) *Grounds for decision.* You may base a decision to remove a firm's eligibility only on one or more of the following grounds:

(1) Changes in the firm's circumstances since the certification of the firm by the recipient that render the firm unable to meet the eligibility standards of this part;

(2) Information or evidence not available to you at the time the firm was certified;

(3) Information relevant to eligibility that has been concealed or misrepresented by the firm;

(4) A change in the certification standards or requirements of the Department since you certified the firm;

(5) Your decision to certify the firm was clearly erroneous;

(6) The firm has failed to cooperate with you (see §26.109(c));

(7) The firm has exhibited a pattern of conduct indicating its involvement in attempts to subvert the intent or requirements of the DBE program (see §26.73(a)(2)); or

(8) The firm has been suspended or debarred for conduct related to the DBE program. The notice required by paragraph (g) of this section must include a copy of the suspension or debarment action. A decision to remove a firm for this reason shall not be subject to the hearing procedures in paragraph (d) of this section.

(g) *Notice of decision.* Following your decision, you must provide the firm written notice of the decision and the reasons for it, including specific references to the evidence in the record that supports each reason for the decision. The notice must inform the firm of the consequences of your decision and of the availability of an appeal to the Department of Transportation under §26.89. You must send copies of the notice to the complainant in an ineligibility complaint or the concerned operating administration that had directed you to initiate the proceeding. Provided that, when sending such a notice to a complainant other than a DOT operating administration, you must not include information reasonably construed as confidential business information without the written consent of the firm that submitted the information.

(h) [Reserved]

(i) *Status of firm during proceeding.* (1) A firm remains an eligible DBE during the pendency of your proceeding to remove its eligibility.

(2) The firm does not become ineligible until the issuance of the notice provided for in paragraph (g) of this section.

(j) *Effects of removal of eligibility.* When you remove a firm's eligibility, you must take the following action:

(1) When a prime contractor has made a commitment to using the ineligible firm, or you have made a commitment to using a DBE prime contractor, but a subcontract or contract has not been executed before you issue the decertification notice provided for in paragraph (g) of this section, the ineligible firm does not count toward the contract goal or overall goal. You must direct the prime contractor to meet the contract goal with an eligible DBE firm or demonstrate to you that it has made a good faith effort to do so.

(2) If a prime contractor has executed a subcontract with the firm before you have notified the firm of its ineligibility, the prime contractor may continue to use the firm on the contract and may continue to receive credit toward its DBE goal for the firm's work. In this case, or in a case where you have let a prime contract to the DBE that was later ruled ineligible, the portion of the ineligible firm's performance of the contract remaining after you issued the notice of its ineligibility shall not count toward your overall goal, but may count toward the contract goal.

(3) *Exception:* If the DBE's ineligibility is caused solely by its having exceeded the size standard during the performance of the contract, you may continue to count its participation on that contract toward overall and contract goals.

(k) *Availability of appeal.* When you make an administratively final removal of a firm's eligibility under this section, the firm may appeal the removal to the Department under §26.89.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35556, June 16, 2003; 76 FR 5101, Jan. 28, 2011; 79 FR 59599, Oct. 2, 2014]

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§26.88 Summary suspension of certification.

(a) A recipient shall immediately suspend a DBE's certification without adhering to the requirements in §26.87(d) of this part when an individual owner whose ownership and control of the firm are necessary to the firm's certification dies or is incarcerated.

(b)(1) A recipient may immediately suspend a DBE's certification without adhering to the requirements in §26.87(d) when there is adequate evidence to believe that there has been a material change in circumstances that may affect the eligibility of the DBE firm to remain certified, or when the DBE fails to notify the recipient or UCP in writing of any material change in circumstances as required by §26.83(i) of this part or fails to timely file an affidavit of no change under §26.83(j).

(2) In determining the adequacy of the evidence to issue a suspension under paragraph (b)(1) of this section, the recipient shall consider all relevant factors, including how much information is available, the credibility of the information and allegations given the circumstances, whether or not important allegations are corroborated, and what inferences can reasonably be drawn as a result.

(c) The concerned operating administration may direct the recipient to take action pursuant to paragraph (a) or (b) this section if it determines that information available to it is sufficient to warrant immediate suspension.

(d) When a firm is suspended pursuant to paragraph (a) or (b) of this section, the recipient shall immediately notify the DBE of the suspension by certified mail, return receipt requested, to the last known address of the owner(s) of the DBE.

(e) Suspension is a temporary status of ineligibility pending an expedited show cause hearing/proceeding under §26.87 of this part to determine whether the DBE is eligible to participate in the program and consequently should be removed. The suspension takes effect when the DBE receives, or is deemed to have received, the Notice of Suspension.

(f) While suspended, the DBE may not be considered to meet a contract goal on a new contract, and any work it does on a contract received during the suspension shall not be counted toward a recipient's overall goal. The DBE may continue to perform under an existing contract executed before the DBE received a Notice of Suspension and may be counted toward the contract goal during the period of suspension as long as the DBE is performing a commercially useful function under the existing contract.

(g) Following receipt of the Notice of Suspension, if the DBE believes it is no longer eligible, it may voluntarily withdraw from the program, in which case no further action is required. If the DBE believes that its eligibility should be reinstated, it must provide to the recipient information demonstrating that the firm is eligible notwithstanding its changed circumstances. Within 30 days of receiving this information, the recipient must either lift the suspension and reinstate the firm's certification or commence a decertification action under §26.87 of this part. If the recipient commences a decertification proceeding, the suspension remains in effect during the proceeding.

(h) The decision to immediately suspend a DBE under paragraph (a) or (b) of this section is not appealable to the US Department of Transportation. The failure of a recipient to either lift the suspension and reinstate the firm or commence a decertification proceeding, as required by paragraph (g) of this section, is appealable to the U.S. Department of Transportation under §26.89 of this part, as a constructive decertification.

[79 FR 59599, Oct. 2, 2014]

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§26.89 What is the process for certification appeals to the Department of Transportation?

(a)(1) If you are a firm that is denied certification or whose eligibility is removed by a recipient, including SBA-certified firms, you may make an administrative appeal to the Department.

(2) If you are a complainant in an ineligibility complaint to a recipient (including the concerned operating administration in the circumstances provided in §26.87(c)), you may appeal to the Department if the recipient does not find reasonable cause to propose removing the firm's eligibility or, following a removal of eligibility proceeding, determines that the firm is eligible.

(3) Send appeals to the following address: U.S. Department of Transportation, Departmental Office of Civil Rights, 1200 New Jersey Avenue SE., Washington, DC 20590-0001.

(b) Pending the Department's decision in the matter, the recipient's decision remains in effect. The Department does not stay the effect of the recipient's decision while it is considering an appeal.

(c) If you want to file an appeal, you must send a letter to the Department within 90 days of the date of the recipient's final decision, including information and setting forth a full and specific statement as to why the decision is erroneous, what significant fact that the recipient failed to consider, or what provisions of this Part the recipient did not properly apply. The Department may accept an appeal filed later than 90 days after the date of the decision if the

Department determines that there was good cause for the late filing of the appeal or in the interest of justice.

(d) When it receives an appeal, the Department requests a copy of the recipient's complete administrative record in the matter. If you are the recipient, you must provide the administrative record, including a hearing transcript, within 20 days of the Department's request. The Department may extend this time period on the basis of a recipient's showing of good cause. To facilitate the Department's review of a recipient's decision, you must ensure that such administrative records are well organized, indexed, and paginated. Records that do not comport with these requirements are not acceptable and will be returned to you to be corrected immediately. If an appeal is brought concerning one recipient's certification decision concerning a firm, and that recipient relied on the decision and/or administrative record of another recipient, this requirement applies to both recipients involved.

(e) The Department makes its decision based solely on the entire administrative record as supplemented by the appeal. The Department does not make a de novo review of the matter and does not conduct a hearing. The Department may also supplement the administrative record by adding relevant information made available by the DOT Office of Inspector General; Federal, State, or local law enforcement authorities; officials of a DOT operating administration or other appropriate DOT office; a recipient; or a firm or other private party.

(f) As a recipient, when you provide supplementary information to the Department, you shall also make this information available to the firm and any third-party complainant involved, consistent with Federal or applicable state laws concerning freedom of information and privacy. The Department makes available, on request by the firm and any third-party complainant involved, any supplementary information it receives from any source.

(1) The Department affirms your decision unless it determines, based on the entire administrative record, that your decision is unsupported by substantial evidence or inconsistent with the substantive or procedural provisions of this part concerning certification.

(2) If the Department determines, after reviewing the entire administrative record, that your decision was unsupported by substantial evidence or inconsistent with the substantive or procedural provisions of this part concerning certification, the Department reverses your decision and directs you to certify the firm or remove its eligibility, as appropriate. You must take the action directed by the Department's decision immediately upon receiving written notice of it.

(3) The Department is not required to reverse your decision if the Department determines that a procedural error did not result in fundamental unfairness to the appellant or substantially prejudice the opportunity of the appellant to present its case.

(4) If it appears that the record is incomplete or unclear with respect to matters likely to have a significant impact on the outcome of the case, the Department may remand the record to you with instructions seeking clarification or augmentation of the record before making a finding. The Department may also remand a case to you for further proceedings consistent with Department instructions concerning the proper application of the provisions of this part.

(5) The Department does not uphold your decision based on grounds not specified in your decision.

(6) The Department's decision is based on the status and circumstances of the firm as of the date of the decision being appealed.

(7) The Department provides written notice of its decision to you, the firm, and the complainant in an ineligibility complaint. A copy of the notice is also sent to any other recipient whose administrative record or decision has been involved in the proceeding (see paragraph (d) of this section). The Department will also notify the SBA in writing when DOT takes an action on an appeal that results in or confirms a loss of eligibility to any SBA-certified firm. The notice includes the reasons for the Department's decision, including specific references to the evidence in the record that supports each reason for the decision.

(8) The Department's policy is to make its decision within 180 days of receiving the complete administrative record. If the Department does not make its decision within this period, the Department provides written notice to concerned parties, including a statement of the reason for the delay and a date by which the appeal decision will be made.

(g) All decisions under this section are administratively final, and are not subject to petitions for reconsideration.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 68 FR 35556, June 16, 2003; 73 FR 33329, June 12, 2008; 79 FR 59599, Oct. 2, 2014]

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§26.91 What actions do recipients take following DOT certification appeal decisions?

(a) If you are the recipient from whose action an appeal under §26.89 is taken, the decision is binding. It is not binding on other recipients.

(b) If you are a recipient to which a DOT determination under §26.89 is applicable, you must take the following action:

(1) If the Department determines that you erroneously certified a firm, you must remove the firm's eligibility on receipt of the determination, without further proceedings on your part. Effective on the date of your receipt of the Department's determination, the consequences of a removal of eligibility set forth in §26.87(i) take effect.

(2) If the Department determines that you erroneously failed to find reasonable cause to remove the firm's eligibility, you must expeditiously commence a proceeding to determine whether the firm's eligibility should be removed, as provided in §26.87.

(3) If the Department determines that you erroneously declined to certify or removed the eligibility of the firm, you must certify the firm, effective on the date of your receipt of the written notice of Department's determination.

(4) If the Department determines that you erroneously determined that the presumption of social and economic disadvantage either should or should not be deemed rebutted, you must take appropriate corrective action as determined by the Department.

(5) If the Department affirms your determination, no further action is necessary.

(c) Where DOT has upheld your denial of certification to or removal of eligibility from a firm, or directed the removal of a firm's eligibility, other recipients with whom the firm is certified may commence a proceeding to remove the firm's eligibility under §26.87. Such

recipients must not remove the firm's eligibility absent such a proceeding. Where DOT has reversed your denial of certification to or removal of eligibility from a firm, other recipients must take the DOT action into account in any certification action involving the firm. However, other recipients are not required to certify the firm based on the DOT decision.

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Subpart F—Compliance and Enforcement

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§26.101 What compliance procedures apply to recipients?

(a) If you fail to comply with any requirement of this part, you may be subject to formal enforcement action under §26.103 or §26.105 or appropriate program sanctions by the concerned operating administration, such as the suspension or termination of Federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied. Program sanctions may include, in the case of the FHWA program, actions provided for under 23 CFR 1.36; in the case of the FAA program, actions consistent with 49 U.S.C. 47106(d), 47111(d), and 47122; and in the case of the FTA program, any actions permitted under 49 U.S.C. chapter 53 or applicable FTA program requirements.

(b) As provided in statute, you will not be subject to compliance actions or sanctions for failing to carry out any requirement of this part because you have been prevented from complying because a Federal court has issued a final order in which the court found that the requirement is unconstitutional.

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§26.103 What enforcement actions apply in FHWA and FTA programs?

The provisions of this section apply to enforcement actions under FHWA and FTA programs:

(a) *Noncompliance complaints.* Any person who believes that a recipient has failed to comply with its obligations under this part may file a written complaint with the concerned operating administration's Office of Civil Rights. If you want to file a complaint, you must do so no later than 180 days after the date of the alleged violation or the date on which you learned of a continuing course of conduct in violation of this part. In response to your written request, the Office of Civil Rights may extend the time for filing in the interest of justice, specifying in writing the reason for so doing. The Office of Civil Rights may protect the confidentiality of your identity as provided in §26.109(b). Complaints under this part are limited to allegations of violation of the provisions of this part.

(b) *Compliance reviews.* The concerned operating administration may review the recipient's compliance with this part at any time, including reviews of paperwork and on-site reviews, as appropriate. The Office of Civil Rights may direct the operating administration to initiate a compliance review based on complaints received.

(c) *Reasonable cause notice.* If it appears, from the investigation of a complaint or the results of a compliance review, that you, as a recipient, are in noncompliance with this part, the appropriate DOT office promptly sends you, return receipt requested, a written notice advising you that there is reasonable cause to find you in noncompliance. The notice states

the reasons for this finding and directs you to reply within 30 days concerning whether you wish to begin conciliation.

(d) *Conciliation.* (1) If you request conciliation, the appropriate DOT office shall pursue conciliation for at least 30, but not more than 120, days from the date of your request. The appropriate DOT office may extend the conciliation period for up to 30 days for good cause, consistent with applicable statutes.

(2) If you and the appropriate DOT office sign a conciliation agreement, then the matter is regarded as closed and you are regarded as being in compliance. The conciliation agreement sets forth the measures you have taken or will take to ensure compliance. While a conciliation agreement is in effect, you remain eligible for FHWA or FTA financial assistance.

(3) The concerned operating administration shall monitor your implementation of the conciliation agreement and ensure that its terms are complied with. If you fail to carry out the terms of a conciliation agreement, you are in noncompliance.

(4) If you do not request conciliation, or a conciliation agreement is not signed within the time provided in paragraph (d)(1) of this section, then enforcement proceedings begin.

(e) *Enforcement actions.* (1) Enforcement actions are taken as provided in this subpart.

(2) Applicable findings in enforcement proceedings are binding on all DOT offices.

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§26.105 What enforcement actions apply in FAA programs?

(a) Compliance with all requirements of this part by airport sponsors and other recipients of FAA financial assistance is enforced through the procedures of Title 49 of the United States Code, including 49 U.S.C. 47106(d), 47111(d), and 47122, and regulations implementing them.

(b) The provisions of §26.103(b) and this section apply to enforcement actions in FAA programs.

(c) Any person who knows of a violation of this part by a recipient of FAA funds may file a complaint under 14 CFR part 16 with the Federal Aviation Administration Office of Chief Counsel.

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§26.107 What enforcement actions apply to firms participating in the DBE program?

(a) If you are a firm that does not meet the eligibility criteria of subpart D of this part and that attempts to participate in a DOT-assisted program as a DBE on the basis of false, fraudulent, or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, the Department may initiate suspension or debarment proceedings against you under 2 CFR parts 180 and 1200.

(b) If you are a firm that, in order to meet DBE contract goals or other DBE program requirements, uses or attempts to use, on the basis of false, fraudulent or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, another firm that does not meet the eligibility criteria of subpart D of this

part, the Department may initiate suspension or debarment proceedings against you under 2 CFR parts 180 and 1200.

(c) In a suspension or debarment proceeding brought under paragraph (a) or (b) of this section, the concerned operating administration may consider the fact that a purported DBE has been certified by a recipient. Such certification does not preclude the Department from determining that the purported DBE, or another firm that has used or attempted to use it to meet DBE goals, should be suspended or debarred.

(d) The Department may take enforcement action under 49 CFR Part 31, Program Fraud and Civil Remedies, against any participant in the DBE program whose conduct is subject to such action under 49 CFR part 31.

(e) The Department may refer to the Department of Justice, for prosecution under 18 U.S.C. 1001 or other applicable provisions of law, any person who makes a false or fraudulent statement in connection with participation of a DBE in any DOT-assisted program or otherwise violates applicable Federal statutes.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5101, Jan. 28, 2011]

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§26.109 What are the rules governing information, confidentiality, cooperation, and intimidation or retaliation?

(a) *Availability of records.* (1) In responding to requests for information concerning any aspect of the DBE program, the Department complies with provisions of the Federal Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a). The Department may make available to the public any information concerning the DBE program release of which is not prohibited by Federal law.

(2) Notwithstanding any provision of Federal or state law, you must not release any information that may reasonably be construed as confidential business information to any third party without the written consent of the firm that submitted the information. This includes applications for DBE certification and supporting information. However, you must transmit this information to DOT in any certification appeal proceeding under §26.89 of this part or to any other state to which the individual's firm has applied for certification under §26.85 of this part.

(b) *Confidentiality of information on complainants.* Notwithstanding the provisions of paragraph (a) of this section, the identity of complainants shall be kept confidential, at their election. If such confidentiality will hinder the investigation, proceeding or hearing, or result in a denial of appropriate administrative due process to other parties, the complainant must be advised for the purpose of waiving the privilege. Complainants are advised that, in some circumstances, failure to waive the privilege may result in the closure of the investigation or dismissal of the proceeding or hearing. FAA follows the procedures of 14 CFR part 16 with respect to confidentiality of information in complaints.

(c) *Cooperation.* All participants in the Department's DBE program (including, but not limited to, recipients, DBE firms and applicants for DBE certification, complainants and appellants, and contractors using DBE firms to meet contract goals) are required to cooperate fully and promptly with DOT and recipient compliance reviews, certification reviews, investigations, and other requests for information. Failure to do so shall be a ground for appropriate action against the party involved (e.g., with respect to recipients, a finding of

noncompliance; with respect to DBE firms, denial of certification or removal of eligibility and/or suspension and debarment; with respect to a complainant or appellant, dismissal of the complaint or appeal; with respect to a contractor which uses DBE firms to meet goals, findings of non-responsibility for future contracts and/or suspension and debarment).

(d) *Intimidation and retaliation.* If you are a recipient, contractor, or any other participant in the program, you must not intimidate, threaten, coerce, or discriminate against any individual or firm for the purpose of interfering with any right or privilege secured by this part or because the individual or firm has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this part. If you violate this prohibition, you are in noncompliance with this part.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35556, June 16, 2003; 76 FR 5101, Jan. 28, 2011]

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Appendix A to Part 26—Guidance Concerning Good Faith Efforts

I. When, as a recipient, you establish a contract goal on a DOT-assisted contract for procuring construction, equipment, services, or any other purpose, a bidder must, in order to be responsible and/or responsive, make sufficient good faith efforts to meet the goal. The bidder can meet this requirement in either of two ways. First, the bidder can meet the goal, documenting commitments for participation by DBE firms sufficient for this purpose. Second, even if it doesn't meet the goal, the bidder can document adequate good faith efforts. This means that the bidder must show that it took all necessary and reasonable steps to achieve a DBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to obtain sufficient DBE participation, even if they were not fully successful.

II. In any situation in which you have established a contract goal, Part 26 requires you to use the good faith efforts mechanism of this part. As a recipient, you have the responsibility to make a fair and reasonable judgment whether a bidder that did not meet the goal made adequate good faith efforts. It is important for you to consider the quality, quantity, and intensity of the different kinds of efforts that the bidder has made, based on the regulations and the guidance in this Appendix.

The efforts employed by the bidder should be those that one could reasonably expect a bidder to take if the bidder were actively and aggressively trying to obtain DBE participation sufficient to meet the DBE contract goal. Mere pro forma efforts are not good faith efforts to meet the DBE contract requirements. We emphasize, however, that your determination concerning the sufficiency of the firm's good faith efforts is a judgment call. Determinations should not be made using quantitative formulas.

III. The Department also strongly cautions you against requiring that a bidder meet a contract goal (*i.e.*, obtain a specified amount of DBE participation) in order to be awarded a contract, even though the bidder makes an adequate good faith efforts showing. This rule specifically prohibits you from ignoring bona fide good faith efforts.

IV. The following is a list of types of actions which you should consider as part of the bidder's good faith efforts to obtain DBE participation. It is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases.

A. (1) Conducting market research to identify small business contractors and suppliers and soliciting through all reasonable and available means the interest of all certified DBEs that have the capability to perform the work of the contract. This may include attendance at pre-bid and business matchmaking meetings and events, advertising and/or written notices, posting of Notices of Sources Sought and/or Requests for Proposals, written notices or emails to all DBEs listed in the State's directory of transportation firms that specialize in the areas of work desired (as noted in the DBE directory) and which are located in the area or surrounding areas of the project.

(2) The bidder should solicit this interest as early in the acquisition process as practicable to allow the DBEs to respond to the solicitation and submit a timely offer for the subcontract. The bidder should determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.

B. Selecting portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goals will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units (for example, smaller tasks or quantities) to facilitate DBE participation, even when the prime contractor might otherwise prefer to perform these work items with its own forces. This may include, where possible, establishing flexible timeframes for performance and delivery schedules in a manner that encourages and facilitates DBE participation.

C. Providing interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation with their offer for the subcontract.

D. (1) Negotiating in good faith with interested DBEs. It is the bidder's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional Agreements could not be reached for DBEs to perform the work.

(2) A bidder using good business judgment would consider a number of factors in negotiating with subcontractors, including DBE subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a bidder's failure to meet the contract DBE goal, as long as such costs are reasonable. Also, the ability or desire of a prime contractor to perform the work of a contract with its own organization does not relieve the bidder of the responsibility to make good faith efforts. Prime contractors are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.

E. (1) Not rejecting DBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor's standing within its industry,

membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union status) are not legitimate causes for the rejection or non-solicitation of bids in the contractor's efforts to meet the project goal. Another practice considered an insufficient good faith effort is the rejection of the DBE because its quotation for the work was not the lowest received. However, nothing in this paragraph shall be construed to require the bidder or prime contractor to accept unreasonable quotes in order to satisfy contract goals.

(2) A prime contractor's inability to find a replacement DBE at the original price is not alone sufficient to support a finding that good faith efforts have been made to replace the original DBE. The fact that the contractor has the ability and/or desire to perform the contract work with its own forces does not relieve the contractor of the obligation to make good faith efforts to find a replacement DBE, and it is not a sound basis for rejecting a prospective replacement DBE's reasonable quote.

F. Making efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance as required by the recipient or contractor.

G. Making efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

H. Effectively using the services of available minority/women community organizations; minority/women contractors' groups; local, State, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.

V. In determining whether a bidder has made good faith efforts, it is essential to scrutinize its documented efforts. At a minimum, you must review the performance of other bidders in meeting the contract goal. For example, when the apparent successful bidder fails to meet the contract goal, but others meet it, you may reasonably raise the question of whether, with additional efforts, the apparent successful bidder could have met the goal. If the apparent successful bidder fails to meet the goal, but meets or exceeds the average DBE participation obtained by other bidders, you may view this, in conjunction with other factors, as evidence of the apparent successful bidder having made good faith efforts. As provided in §26.53(b)(2)(vi), you must also require the contractor to submit copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract to review whether DBE prices were substantially higher; and contact the DBEs listed on a contractor's solicitation to inquire as to whether they were contacted by the prime. Pro forma mailings to DBEs requesting bids are not alone sufficient to satisfy good faith efforts under the rule.

VI. A promise to use DBEs after contract award is not considered to be responsive to the contract solicitation or to constitute good faith efforts.

[79 FR 59600, Oct. 2, 2014]

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Appendix B to Part 26—Uniform Report of DBE Awards or Commitments and Payments Form

INSTRUCTIONS FOR COMPLETING THE UNIFORM REPORT OF DBE AWARDS/COMMITMENTS AND PAYMENTS

Recipients of Department of Transportation (DOT) funds are expected to keep accurate data regarding the contracting opportunities available to firms paid for with DOT dollars. Failure to submit contracting data relative to the DBE program will result in noncompliance with Part 26. All dollar values listed on this form should represent the DOT share attributable to the Operating Administration (OA): Federal Highway Administration (FHWA), Federal Aviation Administration (FAA) or Federal Transit Administration (FTA) to which this report will be submitted.

1. Indicate the DOT (OA) that provides your Federal financial assistance. If assistance comes from more than one OA, use separate reporting forms for each OA. If you are an FTA recipient, indicate your Vendor Number in the space provided.

2. If you are an FAA recipient, indicate the relevant AIP Numbers covered by this report. If you are an FTA recipient, indicate the Grant/Project numbers covered by this report. If more than ten attach a separate sheet.

3. Specify the Federal fiscal year (*i.e.*, October 1-September 30) in which the covered reporting period falls.

4. State the date of submission of this report.

5. Check the appropriate box that indicates the reporting period that the data provided in this report covers. For FHWA and FTA recipients, if this report is due June 1, data should cover October 1-March 31. If this report is due December 1, data should cover April 1-September 30. If the report is due to the FAA, data should cover the entire year.

6. Provide the name and address of the recipient.

7. State your overall DBE goal(s) established for the Federal fiscal year of the report being submitted to and approved by the relevant OA. Your overall goal is to be reported as well as the breakdown for specific Race Conscious and Race Neutral projections (both of which include gender-conscious/neutral projections). The Race Conscious projection should be based on measures that focus on and provide benefits only for DBEs. The use of contract goals is a primary example of a race conscious measure. The Race Neutral projection should include measures that, while benefiting DBEs, are not solely focused on DBE firms. For example, a small business outreach program, technical assistance, and prompt payment clauses can assist a wide variety of businesses in addition to helping DBE firms.

Section A: Awards and Commitments Made During This Period

The amounts in items 8(A)-10(I) should include all types of prime contracts awarded and all types of subcontracts awarded or committed, including: professional or consultant services, construction, purchase of materials or supplies, lease or purchase of equipment and any other types of services. All dollar amounts are to reflect only the Federal share of such contracts and should be rounded to the nearest dollar.

Line 8: Prime contracts awarded this period: The items on this line should correspond to the contracts directly between the recipient and a supply or service contractor, with no intermediaries between the two.

8(A). Provide the *total dollar amount* for all prime contracts assisted with DOT funds and awarded during this reporting period. This value should include the entire Federal share of the contracts without removing any amounts associated with resulting subcontracts.

8(B). Provide the *total number* of all prime contracts assisted with DOT funds and awarded during this reporting period.

8(C). From the total dollar amount awarded in item 8(A), provide the *dollar amount* awarded in prime contracts to certified DBE firms during this reporting period. This amount should not include the amounts sub contracted to other firms.

8(D). From the total number of prime contracts awarded in item 8(B), specify the *number* of prime contracts awarded to certified DBE firms during this reporting period.

8(E&F). This field is closed for data entry. Except for the very rare case of DBE-set asides permitted under 49 CFR part 26, all prime contracts awarded to DBES are regarded as race-neutral.

8(G). From the total dollar amount awarded in item 8(C), provide the *dollar amount* awarded to certified DBEs through the use of Race Neutral methods. See the definition of Race Neutral in item 7 and the explanation in item 8 of project types to include.

8(H). From the total number of prime contracts awarded in 8(D), specify the *number* awarded to DBEs through Race Neutral methods.

8(I). Of all prime contracts awarded this reporting period, calculate the *percentage* going to DBEs. Divide the dollar amount in item 8(C) by the dollar amount in item 8(A) to derive this percentage. Round percentage to the nearest tenth.

Line 9: Subcontracts awarded/committed this period: Items 9(A)-9(I) are derived in the same way as items 8(A)-8(I), except that these calculations should be based on subcontracts rather than prime contracts. Unlike prime contracts, which may only be awarded, subcontracts may be either awarded or committed.

9(A). If filling out the form for general reporting, provide the total dollar amount of subcontracts assisted with DOT funds awarded or committed during this period. This value should be a subset of the total dollars awarded in prime contracts in 8(A), and therefore should never be greater than the amount awarded in prime contracts. If filling out the form for project reporting, provide the total dollar amount of subcontracts assisted with DOT funds awarded or committed during this period. This value should be a subset of the total dollars awarded or previously in prime contracts in 8(A). The sum of all subcontract amounts in consecutive periods should never exceed the sum of all prime contract amounts awarded in those periods.

9(B). Provide the total number of all sub contracts assisted with DOT funds that were awarded or committed during this reporting period.

9(C). From the total dollar amount of sub contracts awarded/committed this period in item 9(A), provide the total dollar amount awarded in sub contracts to DBEs.

9(D). From the total number of sub contracts awarded or committed in item 9(B), specify the number of sub contracts awarded or committed to DBEs.

9(E). From the total dollar amount of sub contracts awarded or committed to DBEs this period, provide the amount in dollars to DBEs using Race Conscious measures.

9(F). From the total number of sub contracts awarded or committed to DBEs this period, provide the amount in dollars to DBEs using Race Conscious measures.

Attachment 6
provide the dollar amount of sub contracts awarded or committed to DBEs using Race Conscious measures.

9(G). From the total dollar amount of sub contracts awarded/committed to DBEs this period, provide the amount in dollars to DBEs using Race Neutral measures.

9(H). From the total number of sub contracts awarded/committed to DBEs this period, provide the number of sub contracts awarded to DBEs using Race Neutral measures.

9(I). Of all subcontracts awarded this reporting period, calculate the *percentage* going to DBEs. Divide the dollar amount in item 9(C) by the dollar amount in item 9(A) to derive this percentage. Round percentage to the nearest tenth.

Line 10: Total contracts awarded or committed this period. These fields should be used to show the total dollar value and number of contracts awarded to DBEs and to calculate the overall percentage of dollars awarded to DBEs.

10(A)-10(B). These fields are unavailable for data entry.

10(C-H). Combine the total values listed on the prime contracts line (Line 8) with the corresponding values on the subcontracts line (Line 9).

10(I). Of all contracts awarded this reporting period, calculate the *percentage* going to DBEs. Divide the total dollars awarded to DBEs in item 10(C) by the dollar amount in item 8(A) to derive this percentage. Round percentage to the nearest tenth.

Section B: Breakdown by Ethnicity & Gender of Contracts Awarded to DBEs This Period

11-17. Further breakdown the contracting activity with DBE involvement. The Total Dollar Amount to DBEs in 17(C) should equal the Total Dollar Amount to DBEs in 10(C). Likewise the total number of contracts to DBEs in 17(F) should equal the Total Number of Contracts to DBEs in 10(D).

Line 16: The “Non-Minority” category is reserved for any firms whose owners are not members of the presumptively disadvantaged groups already listed, but who are either “women” OR eligible for the DBE program on an individual basis. All DBE firms must be certified by the Unified Certification Program to be counted in this report.

Section C: Payments on Ongoing Contracts

Line 18(A-E). Submit information on contracts that are currently in progress. All dollar amounts are to reflect only the Federal share of such contracts, and should be rounded to the nearest dollar.

18(A). Provide the total dollar amount paid to all firms performing work on contracts.

18(B). Provide the total number of contracts where work was performed during the reporting period.

18(C). From the total number of contracts provided in 18(A) provide the total number of contracts that are currently being performed by DBE firms for which payments have been made.

18(D). From the total dollar amount paid to all firms in 18(A), provide the total dollar value paid to DBE firms currently performing work during this period.

18(E). Provide the total number of DBE firms that received payment during this reporting period. For example, while 3 contracts may be active during this period, one DBE firm may be providing supplies or services on all three contracts. This field should only list the number of DBE firms performing work.

18(F). Of all payments made during this period, calculate the percentage going to DBEs. Divide the total dollar value to DBEs in item 18(D) by the total dollars of all payments in 18(B). Round percentage to the nearest tenth.

Section D: Actual Payments on Contracts Completed This Reporting Period

This section should provide information only on contracts that are closed during this period. All dollar amounts are to reflect the entire Federal share of such contracts, and should be rounded to the nearest dollar.

19(A). Provide the total number of contracts completed during this reporting period that used Race Conscious measures. Race Conscious contracts are those with contract goals or another race conscious measure.

19(B). Provide the total dollar value of prime contracts completed this reporting period that had race conscious measures.

19(C). From the total dollar value of prime contracts completed this period in 19(B), provide the total dollar amount of dollars awarded or committed to DBE firms in order to meet the contract goals. This applies only to Race Conscious contracts.

19(D). Provide the actual total DBE participation in dollars on the race conscious contracts completed this reporting period.

19(E). Of all the contracts completed this reporting period using Race Conscious measures, calculate the percentage of DBE participation. Divide the total dollar amount to DBEs in item 19(D) by the total dollar value provided in 19(B) to derive this percentage. Round to the nearest tenth.

20(A)-20(E). Items 21(A)-21(E) are derived in the same manner as items 19(A)-19(E), except these figures should be based on contracts completed using Race Neutral measures.

20(C). This field is closed.

21(A)-21(D). Calculate the totals for each column by adding the race conscious and neutral figures provided in each row above.

21(C). This field is closed.

21(E). Calculate the overall percentage of dollars to DBEs on completed contracts. Divide the Total DBE participation dollar value in 21(D) by the Total Dollar Value of Contracts Completed in 21(B) to derive this percentage. Round to the nearest tenth.

23. Name of the Authorized Representative preparing this form.

24. Signature of the Authorized Representative.

25. Phone number of the Authorized Representative.

****Submit your completed report to your Regional or Division Office.**

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[79 FR 59601, Oct. 2, 2014]

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Appendix C to Part 26—DBE Business Development Program Guidelines

The purpose of this program element is to further the development of DBEs, including but not limited to assisting them to move into non-traditional areas of work and/or compete in the marketplace outside the DBE program, via the provision of training and assistance from the recipient.

(A) Each firm that participates in a recipient's business development program (BDP) program is subject to a program term determined by the recipient. The term should consist of two stages; a developmental stage and a transitional stage.

(B) In order for a firm to remain eligible for program participation, it must continue to meet all eligibility criteria contained in part 26.

(C) By no later than 6 months of program entry, the participant should develop and submit to the recipient a comprehensive business plan setting forth the participant's business targets, objectives and goals. The participant will not be eligible for program benefits until such business plan is submitted and approved by the recipient. The approved business plan will constitute the participant's short and long term goals and the strategy for developmental growth to the point of economic viability in non-traditional areas of work and/or work outside the DBE program.

Attachment 6 Business plan should contain at least the following.

(1) An analysis of market potential, competitive environment and other business analyses estimating the program participant's prospects for profitable operation during the term of program participation and after graduation from the program.

(2) An analysis of the firm's strengths and weaknesses, with particular attention paid to the means of correcting any financial, managerial, technical, or labor conditions which could impede the participant from receiving contracts other than those in traditional areas of DBE participation.

(3) Specific targets, objectives, and goals for the business development of the participant during the next two years, utilizing the results of the analysis conducted pursuant to paragraphs (C) and (D)(1) of this appendix;

(4) Estimates of contract awards from the DBE program and from other sources which are needed to meet the objectives and goals for the years covered by the business plan; and

(5) Such other information as the recipient may require.

(E) Each participant should annually review its currently approved business plan with the recipient and modify the plan as may be appropriate to account for any changes in the firm's structure and redefined needs. The currently approved plan should be considered the applicable plan for all program purposes until the recipient approves in writing a modified plan. The recipient should establish an anniversary date for review of the participant's business plan and contract forecasts.

(F) Each participant should annually forecast in writing its need for contract awards for the next program year and the succeeding program year during the review of its business plan conducted under paragraph (E) of this appendix. Such forecast should be included in the participant's business plan. The forecast should include:

(1) The aggregate dollar value of contracts to be sought under the DBE program, reflecting compliance with the business plan;

(2) The aggregate dollar value of contracts to be sought in areas other than traditional areas of DBE participation;

(3) The types of contract opportunities being sought, based on the firm's primary line of business; and

(4) Such other information as may be requested by the recipient to aid in providing effective business development assistance to the participant.

(G) Program participation is divided into two stages; (1) a developmental stage and (2) a transitional stage. The developmental stage is designed to assist participants to overcome their social and economic disadvantage by providing such assistance as may be necessary and appropriate to enable them to access relevant markets and strengthen their financial and managerial skills. The transitional stage of program participation follows the developmental stage and is designed to assist participants to overcome, insofar as practical, their social and economic disadvantage and to prepare the participant for leaving the program.

(H) The length of service in the program term should not be a pre-set time frame for either the developmental or transitional stages but should be figured on the number of years considered necessary in normal progression of achieving the firm's established goals and

objectives. The setting of such time could be factored on such items as, but not limited to, the number of contracts, aggregate amount of the contract received, years in business, growth potential, etc.

(I) Beginning in the first year of the transitional stage of program participation, each participant should annually submit for inclusion in its business plan a transition management plan outlining specific steps to promote profitable business operations in areas other than traditional areas of DBE participation after graduation from the program. The transition management plan should be submitted to the recipient at the same time other modifications are submitted pursuant to the annual review under paragraph (E) of this section. The plan should set forth the same information as required under paragraph (F) of steps the participant will take to continue its business development after the expiration of its program term.

(J) When a participant is recognized as successfully completing the program by substantially achieving the targets, objectives and goals set forth in its program term, and has demonstrated the ability to compete in the marketplace, its further participation within the program may be determined by the recipient.

(K) In determining whether a concern has substantially achieved the goals and objectives of its business plan, the following factors, among others, should be considered by the recipient:

(1) Profitability;

(2) Sales, including improved ratio of non-traditional contracts to traditional-type contracts;

(3) Net worth, financial ratios, working capital, capitalization, access to credit and capital;

(4) Ability to obtain bonding;

(5) A positive comparison of the DBE's business and financial profile with profiles of non-DBE businesses in the same area or similar business category; and

(6) Good management capacity and capability.

(L) Upon determination by the recipient that the participant should be graduated from the developmental program, the recipient should notify the participant in writing of its intent to graduate the firm in a letter of notification. The letter of notification should set forth findings, based on the facts, for every material issue relating to the basis of the program graduation with specific reasons for each finding. The letter of notification should also provide the participant 45 days from the date of service of the letter to submit in writing information that would explain why the proposed basis of graduation is not warranted.

(M) Participation of a DBE firm in the program may be discontinued by the recipient prior to expiration of the firm's program term for good cause due to the failure of the firm to engage in business practices that will promote its competitiveness within a reasonable period of time as evidenced by, among other indicators, a pattern of inadequate performance or unjustified delinquent performance. Also, the recipient can discontinue the participation of a firm that does not actively pursue and bid on contracts, and a firm that, without justification, regularly fails to respond to solicitations in the type of work it is qualified for and in the geographical

areas where it has indicated availability under its approved business plan. The recipient should take such action if over a 2-year period a DBE firm exhibits such a pattern.

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Appendix D to Part 26—Mentor-Protégé Program Guidelines

(A) The purpose of this program element is to further the development of DBEs, including but not limited to assisting them to move into non-traditional areas of work and/or compete in the marketplace outside the DBE program, via the provision of training and assistance from other firms. To operate a mentor-protégé program, a recipient must obtain the approval of the concerned operating administration.

(B)(1) Any mentor-protégé relationship shall be based on a written development plan, approved by the recipient, which clearly sets forth the objectives of the parties and their respective roles, the duration of the arrangement and the services and resources to be provided by the mentor to the protégé. The formal mentor-protégé agreement may set a fee schedule to cover the direct and indirect cost for such services rendered by the mentor for specific training and assistance to the protégé through the life of the agreement. Services provided by the mentor may be reimbursable under the FTA, FHWA, and FAA programs.

(2) To be eligible for reimbursement, the mentor's services provided and associated costs must be directly attributable and properly allowable to specific individual contracts. The recipient may establish a line item for the mentor to quote the portion of the fee schedule expected to be provided during the life of the contract. The amount claimed shall be verified by the recipient and paid on an incremental basis representing the time the protégé is working on the contract. The total individual contract figures accumulated over the life of the agreement shall not exceed the amount stipulated in the original mentor/protégé agreement.

(C) DBEs involved in a mentor-protégé agreement must be independent business entities which meet the requirements for certification as defined in subpart D of this part. A protégé firm must be certified *before* it begins participation in a mentor-protégé arrangement. If the recipient chooses to recognize mentor/protégé agreements, it should establish formal general program guidelines. These guidelines must be submitted to the operating administration for approval prior to the recipient executing an individual contractor/subcontractor mentor-protégé agreement.

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Appendix E to Part 26—Individual Determinations of Social and Economic Disadvantage

The following guidance is adapted, with minor modifications, from SBA regulations concerning social and economic disadvantage determinations (see 13 CFR 124.103(c) and 124.104).

SOCIAL DISADVANTAGE

I. Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities. Social disadvantage must stem from circumstances beyond their control. Evidence of individual social disadvantage must include the following elements:

(A) At least one objective distinguishing feature that has contributed to social disadvantage, such as race, ethnic origin, gender, disability, long-term residence in an environment isolated from the mainstream of American society, or other similar causes not common to individuals who are not socially disadvantaged;

(B) Personal experiences of substantial and chronic social disadvantage in American society, not in other countries; and

(C) Negative impact on entry into or advancement in the business world because of the disadvantage. Recipients will consider any relevant evidence in assessing this element. In every case, however, recipients will consider education, employment and business history, where applicable, to see if the totality of circumstances shows disadvantage in entering into or advancing in the business world.

(1) *Education.* Recipients will consider such factors as denial of equal access to institutions of higher education and vocational training, exclusion from social and professional association with students or teachers, denial of educational honors rightfully earned, and social patterns or pressures which discouraged the individual from pursuing a professional or business education.

(2) *Employment.* Recipients will consider such factors as unequal treatment in hiring, promotions and other aspects of professional advancement, pay and fringe benefits, and other terms and conditions of employment; retaliatory or discriminatory behavior by an employer or labor union; and social patterns or pressures which have channeled the individual into non-professional or non-business fields.

(3) *Business history.* The recipient will consider such factors as unequal access to credit or capital, acquisition of credit or capital under commercially unfavorable circumstances, unequal treatment in opportunities for government contracts or other work, unequal treatment by potential customers and business associates, and exclusion from business or professional organizations.

II. With respect to paragraph I.(A) of this appendix, the Department notes that people with disabilities have disproportionately low incomes and high rates of unemployment. Many physical and attitudinal barriers remain to their full participation in education, employment, and business opportunities available to the general public. The Americans with Disabilities Act (ADA) was passed in recognition of the discrimination faced by people with disabilities. It is plausible that many individuals with disabilities—especially persons with severe disabilities (e.g., significant mobility, vision, or hearing impairments)—may be socially and economically disadvantaged.

III. Under the laws concerning social and economic disadvantage, people with disabilities are not a group presumed to be disadvantaged. Nevertheless, recipients should look carefully at individual showings of disadvantage by individuals with disabilities, making a case-by-case judgment about whether such an individual meets the criteria of this appendix. As public entities subject to Title II of the ADA, recipients must also ensure their DBE programs are accessible to individuals with disabilities. For example, physical barriers or the lack of application and information materials in accessible formats cannot be permitted to thwart the access of potential applicants to the certification process or other services made available to DBEs and applicants.

ECONOMIC DISADVANTAGE

(A) *General.* Economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged.

(B) *Submission of narrative and financial information.* (1) Each individual claiming economic disadvantage must describe the conditions which are the basis for the claim in a narrative statement, and must submit personal financial information.

(2) [Reserved]

(C) *Factors to be considered.* In considering diminished capital and credit opportunities, recipients will examine factors relating to the personal financial condition of any individual claiming disadvantaged status, including personal income for the past two years (including bonuses and the value of company stock given in lieu of cash), personal net worth, and the fair market value of all assets, whether encumbered or not. Recipients will also consider the financial condition of the applicant compared to the financial profiles of small businesses in the same primary industry classification, or, if not available, in similar lines of business, which are not owned and controlled by socially and economically disadvantaged individuals in evaluating the individual's access to credit and capital. The financial profiles that recipients will compare include total assets, net sales, pre-tax profit, sales/working capital ratio, and net worth.

(D) *Transfers within two years.* (1) Except as set forth in paragraph (D)(2) of this appendix, recipients will attribute to an individual claiming disadvantaged status any assets which that individual has transferred to an immediate family member, or to a trust, a beneficiary of which is an immediate family member, for less than fair market value, within two years prior to a concern's application for participation in the DBE program, unless the individual claiming disadvantaged status can demonstrate that the transfer is to or on behalf of an immediate family member for that individual's education, medical expenses, or some other form of essential support.

(2) Recipients will not attribute to an individual claiming disadvantaged status any assets transferred by that individual to an immediate family member that are consistent with the customary recognition of special occasions, such as birthdays, graduations, anniversaries, and retirements.

(3) In determining an individual's access to capital and credit, recipients may consider any assets that the individual transferred within such two-year period described by paragraph (D)(1) of this appendix that are not considered in evaluating the individual's assets and net worth (e.g., transfers to charities).

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35559, June 16, 2003]

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Appendix F to Part 26—Uniform Certification Application Form



Appendix F

UNIFORM CERTIFICATION APPLICATION
DISADVANTAGED BUSINESS ENTERPRISE (DBE) /
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
49 C.F.R. Parts 23 and 26

Roadmap for Applicants

1. Should I apply?

You may be eligible to participate in the DBE/ACDBE program if:

- The firm is a for-profit business that performs or seeks to perform transportation related work (or a concession activity) for a recipient of Federal Transit Administration, Federal Highway Administration, or Federal Aviation Administration funds.
- The firm is at least 51% owned by a socially and economically disadvantaged individual(s) who also controls it.
- The firm's disadvantaged owners are U.S. citizens or lawfully admitted permanent residents of the U.S.
- The firm meets the Small Business Administration's size standard and does not exceed \$23.98 million in gross annual receipts for DBE (\$52.47 million for ACDBEs). (Other size standards apply for ACDBE that are banks/financial institutions, car rental companies, pay telephone firms, and automobile dealers.)

2. How do I apply?

First time applicants for DBE certification must complete and submit this certification application and related material to the certifying agency in your home state and participate in an on-site interview conducted by that agency. The attached document checklist can help you locate the items you need to submit to the agency with your completed application. If you fail to submit the required documents, your application may be delayed and/or denied. Firms already certified as a DBE do not have to complete this form, but may be asked by certifying agencies outside of your home state to provide a copy of your initial application form, supporting documents, and any other information you submitted to your home state to obtain certification or to any other state related to your certification.

3. Where can I send my application? [INSERT UCP PARTICIPATING MEMBER CONTACT INFORMATION]

4. Who will contact me about my application and what are the eligibility standards?

The DBE and ACDBE Programs require that all U.S. Department of Transportation (DOT) recipients of federal assistance participate in a statewide Unified Certification Program (UCP). The UCP is a one-stop certification program that eliminates the need for your firm to obtain certification from multiple certifying agencies within your state. The UCP is responsible for certifying firms and maintaining a database of certified DBEs and ACDBEs for DOT grantees, pursuant to the eligibility standards found in 49 C.F.R. Parts 23 and 26.

5. Where can I find more information?

U.S. DOT—<https://www.civilrights.dot.gov/> (This site provides useful links to the rules and regulations governing the DBE/ACDBE program, questions and answers, and other pertinent information)

SBA—Small Business Size Standards matched to the North American Industry Classification System (NAICS): <http://www.census.gov/eos/www/naics/> and <http://www.sba.gov/content/table-small-business-size-standards>.

In collecting the information requested by this form, the Department of Transportation (Department) complies with the provisions of the Federal Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a). The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Department's Disadvantaged Business Enterprise Program as defined in 49 CFR §26.3 and the Airport Concession Disadvantaged Business Enterprise Program as defined in 49 CFR §23.3. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).

Under 49 C.F.R. §35.107, dated February 2, 1999 and January 28, 2011, if at any time, the Department or a recipient has reason to believe that any person or firm has willfully and knowingly provided incorrect information or made false statements, the Department may initiate suspension or debarment proceedings against the person or firm under 2 CFR Parts 180 and 1200, Nonprocurement Suspension and Debarment, take enforcement action under 49 C.F.R. Part 31, Program Fraud and Civil Remedies, and/or refer the matter to the Department of Justice for criminal prosecution under 18 U.S.C. 1001, which prohibits false statements in Federal programs.

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**INSTRUCTIONS FOR COMPLETING THE
DISADVANTAGED BUSINESS ENTERPRISE (DBE)
AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
UNIFORM CERTIFICATION APPLICATION**

NOTE: All participating firms must be for-profit enterprises. If your firm is not for-profit, then you do NOT qualify for the DBE/ACDBE program and should not complete this application. If you require additional space for any question in this application, please attach additional sheets or copies as needed, taking care to indicate on each attached sheet the section and number of this application to which it refers.

Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

- (1) Enter the contact name and title of the person completing this application and the person who will serve as your firm's contact for this application.
- (2) Enter the legal name of your firm, as indicated in your firm's Articles of Incorporation or charter.
- (3) Enter the primary phone number of your firm.
- (4) Enter a secondary phone number, if any.
- (5) Enter your firm's fax number, if any.
- (6) Enter the contact person's email address.
- (7) Enter your firm's website addresses, if any.
- (8) Enter the street address of the firm where its offices are physically located (not a P.O. Box).
- (9) Enter the mailing address of your firm, if it is different from your firm's street address.

B. Prior Other Certifications and Applications

- (10) Check the appropriate box indicating whether your firm is currently certified in the DBE/ACDBE program, and provide the name of the certifying agency that certified your firm. List the dates of any site visits conducted by your home state and any other state or UCP members. Also provide the names of state/UCP members that conducted the review.
- (11) Indicate whether your firm or any of the persons listed has ever been denied certification as a DBE, 8(a), or Small Disadvantaged Business (SDB) firm, or state and local MBE/WBE firm. Indicate if the firm has ever been de-certified from one of these programs. Indicate if the application was withdrawn or whether the firm was delisted, suspended, or otherwise had its bidding privileges denied or restricted by any state or local agency, or Federal entity. If your answer is yes, identify the name of the agency, and explain fully the nature of the action in the space provided. Indicate if you have ever appealed this decision to the Department and if so, attach a copy of USDOT's final agency decision(s).

Section 2: GENERAL INFORMATION

A. Business profile:

- (1) Give a concise description of the firm's primary activities, the product(s) or services the company provides, its type of construction. If your company offers more than one product/service, list primary product or service first (attach additional sheets if necessary). This description may be used in our UCP online database if you are certified as a DBE.

- (2) If you know the appropriate NAICS Code for the line(s) of work you identified in your business profile, enter the codes in the space provided.

- (3) State the date on which your firm was established as stated in your firm's Articles of Incorporation or charter.

- (4) State the date each person became a firm owner.

- (5) Check the appropriate box describing the manner in which you and each other owner acquired ownership of your firm. If you checked "Other," explain in the space provided.

- (6) Check the appropriate box that indicates whether your firm is "for-profit." If you checked "No," then you do NOT qualify for the DBE/ACDBE program and should not complete this application. All participating firms must be for-profit enterprises. If the firm is a for-profit enterprise, provide the Federal Tax ID number as stated on your firm's Federal tax return.

- (7) Check the appropriate box that describes the type of legal business structure of your firm, as indicated in your firm's Articles of Incorporation or similar document. Identify all joint venture partners if applicable. If you checked "Other," briefly explain in the space provided.

- (8) Indicate in the spaces provided how many employees your firm has, specifying the number of employees who work on a full-time, part-time, and seasonal basis. Attach a list of employees, their job titles, and dates of employment, to your application.

- (9) Specify the firm's gross receipts for each of the past three years, as stated in your firm's filed Federal tax returns. You must submit complete copies of the firm's Federal tax returns for each year. If there are any affiliates or subsidiaries of the applicant firm or owners, you must provide these firms' gross receipts and submit complete copies of these firms' Federal tax returns. Affiliation is defined in 49 C.F.R. §20.5 and 13 C.F.R. Part 121.

B. Relationships and Dealings with Other Businesses

- (1) Check the appropriate box that indicates whether your firm is co-located at any of its business locations, or whether your firm shares a telephone number(s), a post office box, any office space, a yard, warehouse, other facilities, any equipment, financing, or any office staff and/or employees with any other business, organization or entity of any kind. If you answered "Yes," then specify the name of the other firm(s) and fully explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or

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- and agreement. Provide an explanation of any items shared with other firms in the space provided.
- (2) Check the appropriate box indicating whether any other firm currently has or had an ownership interest in your firm at present or at any time in the past. If you checked "yes," please explain.
 - (3) Check the appropriate box that indicates whether at present or at any time in the past your firm:
 - (a) ever existed under different ownership, a different type of ownership, or a different name;
 - (b) existed as a subsidiary of any other firm;
 - (c) existed as a partnership in which one or more of the partners are were other firms;
 - (d) owned any percentage of any other firm; and
 - (e) had any subsidiaries of its own.
 - (f) served as a subcontractor with another firm constituting more than 25% of your firm's receipts.

If you answered "Yes" to any of the questions in (3)(a-f), you may be asked to explain the arrangement in detail.

Section 3: MAJORITY OWNER INFORMATION

Identify all individuals or holding companies with any ownership interest in your firm, providing the information requested below. (If your firm has more than one owner, provide completed copies of this section for each owner.)

A. Identify the majority owner of the firm holding 51% or more ownership interest

- (1) Enter the full name of the owner.
- (2) Enter his/her title or position within your firm.
- (3) Give his/her home phone number.
- (4) Enter his/her home (street) address.
- (5) Indicate this owner's gender.
- (6) Identify the owner's ethnic group membership. If you checked "Other," specify this owner's ethnic group identity not otherwise listed.
- (7) Check the appropriate box to indicate whether this owner is a U.S. citizen or a lawfully admitted permanent resident. If this owner is neither a U.S. citizen nor a lawfully admitted permanent resident of the U.S., then this owner is NOT eligible for certification as a DBE owner.
- (8) Enter the number of years during which this owner has been an owner of your firm.
- (9) Indicate the percentage of the total ownership this person holds and the date acquired, including (if appropriate) the class of stock owned.
- (10) Indicate the dollar value of this owner's initial investment to acquire an ownership interest in your firm, broken down by cash, real estate, equipment, and/or other investments. Describe how you acquired your business and attach documentation substantiating this investment.

B. Additional Owner Information

- (1) Describe the familial relationship of this owner to each other owner of your firm and employees.
- (2) Indicate whether this owner performs a management or supervisory function for any other business. If you

checked "Yes," state the name of the other business and this owner's function/title held in that business.

- (3) (a) Check the appropriate box that indicates whether this owner owns or works for any other firm(s) that has any relationship with your firm. If you checked "Yes," identify the name of the other business, the nature of the business relationship, and the owner's function at the firm.
 - (b) If the owner works for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week, please identify this activity.
- (4) (a) Provide the personal net worth of the owner applying for certification in the space provided. Complete and attach the accompanying "Personal Net Worth Statement for DBE/ACDBE Program Eligibility" with your application. Note, complete this section and accompanying statement only for each owner applying for DBE qualification (i.e., for each owner claiming to be socially and economically disadvantaged).
 - (b) Check the appropriate box that indicates whether any trust has been created for the benefit of the disadvantaged owner(s). If you answered "Yes," you may be asked to provide a copy of the trust instrument.
- (5) Check the appropriate to indicate whether any of your immediate family members, managers, or employees, own, manage, or are associated with another company. Immediate family member is defined in 49 C.F.R. §26.5. If you answered "Yes," provide the name of each person, your relationship to them, the name of the company, the type of business, and whether they own or manage the company.

Section 4: CONTROL

A. Identify the firm's Officers and Board of Directors

- (1) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each officer.
- (2) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each individual serving on your firm's Board of Directors.
- (3) Check the appropriate box to indicate whether any of your firm's officers and/or directors listed above performs a management or supervisory function for any other business. If you answered "Yes," identify each person by name, his/her title, the name of the other business in which s/he is involved, and his/her function performed in that other business.
- (4) Check the appropriate box that indicates whether any of your firm's officers and/or directors listed above own or work for any other firm(s) that has a relationship with your firm (e.g., ownership interest, shared office space, financial investments, equipment leases, personnel sharing, etc.). If you answered "Yes," identify the name of the firm, the individual's name, and the nature of his/her business relationship with that other firm.

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B. Duties of Owners, Officers, Directors, Managers and Key Personnel

(1), (2) Specify the roles of the majority and minority owners, directors, officers, and managers, and key personnel who control the functions listed for the business. Submit resumes for each owner and non-owner identified below. State the name of the individual, title, race and gender and percentage ownership if any. Circle the frequency of each person's involvement as follows: "always, frequently, seldom, or never" in each area.

Indicate whether any of the persons listed in this section perform a management or supervisory function for any other business. Identify the person, business, and their title/function. Identify if any of the persons listed above own or work for any other firm(s) that has a relationship with this firm (e.g. ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.) If you answered "Yes," describe the nature of his/her business relationship with that other firm.

C. Inventory: Indicate firm inventory in these categories:

(1) Equipment and Vehicles

State the make and model, and current dollar value of each piece of equipment and motor vehicle held and/or used by your firm. Indicate whether each piece is either owned or leased by your firm or owner, whether it is used as collateral, and where this item is stored.

(2) Office Space

State the street address of each office space held and/or used by your firm. Indicate whether your firm or owner owns or leases the office space and the current dollar value of that property or its lease.

(3) Storage Space

State the street address of each storage space held and/or used by your firm. Indicate whether your firm or owner owns or leases the storage space and the current dollar value of that property or its lease. Provide a signed lease agreement for each property.

D. Does your firm rely on any other firm for management functions or employee payroll?

Check the appropriate box that indicates whether your firm relies on any other firm for management functions or for employee payroll. If you answered "Yes," you may be asked to explain the nature of that reliance and the extent to which the other firm carries out such functions.

E. Financial / Banking Information

Banking Information: State the name, City and State of your firm's bank. In the space provided, identify the person able to sign checks on this account. Provide bank authorization and signature cards.

Bonding Information: State your firm's bonding limits (in dollars), specifying both the aggregate and project limits.

F. Sources, amounts, and purposes of money loaned to your firm, including the names of persons or firms guaranteeing the loan.

State the name and address of each source, the name of person securing the loan, original dollar amount and the current balance of each loan, and the purpose for which each loan was made to your firm. Provide copies of signed loan agreements and security agreements.

G. Contributions or transfers of assets to from your firm and to from any of its owners or another individual over the past two years:

Indicate in the spaces provided, the type of contribution or asset that was transferred, its current dollar value, the person or firm from whom it was transferred, the person or firm to whom it was transferred, the relationship between the two persons and/or firms, and the date of the transfer.

H. Current licenses/permits held by any owner or employee of your firm.

List the name of each person in your firm who holds a professional license or permit, the type of permit or license, the expiration date of the permit or license, and issuing State of the license or permit. Attach copies of licenses, license renewal forms, permits, and local authority forms.

I. Largest contracts completed by your firm in the past three years, if any.

List the name of each owner or contractor for each contract, the name and location of the projects under each contract, the type of work performed on each contract, and the dollar value of each contract.

J. Largest active jobs on which your firm is currently working.

For each active job listed, state the name of the prime contractor and the project number, the location, the type of work performed, the project start date, the anticipated completion date, and the dollar value of the contract.

AIRPORT CONCESSION (AC/DBE) APPLICANTS


Identify the concession space, address and location at the airport, the value of the property or lease, and free/lease payments paid to the airport. Provide information concerning any other airport concession businesses the applicant firm or any affiliate owns and/or operates, including name, location, type of concession, and start date of the concession enterprise.

AFFIDAVIT & SIGNATURE

The Affidavit of Certification must accompany your application for certification. Carefully read the attached affidavit in its entirety. Fill in the required information for each blank space, and sign and date the affidavit in the presence of a Notary Public, who must then notarize the form.

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Section 1: CERTIFICATION INFORMATION



A. Basic Contact Information

(1) Contact person and Title: _____ (2) Legal name of firm: _____

(3) Phone #: (____) _____ - _____ (4) Other Phone #: (____) _____ - _____ (5) Fax #: (____) _____ - _____

(6) E-mail: _____ (7) Firm Websites: _____

(8) Street address of firm (No P.O. Box): City: _____ County/Parish: _____ State: _____ Zip: _____

(9) Mailing address of firm (if different): City: _____ County/Parish: _____ State: _____ Zip: _____

B. Prior/Other Certifications and Applications

(10) Is your firm currently certified for any of the following U.S. DOT programs?
 DBE ACDBE Names of certifying agencies: _____

© If you are certified in your home state as a DBE/ACDBE, you do not have to complete this application for other states. Ask your state UCP about the interstate certification process.

List the dates of any site visits conducted by your home state and any other states or UCP members:
 Date ___/___/___ State/UCP Member: _____ Date ___/___/___ State/UCP Member: _____

(11) Indicate whether the firm or any persons listed in this application have ever been:
 (a) Denied certification or decertified as a DBE, ACDBE, 8(a), SDB, MBE/WBE firm? Yes No
 (b) Withdrawn an application for these programs, or debarred or suspended or otherwise had bidding privileges denied or restricted by any state or local agency, or Federal entity? Yes No

If yes, explain the nature of the action. (If you appealed the decision to DOT or another agency, attach a copy of the decision.)

Section 2: GENERAL INFORMATION

A. Business Profile: (1) Give a concise description of the firm's primary activities and the product(s) or service(s) it provides. If your company offers more than one product/service, list the primary product or service first. Please use additional paper if necessary. This description may be used in our database and the UCP online directory if you are certified as a DBE or ACDBE.


(2) Applicable NAICS Codes for this line of work include: _____

(3) This firm was established on ___/___/___ (4) I/We have owned this firm since: ___/___/___

(5) Method of acquisition (Check all that apply):
 Started new business Bought existing business Inherited business Secured concession
 Merger or consolidation Other (explain) _____

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(6) Is your firm "for profit"? Yes No **STOP!** If your firm is NOT for-profit, then you do NOT qualify for this program and should not fill out this application.
Federal Tax ID# _____

(7) Type of Legal Business Structure: *(check all that apply)*

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Limited Liability Partnership
<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Joint Venture (Identify all JV partners _____)
<input type="checkbox"/> Applying as an ACDBE	<input type="checkbox"/> Other, Describe _____

(8) Number of employees: Full-time _____ Part-time _____ Seasonal _____ Total _____
(Provide a list of employees, their job titles, and dates of employment, in your application)

(9) Specify the firm's gross receipts for the last 3 years. *(Submit complete copies of the firm's Federal tax returns for each year. If there are affiliates or subsidiaries of the applicant firm or owners, you must submit complete copies of these firms' Federal tax returns).*

Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____

B. Relationships and Dealings with Other Businesses

(1) Is your firm co-located at any of its business locations, or does it share a telephone number, P.O. Box, office or storage space, yard, warehouse, facilities, equipment, inventory, financing, office staff, and/or employees with any other business, organization, or entity? Yes No
If Yes, explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or oral agreement. Also detail the items shared.

(2) Has any other firm had an ownership interest in your firm at present or at any time in the past?
 Yes No If Yes, explain _____

(3) At present, or at any time in the past, has your firm:

(a) Ever existed under different ownership, a different type of ownership, or a different name? Yes No

(b) Existed as a subsidiary of any other firm? Yes No

(c) Existed as a partnership in which one or more of the partners are/were other firms? Yes No

(d) Owned any percentage of any other firm? Yes No


(e) Had any subsidiaries? Yes No

(f) Served as a subcontractor with another firm constituting more than 25% of your firm's receipts? Yes No

(If you answered "Yes" to any of the questions in (1) and/or (2)(a)-(f), you may be asked to provide further details and explain whether the arrangement continues).

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Section 3: MAJORITY OWNER INFORMATION

A. Identify the majority owner of the firm holding 51% or more ownership interest.

(1) Full Name: _____ (2) Title: _____ (3) Home Phone #: _____
 () _____

(4) Home Address (Street and Number): _____ City: _____ State: _____ Zip: _____

(5) Gender: Male Female

(6) Ethnic group membership (Check all that apply):

Black Hispanic
 Asian Pacific Native American
 Subcontinent Asian
 Other (specify) _____

(7) U.S. Citizenship:

U.S. Citizen
 Lawfully Admitted Permanent Resident

(8) Number of years as owner: _____

(9) Percentage owned: _____ %
 Class of stock owned: _____
 Date acquired: _____

(10) Initial investment to acquire ownership interest in firm:

Type	Dollar Value
Cash	\$ _____
Real Estate	\$ _____
Equipment	\$ _____
Other	\$ _____

Describe how you acquired your business:

Started business myself
 It was a gift from: _____
 I bought it from: _____
 I inherited it from: _____
 Other: _____

(Attach documentation substantiating your investment)

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees: _____

(2) Does this owner perform a management or supervisory function for any other business? Yes No
 If Yes, identify Name of business: _____ Function Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g. ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No
 Identify the name of the business, and the nature of the relationship, and the owner's function at the firm: _____

(b) Does this owner work for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____

(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No
 (If Yes, you may be asked to provide a copy of the trust instrument)

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage the company. (Please attach extra sheets, if needed): _____

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Section 3: OWNER INFORMATION, Cont'd.

A. Identify all individuals, firms, or holding companies that hold LESS THAN 51% ownership interest in the firm (Attach separate sheets for each additional owner)

(1) Full Name: _____ (2) Title: _____ (3) Home Phone #: _____
 () - _____

(4) Home Address (Street and Number): _____ City: _____ State: _____ Zip: _____

(5) Gender: Male Female

(6) Ethnic group membership (Check all that apply)

Black Hispanic
 Asian Pacific Native American
 Subcontinent Asian
 Other (specify) _____

(7) U.S. Citizenship:
 U.S. Citizen
 Lawfully Admitted Permanent Resident

(8) Number of years as owner: _____
 (9) Percentage owned: _____ %
 Class of stock owned: _____
 Date acquired: _____

(10) Initial investment to acquire ownership interest in firm:

Type	Dollar Value
Cash	\$ _____
Real Estate	\$ _____
Equipment	\$ _____
Other	\$ _____

Describe how you acquired your business:
 Started business myself
 It was a gift from: _____
 I bought it from: _____
 I inherited it from: _____
 Other: _____
(Attach documentation substantiating your investment)

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees:

(2) Does this owner perform a management or supervisory function for any other business? Yes No
 If Yes, identify: Name of business: _____ Function Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No
 Identify the name of the business, and the nature of the relationship, and the owner's function at the firm:

(b) Does this owner work for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____


(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No
(If Yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage: *(Please attach extra sheets, if needed)*: _____

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Section 4: CONTROL



A. Identify your firm's Officers and Board of Directors (If additional space is required, attach a separate sheet).

	Name	Title	Date Appointed	Ethnicity	Gender
(1) Officers of the Company	(a)				
	(b)				
	(c)				
	(d)				
(2) Board of Directors	(a)				
	(b)				
	(c)				
	(d)				

(3) Do any of the persons listed above perform a management or supervisory function for any other business?
 Yes No If Yes, identify for each:

Person: _____ Title: _____
 Business: _____ Function: _____

Person: _____ Title: _____
 Business: _____ Function: _____

(4) Do any of the persons listed in section A above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.)
 Yes No If Yes, identify for each:

Firm Name: _____ Person: _____
 Nature of Business Relationship: _____

B. Duties of Owners, Officers, Directors, Managers, and Key Personnel

1. Identify your firm's management personnel who control your firm in the following areas (Attach separate sheet as needed).

	Majority Owner (51% or more)				Minority Owner (49% or less)			
	Name: _____ Title: _____ Percent Owned: _____				Name: _____ Title: _____ Percent Owned: _____			
	A	F	S	N	A	F	S	N
Sets policy for company direction/scope of operations	A	F	S	N	A	F	S	N
Bidding and estimating	A	F	S	N	A	F	S	N
Major purchasing decisions	A	F	S	N	A	F	S	N
Marketing and sales	A	F	S	N	A	F	S	N
Supervises field operations	A	F	S	N	A	F	S	N
Attend bid openings and lettings	A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable/payable, etc.)	A	F	S	N	A	F	S	N
Hires and fires management staff	A	F	S	N	A	F	S	N
Hire and fire field staff or crew	A	F	S	N	A	F	S	N
Designates profits spending or investment	A	F	S	N	A	F	S	N
Obligates business by contract credit	A	F	S	N	A	F	S	N
Purchases equipment	A	F	S	N	A	F	S	N
Signs business checks	A	F	S	N	A	F	S	N

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2. Complete for all Officers, Directors, Managers, and Key Personnel who control the following functions for the firm. (Attach separate sheets as needed).

A = Always F = Frequently S = Seldom N = Never	Officer/Director/Manager/Key Personnel				Officer/Director/Manager/Key Personnel			
	Name:	Title:	Race and Gender:	Percent Owned:	Name:	Title:	Race and Gender:	Percent Owned:
	A	F	S	N	A	F	S	N
Sets policy for company direction/scope of operations	A	F	S	N	A	F	S	N
Bidding and estimating	A	F	S	N	A	F	S	N
Major purchasing decisions	A	F	S	N	A	F	S	N
Marketing and sales	A	F	S	N	A	F	S	N
Supervises field operations	A	F	S	N	A	F	S	N
Attend bid openings and lettings	A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable payable, etc.)	A	F	S	N	A	F	S	N
Hires and fires management staff	A	F	S	N	A	F	S	N
Hire and fire field staff or crew	A	F	S	N	A	F	S	N
Designates profits spending or investment	A	F	S	N	A	F	S	N
Obligates business by contract/credit	A	F	S	N	A	F	S	N
Purchase equipment	A	F	S	N	A	F	S	N
Signs business checks	A	F	S	N	A	F	S	N

Do any of the persons listed in B1 or B2 perform a management or supervisory function for any other business? If Yes, identify the person, the business, and their title/function: _____

Do any of the persons listed above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.) If Yes, describe the nature of the business relationship: _____

C. Inventory: Indicate your firm's inventory in the following categories (Please attach additional sheets if needed).

1. Equipment and Vehicles

Make and Model	Current Value	Owned or Leased by Firm or Owner?	Used as collateral?	Where is item stored?
1. _____				
2. _____				
3. _____				
4. _____				
5. _____				
6. _____				
7. _____				
8. _____				
9. _____				

2. Office Space

Street Address	Owned or Leased by Firm or Owner?	Current Value of Property or Lease

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3. Storage Space *(Provide signed lease agreements for the properties listed)*

Street Address	Owned or Leased by Firm or Owner?	Current Value of Property or Lease

D. Does your firm rely on any other firm for management functions or employee payroll? Yes No

E. Financial Banking Information *(Provide bank authorization and signature cards)*

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Bonding Information. If you have bonding capacity, identify the firm's bonding aggregate and project limits:
 Aggregate limit \$ _____ Project limit \$ _____

F. Identify all sources, amounts, and purposes of money loaned to your firm including from financial institutions. Identify whether you the owner and any other person or firm loaned money to the applicant DBE/ACDBE. Include the names of any persons or firms guaranteeing the loan, if other than the listed owner. (Provide copies of signed loan agreements and security agreements.)

Name of Source	Address of Source	Name of Person Guaranteeing the Loan	Original Amount	Current Balance	Purpose of Loan
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

G. List all contributions or transfers of assets to/from your firm and to/from any of its owners or another individual over the past two years (Attach additional sheets if needed):

Contribution/Asset	Dollar Value	From Whom Transferred	To Whom Transferred	Relationship	Date of Transfer
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

H. List current licenses/permits held by any owner and/or employee of your firm (e.g. contractor, engineer, architect, etc. Attach additional sheets if needed):

Name of License/Permit Holder	Type of License/Permit	Expiration Date	State
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

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I. List the three largest contracts completed by your firm in the past three years, if any:

Name of Owner/Contractor	Name/Location of Project	Type of Work Performed	Dollar Value of Contract
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

J. List the three largest active jobs on which your firm is currently working:

Name of Prime Contractor and Project Number	Location of Project	Type of Work	Project Start Date	Anticipated Completion Date	Dollar Value of Contract
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

AIRPORT CONCESSION (ACDBE) APPLICANTS ONLY MUST COMPLETE THIS SECTION

Identify the following information concerning the ACDBE applicant firm:

<u>Concession Space</u>	<u>Address / Location at Airport</u>	<u>Value of Property or Lease</u>	<u>Fees/Lease Payments Paid to the Airport</u>

Provide information concerning any other airport concession businesses the applicant firm or any affiliate owns and/or operates, including name, location, type of concession, and start date of concession

<u>Name of Concession</u>	<u>Location</u>	<u>Type of Concession</u>	<u>Start Date of Concession</u>

U.S. DOT Uniform DBE/ACDBE Certification Application • Page 12 of 14

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AFFIDAVIT OF CERTIFICATION

This form must be signed and notarized for each owner upon which disadvantaged status is relied.

A MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION IS SUFFICIENT CAUSE FOR DENIAL OF CERTIFICATION, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

I, _____ (full name printed),
swear or affirm under penalty of law that I am _____
(title) of the applicant firm and that I

have read and understood all of the questions in this application and that all of the foregoing information and statements submitted in this application and its attachments and supporting documents are true and correct to the best of my knowledge, and that all responses to the questions are full and complete, omitting no material information. The responses include all material information necessary to fully and accurately identify and explain the operations, capabilities and pertinent history of the named firm as well as the ownership, control, and affiliations thereof.

I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application, and I authorize such agency to contact any entity named in the application, and the named firm's bonding companies, banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility.

I agree to submit to government audit, examination and review of books, records, documents and files, in whatever form they exist, of the named firm and its affiliates, inspection of its place(s) of business and equipment, and to permit interviews of its principals, agents, and employees. I understand that refusal to permit such inquiries shall be grounds for denial of certification.

If awarded a contract, subcontract, concession lease or sublease, I agree to promptly and directly provide the prime contractor, if any, and the Department, recipient agency, or Federal funding agency on an ongoing basis, current, complete and accurate information regarding (1) work performed on the project; (2) payments; and (3) proposed changes, if any, to the foregoing arrangements.

I agree to provide written notice to the recipient agency or Unified Certification Program of any material change in the information contained in the original application within 30 calendar days of such change (e.g., ownership changes, address/telephone number, personal net worth exceeding \$1.32 million, etc.).

I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded, denial or revocation of certification, suspension and debarment, and for initiating actions under federal and/or state law concerning false statements, fraud or other applicable offenses.

I certify that I am a socially and economically disadvantaged individual who is an owner of the above-referenced firm seeking certification as a Disadvantaged Business Enterprise or Airport Concession Disadvantaged Business Enterprise. In support of my application, I certify that I am a member of one or more of the following groups, and that I have held myself out as a member of the group(s). (Check all that apply):

- Female Black American Hispanic American
- Native American Asian-Pacific American
- Subcontinent Asian American Other (specify) _____

I certify that I am socially disadvantaged because I have been subjected to racial or ethnic prejudice or cultural bias, or have suffered the effects of discrimination, because of my identity as a member of one or more of the groups identified above, without regard to my individual qualities.

I further certify that my personal net worth does not exceed \$1.32 million, and that I am economically disadvantaged because my ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially and economically disadvantaged.

I declare under penalty of perjury that the information provided in this application and supporting documents is true and correct.

Signature _____ (DBE/ACDBE Applicant) (Date) _____

NOTARY CERTIFICATE

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**UNIFORM CERTIFICATION APPLICATION
SUPPORTING DOCUMENTS CHECKLIST**

In order to complete your application for DBE or ACDBE certification, you must attach copies of all of the following **REQUIRED** documents. A failure to supply any information requested by the UCP may result in your firm denied DBE/ACDBE certification.

Required Documents for All Applicants

- Resumes (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 3 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 3 years.
- 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 local authority forms.
- Description of all real estate (including office/storage space, etc.) owned/leased by your firm and documented proof of ownership/signed leases
- 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 decertifications, if applicable; and any U.S. DOT appeal decisions on these actions.
- Bank authorizations 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

Partnership or Joint Venture

- Original and any amended Partnership or Joint Venture Agreements

Corporation or LLC

- Official Articles of Incorporation (signed by the state official)
- Both sides of all corporate stock certificates and your firm's stock transfer ledger
- Shareholders' Agreement(s)
- Minutes of all stockholders and board of directors meetings

- Corporate by-laws and any amendments
- Corporate bank resolution and bank signature cards
- Official Certificate of Formation and Operating Agreement with any amendments (for LLCs)

Optional Documents to Be Provided on Request

The UCP to which you are applying may require the submission of the following documents. If requested to provide these documents, you must supply them with your application or at the on-site visit.

- Proof of citizenship
- Insurance agreements for each truck owned or operated by your firm
- Audited financial statements (if available)
- Personal Federal Tax returns for the past 3 years, if applicable, for other disadvantaged owners of the firm.
- Trust agreements held by any owner claiming disadvantaged status
- Year-end balance sheets and income statements for the past 3 years (or life of firm if less than three years)

Suppliers


- List of product lines carried and list of distribution equipment owned and/or leased

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[79 FR 59603, Oct. 2, 2014]

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Appendix G to Part 26—Personal Net Worth Statement

	Personal Net Worth Statement For DBE/ACDBE Program Eligibility As of _____	DBE APPROVAL NO: EXPIRATION DATE:			
This form is used by all participants in the U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) Programs. Each individual owner of a firm applying to participate as a DBE or ACDBE, whose ownership and control are relied upon for DBE certification must complete this form. Each person signing this form authorizes the Unified Certification Program (UCP) recipient to make inquiries as necessary to verify the accuracy of the statements made. The agency you apply to will use the information provided to determine whether an owner is economically disadvantaged as defined in the DBE program regulations 49 C.F.R. Parts 23 and 26. Return form to appropriate UCP certifying member, not U.S. DOT.					
Name		Business Phone			
Residence Address: (As reported to the IRS) City, State and Zip Code		Residence Phone			
Business Name of Applicant Firm					
Spouse's Full Name (Marital Status: Single, Married, Divorced, Union)					
ASSETS	(Omit Cents)	LIABILITIES			
Cash and Cash Equivalents	\$	Loan on Life Insurance (Complete Section 5)			
Retirement Accounts (IRAs, 401(k)s, 403(b)s, Pensions, etc.) (Report full value minus tax and interest penalties that would apply if assets were distributed today) (Complete Section 3)	\$	Mortgages on Real Estate Excluding Primary Residence Debt (Complete Section 4)			
Brokerage, Investment Accounts	\$	Notes, Obligations on Personal Property (Complete Section 6)			
Assets Held in Trust	\$	Notes & Accounts Payable to Banks and Others (Complete Section 2)			
Loans to Shareholders & Other Receivables (Complete section 8)	\$	Other Liabilities (Complete Section 8)			
Real Estate Excluding Primary Residence (Complete Section 4)	\$	Unpaid Taxes (Complete Section 8)			
Life Insurance (Cash Surrender Value Only) (Complete Section 5)	\$				
Other Personal Property and Assets (Complete Section 6)	\$				
Business Interests Other Than the Applicant Firm (Complete Section 7)	\$				
Total Assets	\$	Total Liabilities			
		NET WORTH			
Section 2: Notes Payable to Banks and Others					
Name of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Enclosed Type of Collateral

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Section 3. Brokerage and custodial accounts, stocks, bonds, retirement accounts. (Full Value) (Use attachments if necessary)				
Name of Security / Brokerage Account / Retirement Account	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned (Including Primary Residence, Investment Properties, Personal Property Leased or Rented for Business Purposes, Farm Properties, or any Other Income Producing property). (List each parcel separately. Add additional sheets if necessary)				
Type of Property	Primary Residence	Property B	Property C	
Address				
Date Acquired and Method of Acquisition (purchase, inherit, divorce, gift, etc.)				
Names on Deed				
Purchase Price				
Present Market Value				
Source of Market Valuation				
Name of all Mortgage Holders				
Mortgage Acc. # and balance (as of date of form)				
Equity line of credit balance				
Amount of Payment Per Month/Year (Specify)				
Section 5. Life Insurance Held (Give face amount and cash surrender value of policies, name of insurance company and beneficiaries)				
Insurance Company	Face Value	Cash Surrender Amount	Beneficiaries	Loan on Policy Information

U.S. DOT Personal Net Worth Statement for DBE/ACDBE Program Eligibility • Page 2 of 5

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Section 6. Other Personal Property and Assets (Use attachments as necessary)				
Type of Property or Asset	Total Present Value	Amount of Liability (Balance)	Is this asset insured?	Lien or Note amount and Terms of Payment
Automobiles and Vehicles (including recreation vehicles, motorcycles, boats, etc.) include personally owned vehicles that are leased or rented to businesses or other individuals.				
Household Goods / Jewelry				
Other (List)				
Accounts and Notes Receivable				
Section 7. Value of Other Business Investments, Other Businesses Owned (excluding applicant firm) Sole Proprietorships, General Partners, Joint Ventures, Limited Liability Companies, Closely-held and Public Traded Corporations				
Section 8. Other Liabilities and Unpaid Taxes (Describe)				
Section 9. Transfer of Assets: Have you within 2 years of this personal net worth statement, transferred assets to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, describe				
<p>I declare under penalty of perjury that the information provided in this personal net worth statement and supporting documents is complete, true and correct. I certify that no assets have been transferred to any beneficiary for less than fair market value in the last two years. I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application and this personal net worth statement, and I authorize such agency to contact any entity named in the application or this personal financial statement, including the names banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility. I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded, denial or revocation of certification, suspension and debarment, and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.</p> <p style="text-align: center;">NOTARY CERTIFICATE: (Insert applicable state acknowledgment, affirmation, or oath)</p> <p>Signature (DBE/ACDBE Owner): _____ Date: _____</p> <p><small>In collecting the information requested by this form, the Department of Transportation complies with Federal Freedom of Information and Privacy Act (5-U.S.C. 552 and 552a) provisions. The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Disadvantaged Business Enterprise (DBE) Program or Airport Concessions DBE Programs as defined in 49 C.F.R. Parts 23 and 26. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).</small></p>				

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**General Instructions for Completing the
Personal Net Worth Statement
for DBE/ACDBE Program Eligibility**

Please do not make adjustments to your figures pursuant to U.S. DOT regulations 49 C.F.R. Parts 23 and 26. The agency that you apply to will use the information provided on your completed Personal Net Worth (PNW) Statement as determined whether you meet the economic disadvantage requirements of 49 C.F.R. Parts 23 and 26. If there are discrepancies or questions regarding your form, it may be returned to you to correct and complete again.

An individual's personal net worth according to 49 C.F.R. Parts 23 and 26 includes only his or her own share of assets held separately, jointly, or as community property with the individual's spouse and excludes the following:

- Individual's ownership interest in the applicant firm;
- Individual's equity in his or her primary residence;
- Tax and interest penalties that would accrue if retirement savings or investments (e.g., pension plans, Individual Retirement Accounts, 401(k) accounts, etc.) were distributed at the present time.

Indicate on the form, if any items are jointly owned. If the personal net worth of the majority owner(s) of the firm exceeds \$1.52 million, as defined by 49 C.F.R. Parts 23 and 26, the firm is not eligible for DBE or ACDBE certification. If the personal net worth of the majority owner(s) exceeds the \$1.52 million cap at any time after your firm is certified, the firm is no longer eligible for certification. Should that occur, it is your responsibility to contact your certifying agency in writing to advise that your firm no longer qualifies as a DBE or ACDBE. You must fill out all line items on the Personal Net Worth Statement.

If necessary, use additional sheets of paper to report all information and details. If you have any questions about completing this form, please contact one of the UCP certifying agencies.

ASSETS

All assets must be reported at their current fair market values as of the date of your statement. Assessor's assessed value for real estate, for example, is not acceptable. Assets held in a trust should be included.

Cash and Cash Equivalents: On page 1, enter the total amount of cash or cash equivalents in bank accounts, including checking, savings, money market, certificates of deposit held domestic or foreign. Provide copies of the bank statements.

Retirement Accounts, IRA, 401Ks, 403Bs, Pensions: On page 3, enter the full value minus tax and interest penalties that would apply if assets were distributed as of the date of the form. Describe the number of shares, name of securities, cost market value, date of quotation, and total value in section 3 on page 2.

Brokerage and Custodial Accounts, Stocks, Bonds, Retirement Accounts: Report total value on page 1, and on page 2, section 3, enter the name of the security, brokerage account, retirement account, etc.; the cost, market value of the asset; the date of quotation; and total value as of the date of the PNW statement.

Assets Held in Trust: Enter the total value of the assets held in trust on page 1, and provide the names of beneficiaries and trustees, and other information in Section 6 on page 3.

Loans to Shareholders and Other Receivables not listed: Enter amounts loaned to you from your firm, from any other business entity in which you hold an ownership interest, and other receivables not listed above. Complete Section 6 on page 3.

Real Estate: The total value of real estate excluding your primary residence should be listed on page 1. In section 4 on page 2, please list your primary residence in column 1, including the address, method of acquisition, date of acquisition, names of deed, purchase price, present fair market value, source of market valuation, names of all mortgage-holders, mortgage account number and balance, equity line of credit balance, and amount of payment. List this information for all real estate held. Please ensure that this section contains all real estate owned, including rental properties, vacation properties, commercial properties, personal property leased or rented for business purposes, farm properties and any other income producing properties, etc. Attach additional sheets if needed.

Life Insurance: On page 1, enter the cash surrender value of this asset. In section 5 on page 2, enter the name of the insurance company, the face value of the policy, cash surrender value, beneficiary names, and loans on the policy.

Other Personal Property and Assets: Enter the total value of personal property and assets you own on page 1. Personal property includes motor vehicles, boats, trailers, jewelry, furniture, household goods, collectibles, clothing, and personally owned vehicles that are leased or rented to businesses or other individuals. In section 6 on page 3, list these assets and enter the present value, the balance of any liabilities, whether the asset is insured, and lien or note information and terms of payments. Toy accounts and notes receivable, enter the total value of all assets owed to you personally, if any. This should include shareholder loans to the applicant firm, if those exist. If the asset is insured, you may be asked to provide a copy of the policy. You may also be asked to provide a copy of any liens or notes on the property.

Other Business Interests Other than Applicant Firm: On page 1, enter the total value of your other business investments (excluding the applicant firm). In section 7 on page 3, enter information concerning the businesses you

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hold an ownership interest in, such as sole proprietorships, partnerships, joint ventures, corporations, or limited liability corporations (other than the applicant firm). Do not reduce the value of these entities by any loans from the outside firm to the DBE/ACDBE applicant business.

Liabilities

Mortgages on Real Estate: Enter the total balance on all mortgages payable on real estate on page 1.

Loans on Life Insurance: Enter the total value of all loans due on life insurance policies on page 1, and complete section 5 on page 2.

Notes & Accounts Payable to Bank and Others: On page 1, section 2, enter details concerning any liability, including name of noteholders, original and current balances, payment terms, and security collateral information. The entries should include automobile installment accounts. This should not, however, include any mortgage balances as this information is captured in section 4. Do not include loans for your business or mortgages for your properties in this section. You may be asked to submit copy of note/security agreement, and the most recent account statement.

Other Liabilities: On page 1, enter the total value due on all other liabilities not listed in the previous entries. In section 8, page 3, report the name of the individual obligator, names of co-signers, description of the liability, the name of the entity owed, the date of the obligation, payment amounts and terms. Note: Do not include contingent liabilities in this section. Contingent liabilities are liabilities that belong to you only if an event(s) should occur. For example, if you

have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a contingent liability. Contingent liabilities do not count toward your net worth until they become actual liabilities.

Unpaid Taxes: Enter the total amount of all taxes that are currently due, but are unpaid on page 1, and complete section 5 on page 3. Contingent tax liabilities or anticipated taxes for current year should not be included. Describe in detail the name of the individual obligated, names of co-signers, the type of unpaid tax, to whom the tax is payable, due date, amount, and to what property, if any, the tax lien attaches. If none, state "NONE." You must include documentation, such as tax liens, to support the amounts.

Transfers of Assets:

Transfers of Assets: If you checked the box indicating yes on page 3 in this category, provide details on all asset transfers (within 2 years of the date of this personal net worth statement) to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust. Include a description of the asset, names of individuals on the deed, title, note or other instrument indicating ownership rights, the names of individuals receiving the assets and their relation to the transfer, the date of the transfer, and the value or consideration received. Submit documentation requested on the form related to the transfer.

Affidavit

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

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[79 FR 59617, Oct. 2, 2014]

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**DISADVANTAGED BUSINESS
ENTERPRISE PROGRAM
FFYs 2022-2024
Updated September 2023**

**32-505 Harry Oliver Trail
Thousand Palms, CA 92276**



DISADVANTAGED BUSINESS ENTERPRISE PROGRAM POLICY STATEMENT

SunLine Transit Agency (SunLine) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. SunLine has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, SunLine has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of SunLine to ensure that DBEs are defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts
- To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs
- To help remove barriers to the participation of DBEs in DOT assisted contracts
- To assist with the development of firms that can compete successfully in the market place outside the DBE Program

SunLine's Chief of Compliance/Labor Relations (DBELO/EEO) has been delegated as the DBE Liaison Officer. In that capacity, the Chief of Compliance/Labor Relations (DBELO/EEO) is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by SunLine in its financial assistance agreements with the Department of Transportation.

SunLine has disseminated this policy statement to the Board of Directors and all of the components of our organization and will publish this statement to DBE and non-DBE business communities that perform work for us on DOT-assisted contracts.

By: _____

Date: _____

Mona Babauta
CEO/General Manager

SUBPART A – GENERAL REQUIREMENTS

Section 26.1, 26.23 - Objectives

The objectives are found in the policy statement on the first page of this program.

Section 26.3 - Applicability

SunLine is the recipient of federal transit funds authorized by Titles I, III, VI of ISTEA, Pub. L. 102-240 or by Federal transit laws in Title 49, U.S. Code, or Titles I, II, and V of the Teas-21, Pub. L. 105-178.

Section 26.5 – Definitions

SunLine will adopt the definitions contained in Section 26.5 of Part 26 for this program.

Section 26.7 – Non-Discrimination Requirements

SunLine will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, SunLine will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishments of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

Section 26.11 – Record Keeping Requirements

Uniform Report of DBE Awards or Commitments and Payments: 26.11(a)

SunLine will report DBE participation to the Federal Transit Administration (FTA) using the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to the DBE regulation.

Bidders List: 26.11 (c)

SunLine will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted Contracts. The purpose of this requirement is to allow use of the bidder list approach to calculating overall goals. The bidders list will

include the name, address, DBE non-DBE status, age, and annual gross receipts of firms.

SunLine will collect this information in the following ways:

- Vendor profiles on SunLine's website;
- Insert a clause in all agreements requiring prime bidders to report the names/addresses, and other information, of all firms who quote to them on subcontracts;

Section 26.13 – Assurances

Federal Financial Assistance Agreement Assurance: 26.13 (a)

SunLine shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract, or in the administration of its DBE Program or the requirements of 49 CFR Part 26. SunLine shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. SunLine's DBE Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in the agreement. Implementation of this program is a legal obligation and failure to carry out its terms, shall be treated as a violation of this agreement. Upon notification to SunLine of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

This language will appear in financial assistance agreements with Sub-recipients.

Contract Assurance: 26.13 (b)

We will ensure that the following clause is placed in every DOT-assisted contract and subcontract:

The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of the contract, which may result in the termination of this contract, or such other remedy as SunLine deems appropriate.

SUBPART B – ADMINISTRATIVE REQUIREMENTS

Section 26.21 – DBE Program Update

Since SunLine has received a grant of \$250,000 or more in FTA planning capital, and or operating assistance in a federal fiscal year, we will continue to carry out this program until all funds from DOT financial assistance have been expended. We will provide to DOT updates representing significant changes in the program.

Section 26.25 – DBE Liaison Officer (DBELO)

SunLine's CEO/General Manager has designated the following individual as the Agency's DBE Liaison Officer:

Tina Hamel / Chief of Compliance/Labor Relations (DBELO/EEO)
32-505 Harry Oliver Trail
Thousand Palms, CA 92276
Phone (760) 343-3456 Ext. 1445
thamel@sunline.org

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program, and ensuring that SunLine complies with all provisions of 49 CFR Part 26. The DBELO has direct, independent access to the CEO/General Manager concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is found in Attachment 1 to this program.

The DBELO is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. The duties and responsibilities include the following:

- Gathers and reports statistical data and other information as required by DOT
- Reviews third party contracts and purchase requisitions for compliance with this program
- Works with all departments to set overall annual goals
- Ensures that bid notices and requests for proposals are available to DBEs in timely manner
- Identifies contracts and procurements so that DBE goals are included in solicitations (race-neutral methods and contract specific goals attainment) and identifies ways to improve progress
- Analyzes SunLine's progress toward attainment and identifies ways to improve progress
- Participates in pre-bid meetings
- Advises the CEO/General Manager on DBE matters and achievement

- Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance
- Plans and participates in DBE training seminars
- Provides outreach to DBEs and community organizations to advise them of opportunities
- Maintains SunLine’s updated directory on certified DBEs

Section 26.27 – DBE Financial Institutions

It is the policy of SunLine to investigate the full extent of services offered by financial institutions, owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contracts to make use of these institutions. As part of its annual review and update of this plan, SunLine will identify any such institutions. Information on the availability of such institutions can be obtained from the DBE Liaison Officer.

Section 26.29 – Prompt Payment Mechanisms

SunLine will include the following clause in each DOT-assisted prime contract:

- a. *The Contractor will be required to report its DBE participation obtained through race-neutral means throughout the period of performance of this Agreement.*
- b. *The Contractor is required to pay its subcontractors performing work related to this Agreement for satisfactory performance of that work, no later than 10 days after the Contractor’s receipt of payment for that work from the Agency. In addition, the Vendor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor’s work related to this contract is satisfactorily completed.*
- c. *The Contractor must promptly notify the Agency whenever a DBE subcontractor performing work related to this Agreement is terminated, or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The Vendor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Agency.*

Section 26.31 – Directory

SunLine uses the combined statewide directory identifying all firms eligible to participate as DBEs. The directory lists the firm’s name, address, phone number, date of the most

recent certification, and type of work the firm has been certified to perform as a DBE; see Attachment 2.

Section 26.33 – Overconcentration

SunLine has not identified that overconcentration exists in the types of work that DBEs perform.

Section 26.35 – Business Development Programs

SunLine has implemented race and gender-neutral efforts to promote small business concerns, including DBEs. Each year the DBELO will facilitate and/or participate in at least two small business events, which may be coordinated with other U.S. DOT recipients to promote DBE outreach programs. Small businesses will be invited to meet with the Agency's DBE program, purchasing and project management staff and learn about the Agency's contracting program. SunLine staff will have an opportunity to become acquainted with qualified business owners who are interested in supplying services and products to the Agency. In addition, the DBELO will provide information on DBE certification and DBE program requirements and procedures. These events will include procedures explaining how to do business with the Agency and explore best business practices, which may be used to market small businesses.

Section 26.37 – Monitoring and Enforcement Mechanisms

SunLine will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26.

- We will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
- We will consider similar action under our own legal authorities, including responsibility determinations in future contracts. Attachment 3 lists the regulation, provisions, and contract remedies available to us in the events of non-compliance with the DBE regulation by a participant in our procurement activities.
- We will also provide a monitoring and enforcement mechanism, to verify that work committed to DBEs at contract award, is actually performed by the DBEs. This will be accomplished by a written certification that contracting records have been reviewed and work site visits.

- We will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

Section 26.39 – Small Business Participation

SunLine has implemented several strategies to foster small business participation in its contracting process. These include the following:

- Provide outreach by conducting DBE/Small Business Workshops
- In multi-year design-build contracts, or other large contracts (e.g., for “megaprojects”) requiring bidders on the prime contract to specify elements of the contract, or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform
- On larger prime contracts requiring the prime contractor to consider subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved
- Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia, or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts
- Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform

SUBPART C – GOALS, GOOD FAITH EFFORTS, AND COUNTING

Section 26.43 – Set-asides or quotas

SunLine does not use quotas in any way in the administration of this DBE program.

Section 26.45 – Overall Goals

In accordance with Section 26.45, SunLine will submit its triennial overall DBE goal to the FTA. A description of the methodology to calculate the overall goal and the goal calculations can be found in Attachment 4 to this program.

Before establishing the overall goal each year, SunLine will consult with minority, women’s and general contractor groups, community organizations, and other business officials or organizations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and SunLine’s efforts to establish a level playing field for the participation of DBEs.

Following this consultation, we will publish a notice announcing our proposed overall goal, before submission to the FTA on August 1st. The notice will be posted on SunLine's official Internet Website. If the proposed goal changes following review by the FTA, the revised goal will be posted on the official Internet Website.

Our overall goal submission to DOT will include: the goal (including the breakout of estimated race-neutral participation, as appropriate); a copy of the methodology, worksheets, etc., used to develop the goal; a summary of information and comments received during this public participation process and our responses.

SunLine will begin using the proposed overall goal on October 1st of the specified year, unless we have received other instructions from DOT. If we establish a goal on a project basis, we will begin using our goal by the time of the first solicitation for a DOT-assisted contract for the project. Our goal will remain effective for the duration of the three-year period established and approved by FTA.

Section 26.47 – Goal Setting and Accountability

If the awards and commitments shown on SunLine's Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall applicable to that fiscal year, we will:

- Analyze in detail the reason for the difference between the overall goal and the actual awards/commitments;
- Establish specific step and milestones to correct the problems identified in the analysis;
- Submit the plan to FTA within 90 days of the end of the affected fiscal year.

Section 26.49 – Transit Vehicle Manufacturers Goals

SunLine will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, to certify that it has complied with the requirements of this section. Alternatively, SunLine may, at its discretion and with FTA approval, establish project-specific goals for the DBE participation in the procurement of transit vehicles in lieu of the TVM complying with this element of the program.

SunLine will submit within 30 days of making an award, the name of the successful bidder, and the total dollar value of the contract to FTA.

Section 26.51 – Meeting Overall Goals/Contract Goals

SunLine will meet the maximum feasible portion of its overall goal using race-neutral means of facilitating DBE participation. In order to do so, SunLine will:

- Arrange solicitations, times for the presentation of bids, quantities, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more assessable to small business

SunLine will use contract goals to meet any portion of the overall goal SunLine does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

We will establish contract goals only on these DOT-assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work.)

We will express our contract goals as a percentage of total amount of a DOT-assisted contract.

Section 26.53 – Good Faith Efforts Procedures

Award of Contracts with a DBE Contract Goal: 26.53 (a)

In those instances where a contract-specific DBE goal is included in a procurement/solicitation, SunLine will not award the contract to a bidder who does not either: (1) meet the contract goal with certified, countable DBE participation; or (2) documents it has made adequate good faith efforts to meet the DBE contract goal, even though it was unable to do so. It is the obligation of the bidder to demonstrate it has made sufficient good faith efforts prior to submission of its bid.

Evaluation of Good Faith Efforts: 26.53 (a) & (c)

The process used to determine whether good faith efforts have been made by a bidder are as follows: The bidder/offeror can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26.

We will ensure that all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before we commit to the performance of the contract by the bidder/offeror.

Information to be Submitted: 26.53 (b)

SunLine treats bidder/offeror's compliance with good faith efforts requirements as a matter of responsiveness.

Each solicitation for which a contract goal has been established will require the bidder/offerors to submit the following information no later than five (5) days after bid opening:

- The names and addresses of DBE firms that will participate in the contract;
- A description of the work that each DBE will perform;
- The dollar amount of the participation of each DBE firm participating;
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
- Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractors commitment and
- If the contract goal is not met, evidence of good faith efforts

Administrative Reconsideration: 26.53 (d)

Within 15 days of being informed by SunLine that it is not responsive because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the following reconsideration official:

Deputy Chief Financial Officer
32-505 Harry Oliver Trail
Thousand Palms, CA 92276
Phone (760) 343-3456

The reconsideration official will not have played any role in the original determination, that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation, or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/offeror will have the opportunity to meet in person with our reconsideration official, to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. We will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal, or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the department of Transportation.

Good Faith Efforts when a DBE is Terminated/Replaced on a Contract with Contract Goals: 26.53 (f)

SunLine requires that prime contractors not terminate a DBE subcontractor listed on a bid/contract with a DBE contract goal without SunLine's prior written consent. Prior

written consent will only be provided where there is “good cause” for termination of the DBE firm, as established by Section 26.53 (f)(3) of the DBE regulation.

Before transmitting to SunLine its request to terminate, the prime contractor must submit a notice in writing to the DBE of its intent to do so. A copy of this notice must be provided to SunLine prior to consideration of the request to terminate. The DBE will then have five (5) days to respond and advise SunLine of why it objects to the proposed termination.

In those instances where “good cause” exists to terminate a DBE’s contract, SunLine will require the prime contractor to make good faith efforts to replace a DBE that is terminated, or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. We will require the prime contractor to notify the DBE Liaison Officer immediately, of the DBE’s inability, or unwillingness to perform and provide reasonable documentation.

In this situation, we will require the prime contractor to obtain our prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

If the contractor fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of payment/work, until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

Sample Bid Specification:

The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of SunLine to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this contract will be conditioned upon satisfying the requirements of this bid specification. These requirements apply to all bidders/offerors, including those who qualify as a DBE. A DBE contract goal of ____ percent has been established for this contract. The bidder/offeror shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26, to meet the contract goal for DBE participation in the performance of this contract.

The bidder/offeror will be required to submit the following information: (1) the names and addresses of DBE firms that will participate in the contract; (2) a description of the work that each DBE firm will perform; (3) the dollar amount of the participation of each DBE firm participating; (4) Written documentation of the bidder/offeror’s commitment to use a DBE subcontractor, whose participation it submits to meet the contract goal; (5) Written confirmation from the DBE, that it is participating in the contract as provided in the commitment made under (4) and (5) if that contract goal is not met, evidence of good faith efforts.

Section 26.55 – Counting DBE Participation

SunLine will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

Section 26.65 – Business Size Determinations

- a. To be an eligible DBE, a firm (including its affiliates) must be an existing small business, as defined by Small Business Administration (SBA) standards. As a recipient SunLine will apply current SBA business size standards found in 13 CFR part 121, appropriate to the types of work the firm seeks to perform in DOT-assisted contracts, including the primary industry classification of the applicant.
- b. Even if the firm meets the requirements of paragraph (a) of this section, a firm is not an eligible DBE in any Federal fiscal year if the firm (including its affiliates) has had average annual gross receipts, as defined by SBA regulations (see 13 CFR 121.402), over the firm's previous three (3) fiscal years, in excess of \$26.29 million.
- c. SunLine adjusts the number in paragraph (b) of this section annually, using the Department of Commerce price deflators for purchases by State and local governments as the basis for this adjustment.

SUBPART D & E - CERTIFICATION

Section 26.81 – Unified Certification Programs

SunLine is a member of the Unified Certification Program (UCP) administered by Caltrans. The UCP will meet all of the requirements of this section. SunLine will use and count for DBE credit only those DBE firms certified by the California Unified Certification Program (CUCP). A listing of DBE's certified by the CUCP is available from Caltrans' Office of Civil Rights website <https://californiaucp.dbesystem.com/>. The following table represents a list of current Certifying Member Agencies:

Agency	Business Address	Telephone No.	Fax No.
City of Los Angeles Bureau of Contract Admin. Centralized Certification Section Email: bca.certifications@lacity.org http://bca.lacity.org/	1149 South Broadway Street, Suite 300 Los Angeles, CA 90015	(213) 847-2684	(213) 847-2777

Los Angeles County Metropolitan Transportation Authority (METRO) Diversity and Economic Opportunity Department Email: certificationunit@metro.net https://metro.gob2g.com/	One Gateway Plaza, MS 99-8-4 Los Angeles, CA 90012	(213) 922-2600	(213) 922-7660
S.F. Bay Area Rapid Transit District (BART) Office of Civil Rights www.bart.gov	300 Lakeside Drive 16 th Floor Oakland, CA 94612	(510) 464-6100	(510) 464-7587
City of Fresno Finance Department, Purchasing Division, DBE Program www.fresno.gov	2600 Fresno Street Room 2156 Fresno, CA 93721-3622	(559) 621-7036	(559) 488-1069
Santa Clara Valley Transportation Authority (VTA) Business Diversity Programs Email: osdb.osdb@vta.org https://www.vta.org/business-center/business-diversity-programs	3331 North First Street Bldg. B San Jose, CA 95134-1906	(408) 321-5962	(408) 955-9729
San Francisco Municipal Transportation Agency (SFMTA) Contract Compliance Office www.sfmuni.com	1 S. Van Ness Avenue 6 th Floor San Francisco, CA 94103	(415) 701-4436	(415) 701-4347
San Mateo County Transit District (SAMTRANS) / Peninsula Corridor Joint Powers Board (JPB) DBE Office www.samtrans.com	1250 San Carlos Avenue San Carlos, CA 94070	(650) 508-7939	(650) 508-7738
California Department of Transportation (CALTRANS) Office of Civil Rights www.dot.ca.gov	1823 14 th Street Sacramento, CA 95811	(916) 324-1700 (866) 810-6346	(916) 324-1862

SUBPART F – COMPLIANCE AND ENFORCEMENT

Section 26.109 – Information, Confidentiality, Cooperation

SunLine will safeguard from disclosure to third parties information that may reasonably be regarded as confidential business information, consistent with Federal, State, and local law. Confidentiality of proposals is considered by SunLine as an essential element of maintaining fairness during the evaluation process. However, confidentiality cannot be guaranteed under the California Public Records Act.

Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

Monitoring Payments to DBEs

We will require prime contractors to maintain records and documents of payments to DBEs, for three years following the performance of the contract. These records will be made available for inspection upon request, by any authorized representative of SunLine or DOT. This reporting requirement also extends to any certified DBE subcontractor.

We will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors, to ensure that the actual amount paid to DBE subcontractors equals, or exceeds the dollar amounts stated in the schedule of DBE participation.

ATTACHMENTS

Attachment 1: Organizational Chart

Attachment 2: DBE Directory

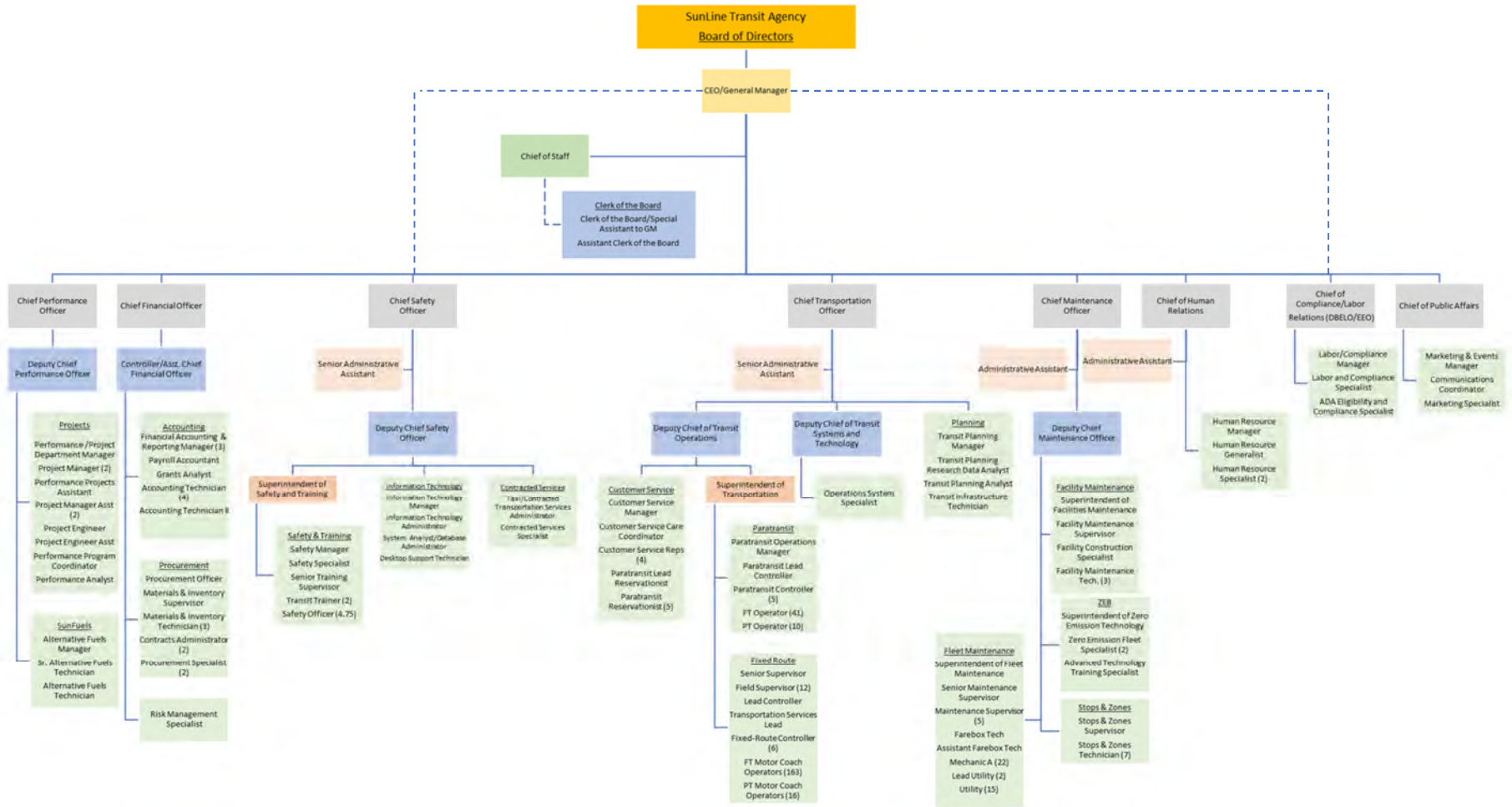
Attachment 3: Monitoring and Enforcement Mechanisms/Legal Remedies

Attachment 4: Goal Setting Methodology

Attachment 5: Certification Forms

Attachment 6: DBE Regulation, 49 CFR Part 26

Attachment 1



DBE Directory

SunLine participates in the **(CUCP)** CALIFORNIA UNIFIED CERTIFICATION PROGRAM and utilizes the DBE query forms available on the Caltrans website.

<https://dot.ca.gov/programs/civil-rights/dbe-search>

<https://californiaucp.dbesystem.com/>

Monitoring and Enforcement Mechanisms

SunLine has available several remedies to enforce the DBE requirements contained in its contracts, including, but not limited to the following:

- Breach of contract action, pursuant to the terms of the contract
- Breach of contract action, pursuant to California Civil Code 2010
- The California Whistleblower Act authorizes the California State Auditor to receive complaints from state employees and members of the public

In addition, the federal government has available several enforcement mechanisms that it may apply to firms participating in the DBE program, including, but not limited to the following:

- Suspension or debarment proceedings pursuant to 49 CFR part 26
- Enforcement action pursuant to 49 CFR part 31
- Prosecution pursuant to 18 USC 1001

SunLine Transit Agency
DISADVANTAGED BUSINESS ENTERPRISE
TRIENNIAL GOAL FEDERAL FISCAL YEARS 2022–2024

As required by Federal Regulations 49 CFR Part 26.45, public agencies receiving Federal Department of Transportation assisted funds, who anticipate awarding \$250,000 or more in DOT-assisted contracts, must adopt a three-year DBE goal.

The goal setting process consists of two steps. Step one determines the base figure for the relative availability of DBEs. Step two determines what adjustment, if any, may be needed.

STEP ONE

1. ANTICIPATED PROJECTS FOR FEDERAL FISCAL YEARS 2022-2024

The following projects represent the anticipated federally funded contracting opportunities for the Federal Fiscal Year beginning October 1, 2021 through September 30, 2024. The Agency has projected \$1,485,532.00 federal dollars are available for DBE contracting opportunities over the three-year term; see Exhibit A.

2. GOAL METHODOLOGY

A base figure is calculated by first determining the number of ready, willing and able DBEs using the North American Industry Classification System (NAICS) and the Local Market Area. NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing and publishing statistical data related to the U.S. business economy. The NAICS codes included in this methodology represent specific types of work the Agency anticipates will be performed on its DOT-assisted contracts over the next three fiscal years.

The local market area for each NAICS code reflects the area in which the majority of the contractors and subcontractors with which the Agency does business are located and the area in which the majority of the contracting dollars are spent.

Exhibit A identifies the NAICS codes for each of the Agency's DOT-assisted contracts with DBE contracting opportunities and the local market area for each NAICS code.

To determine the number of all ready, willing and able firms, the Agency used the six-digit level NAICS information available from the U.S. Census Censtats Database, *County Business Patterns Data*, for the local market area of Riverside, San Bernardino, Los Angeles, and San Diego Counties.

The Agency queried the relative NAICS codes in the DBE Firm Search listed in the California Unified Certification Program (CUCP) database accessible on the Caltrans website who have indicated an interest in doing business in Riverside, San Bernardino, Los Angeles, and San Diego Counties.

DBE regulations require the use of the most refined data available to avoid over estimating the number of firms in the goal calculation.

3. WEIGHTING

To help ensure the step one base figure is as accurate as possible, the Agency weighted the relative availability calculation discussed above. To calculate the percentage of weight, the sum of DOT-assisted contracts for each NAICS code was divided by the sum of all DOT-assisted contracts; see Exhibit A.

4. ROUNDED, WEIGHTED STEP ONE BASE FIGURE

Based on the above analysis, the Agency's step one base figure is 0.0634, or 6% when rounded to the nearest whole number; see Exhibit A.

STEP TWO

1. ADJUSTMENTS TO THE BASE FIGURE

Step two of the goal setting process is intended to adjust the step one base figure. Once the base figure is calculated, all evidence available in the jurisdiction must be examined to determine if an adjustment to the base figure is needed to arrive at the overall goal.

Several factors as outlined under 49 CFR Part 26.45 were considered to see if there was a need to adjust the base goal. Evidence considered in making an adjustment to the Base Figure included Past DBE Goal Attainments and other evidence, as follows.

- **Past DBE Goal Attainments**

As historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform, past DBE participation attainments for the five (5) federal fiscal years, for which DBE attainment data is available. The table below reflects the demonstrated capacity of DBEs on FTA-assisted contracts awarded by SunLine within the last five (5) federal fiscal years.

Federal Fiscal Year (FFY)	FTA DBE Goal Attainment %
2016	7.3%
2017	7.8%
2018	11.3%
2019	6.0%
2020	24.0%
Median DBE Attainment Within the Last Five (5) Years	7.8%

The reporting periods shown above, along with the median DBE past participation percentage, represent evidence of DBE participation in the Agency's program. Goals from other agencies were not utilized as an adjustment factor for SunLine's overall goal as no other U.S. DOT recipients having substantially similar contracting opportunities were identified in the market area. One disparity study, Advancement Project California; Race Counts, racecounts.org 2021, Riverside County, was reviewed. The study did not use NAICS codes to determine the types of businesses referenced and whether they would apply to the upcoming projects. SunLine did not find other disparity studies within their jurisdiction and/or market area to consider in this step of the goal setting analysis. In reviewing the information presented above, staff recommends (no adjustment) be made to the proposed overall Agency goal of **6%**.

UTILIZATION OF RACE/GENDER-NEUTRAL METHOD

The Agency will annually meet its overall goal by using race-neutral methods to facilitate DBE participation. The Agency actively seeks to solicit procurement participation from DBE certified firms and affirmatively ensures the same in its public notices.

Race-neutral methods include, but are not necessarily limited to, the following:

- DBE participation through a prime contract obtained through competitive procurement procedures
- DBE participation through a subcontract on a prime contract without a DBE goal
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in its award process
- Agency participation in local area DBE outreach events

The Agency will also make efforts to ensure that Requests for Proposals (RFPs), Invitation for Bids (IFBs) and all corresponding contracting requirements facilitate participation to DBEs and other small businesses. The Agency encourages prime

contractors to subcontract portions of the work to DBEs. Formal RFPs and IFBs are available on the Agency's website as is the Agency's DBE policy and general information about "how to do business" with the Agency.

PUBLIC PARTICIPATION

In accordance with 49 CFR Part 26.45(g), as amended by the Final Rule effective November 3, 2014, to establish its overall goal, the Agency must provide for consultation and publication.

1. CONSULTATION

The consultation must include a scheduled, direct, interactive exchange with minority, women's and general contractor groups, community organizations and other officials or organizations which could be expected to have information concerning:

- The availability of disadvantaged and non-disadvantaged businesses
- The effects of discrimination on opportunities for DBEs
- The Agency's efforts to establish a level playing field for DBE participation

To comply with this requirement, SunLine met with DBE and non-DBE businesses, public agencies, community organizations and affected groups during the following workshops:

- Greater Coachella Valley Chamber of Commerce—Chamber Connect; June 4, 2021
- SunLine Transit Agency Virtual DBE & Small Business Outreach; June 8, 2021

SunLine also met with the following groups via Zoom during the workshops listed above. No comments were received regarding the proposed DBE.

- A Fair Way Mediation Center
- BBSI—La Quinta
- California Behavioral Health
- Dandelion Consulting Group
- Flower Market
- Food Now – Desert Hot Springs
- Friends of the Indio Senior Center
- G-Aries Visions
- LASR-INK – Corp dba Central Printer Resources
- Metrics Bookkeeping & Taxes

- R.IZZO Strategic Solutions
- Resort Opportunities
- Service Zoom WebDesign and Marketing Agency
- Spectrum Reach
- Thryv

2. PUBLICATION

SunLine issued notice on their website of the SunLine draft proposed FTA overall DBE Goal Methodology for FFY 2022 – 2024. This notice informed the public that the proposed goal and rationale are available for inspection at the offices of SunLine during normal business hours and that SunLine would accept comments on the goal analysis for 30 days from the date of the Public Notice. No comments were received during this comment period.

ESTABLISHMENT OF GOAL

Based upon the information and methodology presented above, it is proposed that the Agency's overall annual goal for the Federal Fiscal Year 2022-2024 be established at **6.0%**.

RACE-NEUTRAL MEASURES

In conformance with 49 CFR Part 26 and in further response to FTA notices issued to Public Transportation Providers regarding DOT's DBE Program and Race-Neutral Policy Implementation Guidance, SunLine is required to submit and implement a **strictly Race-Neutral Overall Annual DBE Goal for FFY 2022-2024**, due to the absence of readily available evidence of discrimination and its effects in its marketplace.

SunLine will implement Race-Neutral measures to meet its Overall Annual DBE Goal objectives in accordance with 49 CFR Part 26.51, including but not limited to:

- Arranging timely solicitations, times for the presentation of bids, quantities, specifications and delivery schedules in ways that facilitate DBEs and other small business firms' participation.
- Unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own work forces.
- Providing information and communications programs on contracting procedures and specific contract opportunities.

EXHIBIT A

DOT-ASSISTED CONTRACTS WITH DBE CONTRACTING OPPORTUNITIES FOR FEDERAL FISCAL YEARS 2021-2024

Projects	Federal Share	NAICS US Census	Weighted Value = Project Value/Total Federal Dollars	No. Vendors	No. DBE Vendors	Relative Availability of DBE's = DBE Vendors/Total Vendors	Weighted Base Figure = Weighted Value x Relative Availability of DBE's	Dollars Available to DBE's = Federal Share x Weighted Base Figure
Facility Improvments - Demolition of Existing Operations Trailers	\$ 59,440.00	238910	0.0400	980	140	0.1429	0.0057	\$ 339.76
Facility Improvments - Installation of Pre-Fabricated Maintenance Facility	\$ 594,400.00	236220	0.4001	1789	212	0.1185	0.0474	\$ 28,183.90
Facility Improvments - Upgrade Access Control in Admin Building	\$ 6,687.00	238210	0.0045	3948	168	0.0426	0.0002	\$ 1.28
Facility Improvments and EV charging	\$ 63,155.00	335999	0.0425	46	10	0.2174	0.0092	\$ 583.68
Facility Improvments - Demolish and Remodel 2 Bathrooms in Maintenance	\$ 111,450.00	238220	0.0750	4657	51	0.0110	0.0008	\$ 91.57
Upgrades to Gate and Guardshack	\$ 221,720.00	561621	0.1493	326	20	0.0613	0.0092	\$ 2,030.21
Bus Stop Improvments	\$ 28,680.00	332311	0.0193	21	4	0.1905	0.0037	\$ 105.47
Mobile Command Center	\$ 400,000.00	811121	0.2693	1882	10	0.0053	0.0014	\$ 572.29
Total	\$ 1,485,532.00		1.0000	13649	615	0.5323	0.0634	\$ 29,200.20
						Goal Percent	6.34	
						Goal Dollar Amount	\$ 29,200.20	



EXHIBIT B

SunLine Transit Agency

DISADVANTAGED BUSINESS ENTERPRISE

TRIENNIAL GOAL FEDERAL FISCAL YEARS 2022–2024

In accordance with 49 CFR Part 26, SunLine Transit Agency, announces a proposed Federal Transit Administration (FTA) Disadvantaged Business Enterprise (DBE) overall goal of 6% during the 2022-2024 federal fiscal years beginning October 1, 2021. This race-neutral goal represents the percentage of work to be performed by certified DBE firms on SunLine FTA-assisted projects during each federal fiscal year of the project period.

The methodology used to determine the proposed goal will be available for public inspection for thirty (30) days from the date of this notice, Monday through Friday from 8:00 AM to 5:00 PM at the following location:

SunLine Transit Agency
32505 Harry Oliver Trail
Thousand Palms, CA 92276
Tel: (760) 343-3456

SunLine will accept comments on this proposed goal for 30 days from the date of this notice. Written comments to the SunLine DBE Liaison Officer, Tina Hamel, may be sent to the address above and/or emailed to thamel@sunline.org.

Posted 6/9/2021

[DBE Goal posted on STA website.](#)



OMB APPROVAL NO:
2105-0510
Expiration Date: 10/31/2021

Appendix F

UNIFORM CERTIFICATION APPLICATION
DISADVANTAGED BUSINESS ENTERPRISE (DBE) /
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
49 C.F.R. Parts 23 and 26

Roadmap for Applicants

1. Should I apply?

You may be eligible to participate in the DBE/ACDBE program if:

- The firm is a for-profit business that performs or seeks to perform transportation related work (or a concession activity) for a recipient of Federal Transit Administration, Federal Highway Administration, or Federal Aviation Administration funds.
- The firm is at least 51% owned by a socially and economically disadvantaged individual(s) who also controls it.
- The firm's disadvantaged owners are U.S. citizens or lawfully admitted permanent residents of the U.S.
- The firm meets the Small Business Administration's size standard and DBE/ACDBE size standards—
<https://www.transportation.gov/DBEsizestandards>

2. How do I apply?

First time applicants for DBE certification must complete and submit this certification application and related material to the certifying agency in your home state and participate in an on-site interview conducted by that agency. The attached document checklist can help you locate the items you need to submit to the agency with your completed application. If you fail to submit the required documents, your application may be delayed and/or denied. Firms already certified as a DBE do not have to complete this form, but may be asked by certifying agencies outside of your home state to provide a copy of your initial application form, supporting documents, and any other information you submitted to your home state to obtain certification or to any other state related to your certification.

3. Where can I send my application? [INSERT UCP PARTICIPATING MEMBER CONTACT INFORMATION]

4. Who will contact me about my application and what are the eligibility standards? A transportation agency in your state that performs certification functions will contact you. The agency is a member of a statewide Unified Certification Program (UCP), which is required by the U.S. Department of Transportation. The UCP is a one-stop certification program that eliminates the need for your firm to obtain certification from multiple certifying agencies within your state. The UCP is responsible for certifying firms and maintaining a database of certified DBEs and ACDBEs, pursuant to the eligibility standards found in 49 C.F.R. Parts 23 and 26.

5. Where can I find more information?

U.S. DOT—<https://www.transportation.gov/civil-rights> (This site provides useful links to the rules and regulations governing the DBE/ACDBE program, questions and answers, and other pertinent information)

SBA—Small Business Size Standards matched to the North American Industry Classification System (NAICS):
<http://www.census.gov/eos/www/naics/> and <http://www.sba.gov/content/table-small-business-size-standards>.

In collecting the information requested by this form, the Department of Transportation (Department) complies with the provisions of the Federal Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a). The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Department's Disadvantaged Business Enterprise Program as defined in 49 C.F.R. §26.5 and the Airport Concession Disadvantaged Business Enterprise Program as defined in 49 C.F.R. §23.3. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).

Under 49 C.F.R. §26.107, dated February 2, 1999 and January 28, 2011, if at any time, the Department or a recipient has reason to believe that any person or firm has willfully and knowingly provided incorrect information or made false statements, the Department may initiate suspension or debarment proceedings against the person or firm under 2 C.F.R. Parts 180 and 1200, No procurement Suspension and Department, take enforcement action under 49 C.F.R. Part 31, Program Fraud and Civil Remedies, and/or refer the matter to the Department of Justice for criminal prosecution under 18 U.S.C. 1001, which prohibits false statements in Federal programs.



**INSTRUCTIONS FOR COMPLETING THE
DISADVANTAGED BUSINESS ENTERPRISE (DBE)
AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
UNIFORM CERTIFICATION APPLICATION**

NOTE: All participating firms must be for-profit enterprises. If your firm is not for profit, then you do NOT qualify for the DBE/ACDBE program and should not complete this application. If you require additional space for any question in this application, please attach additional sheets or copies as needed, taking care to indicate on each attached sheet/copy the section and number of this application to which it refers.

Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

- (1) Enter the contact name and title of the person completing this application and the person who will serve as your firm's contact for this application.
- (2) Enter the legal name of your firm, as indicated in your firm's Articles of Incorporation or charter.
- (3) Enter the primary phone number of your firm.
- (4) Enter a secondary phone number, if any.
- (5) Enter your firm's fax number, if any.
- (6) Enter the contact person's email address.
- (7) Enter your firm's website addresses, if any.
- (8) Enter the street address of the firm where its offices are physically located (not a P.O. Box).
- (9) Enter the mailing address of your firm, if it is different from your firm's street address.

B. Prior/Other Certifications and Applications

- (10) Check the appropriate box indicating whether your firm is currently certified in the DBE/ACDBE programs, and provide the name of the certifying agency that certified your firm. List the dates of any site visits conducted by your home state and any other states or UCP members. Also provide the names of state/UCP members that conducted the review.
- (11) Indicate whether your firm or any firms owned by the persons listed has ever been denied certification as a DBE/ACDBE, 8(a), or Small Disadvantaged Business (SDB) firm, or state and local MBE/WBE firm. Indicate if the firm has ever been decertified from one of these programs. Indicate if the application was withdrawn or whether the firm was debarred, suspended, or otherwise had its bidding privileges denied or restricted by any state or local agency, or Federal entity. If your answer is yes, identify the name of the agency, and explain fully the nature of the action in the space provided. Indicate if you have ever appealed this decision to the Department and if so, attach a copy of USDOT's final agency decision(s).

Section 2: GENERAL INFORMATION

A. Business profile:

- (1) Give a concise description of the firm's primary activities, the product(s) or services the company provides, or type of construction. If your company offers more than one product/service, list primary product or service first (attach additional sheets if necessary). This description may be used in our UCP online directory if you are certified as a DBE.

- (2) If you know the appropriate NAICS Code for the line(s) of work you identified in your business profile, enter the codes in the space provided.
- (3) State the date on which your firm was established as stated in your firm's Articles of Incorporation or charter.
- (4) State the date each person became a firm owner.
- (5) Check the appropriate box describing the manner in which you and each other owner acquired ownership of your firm. If you checked "Other," explain in the space provided.
- (6) Check the appropriate box that indicates whether your firm is "for profit." **If you checked "No," then you do NOT qualify for the DBE/ACDBE program** and should not complete this application. All participating firms must be for-profit enterprises. Provide the Federal Tax ID number as stated on your firm's Federal tax return.
- (7) Check the appropriate box that describes the type of legal business structure of your firm, as indicated in your firm's Articles of Incorporation or similar document. If you checked "Other," briefly explain in the space provided.
- (8) Indicate in the spaces provided how many employees your firm has, specifying the number of employees who work on a full-time, part-time, and seasonal basis. Attach a list of employees, their job titles, and dates of employment, to your application.
- (9) Specify the firm's gross receipts for each of the past three years, as stated in your firm's filed Federal tax returns. You must submit complete copies of the firm's Federal tax returns for each year. If there are any affiliates or subsidiaries of the applicant firm or owners, you must provide these firms' gross receipts and submit complete copies of these firm(s) Federal tax returns. Affiliation is defined in 49 C.F.R. §26.5 and 13 C.F.R. Part 121.

B. Relationships and Dealings with Other Businesses

- (1) Check the appropriate box that indicates whether your firm is co-located at any of its business locations, or whether your firm shares a telephone number(s), a post office box, any office space, a yard, warehouse, other facilities, any equipment, financing, or any office staff and/or employees with any other business, organization or entity of any kind. If you answered "Yes," then specify the name of the other firm(s) and fully explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or oral



agreement. Provide an explanation of any items shared with other firms in the space provided.

- (2) Check the appropriate box indicating whether any other firm currently has or had an ownership interest in your firm at present or at any time in the past. If you checked yes, please explain.
- (3) Check the appropriate box that indicates whether at present or at any time in the past your firm:
 - (a) ever existed under different ownership, a different type of ownership, or a different name;
 - (b) existed as a subsidiary of any other firm;
 - (c) existed as a partnership in which one or more of the partners are/were other firms;
 - (d) owned any percentage of any other firm; and
 - (e) had any subsidiaries of its own.
 - (f) served as a subcontractor with another firm constituting more than 25% of your firm's receipts.

If you answered "Yes" to any of the questions in (3)(a-f), you may be asked to explain the arrangement in detail.

Section 3: MAJORITY OWNER INFORMATION

Identify all individuals or holding companies with any ownership interest in your firm, providing the information requested below (if your firm has more than one owner, provide completed copies of this section for each owner):

A. Identify the majority owner of the firm holding 51% or more ownership interest

- (1) Enter the full name of the owner.
- (2) Enter his/her title or position within your firm.
- (3) Give his/her home phone number.
- (4) Enter his/her home (street) address.
- (5) Indicate this owner's gender.
- (6) Identify the owner's ethnic group membership. If you checked "Other," specify this owner's ethnic group/identity not otherwise listed.
- (7) Check the appropriate box to indicate whether this owner is a U.S. citizen or a lawfully admitted permanent resident. If this owner is neither a U.S. citizen nor a lawfully admitted permanent resident of the U.S., then this owner is NOT eligible for certification as a DBE owner.
- (8) Enter the number of years during which this owner has been an owner of your firm.
- (9) Indicate the percentage of the total ownership this person holds and the date acquired, including (if appropriate), the class of stock owned.
- (10) Indicate the dollar value of this owner's initial investment to acquire an ownership interest in your firm, broken down by cash, real estate, equipment, and/or other investment. Describe how you acquired your business and attach documentation substantiating this investment.

B. Additional Owner Information

- (1) Describe the familial relationship of this owner to each other owner of your firm and employees.
- (2) Indicate whether this owner performs a management or supervisory function for any other business. If you checked "Yes," state the name of the other business and this owner's function/title held in that business.

- (3) (a) Check the appropriate box that indicates whether this owner owns or works for any other firm(s) that has any relationship with your firm. If you checked "Yes," identify the name of the other business, the nature of the business relationship, and the owner's function at the firm.
 - (b) If the owner works for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week, please identify this activity.
- (4) (a) Provide the personal net worth of the owner applying for certification in the space provided. Complete and attach the accompanying "Personal Net Worth Statement for DBE/ACDBE Program Eligibility" with your application. Note, complete this section and accompanying statement only for each owner applying for DBE qualification (i.e., for each owner claiming to be socially and economically disadvantaged).
- (b) Check the appropriate box that indicates whether any trust has been created for the benefit of the disadvantaged owner(s). If you answered "Yes," you may be asked to provide a copy of the trust instrument.
- (5) Check the appropriate to indicate whether any of your immediate family members, managers, or employees, own, manage, or are associated with another company. Immediate family member is defined in 49 C.F.R. §26.5. If you answered "Yes," provide the name of each person, your relationship to them, the name of the company, the type of business, and whether they own or manage the company.

Section 4: CONTROL

A. Identify the firm's Officers and Board of Directors

- (1) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each officer.
- (2) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each individual serving on your firm's Board of Directors.
- (3) Check the appropriate box to indicate whether any of your firm's officers and/or directors listed above performs a management or supervisory function for any other business. If you answered "Yes," identify each person by name, his/her title, the name of the other business in which s/he is involved, and his/her function performed in that other business.
- (4) Check the appropriate box that indicates whether any of your firm's officers and/or directors listed above own or work for any other firm(s) that has a relationship with your firm. (e.g., ownership interest, shared office space, financial investments, equipment leases, personnel sharing, etc.) If you answered "Yes," identify the name of the firm, the individual's name, and the nature of his/her business relationship with that other firm.

B. Duties of Owners, Officers, Directors, Managers and Key Personnel

- (1), (2) Specify the roles of the majority and minority owners, directors, officers, and managers, and key personnel who are responsible for the functions listed for the firm. Submit résumés for each owner and non-owner identified below. State the name of the individual, title, race



and gender and percentage ownership if any. Circle the frequency of each person's involvement as follows: "always, frequently, seldom, or never" in each area.

Indicate whether any of the persons listed in this section perform a management or supervisory function for any other business. Identify the person, business, and their title/function. Identify if any of the persons listed above own or work for any other firm(s) that has a relationship with this firm (e.g. ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.) If you answered "Yes," describe the nature of his/her business relationship with that other firm.

C. Inventory: Indicate firm inventory in these categories:

(1) Equipment and Vehicles

State the make and model, and current dollar value of each piece of equipment and motor vehicle held and/or used by your firm. Indicate whether each piece is either owned or leased by your firm or owner, whether it is used as collateral, and where this item is stored.

(2) Office Space

State the street address of each office space held and/or used by your firm. Indicate whether your firm or owner owns or leases the office space and the current dollar value of that property or its lease.

(3) Storage Space

State the street address of each storage space held and/or used by your firm. Indicate whether your firm or owner owns or leases the storage space and the current dollar value of that property or its lease. Provide a signed lease agreement for each property.

D. Does your firm rely on any other firm for management functions or employee payroll?

Check the appropriate box that indicates whether your firm relies on any other firm for management functions or for employee payroll. If you answered "Yes," you may be asked to explain the nature of that reliance and the extent to which the other firm carries out such functions.

E. Financial / Banking Information

State the name, City and State of your firm's bank. Identify the persons able to sign checks on this account. Provide bank authorization and signature cards.

Bonding Information. State your firm's bonding limits both aggregate and project limits.

F. Sources, amounts, and purposes of money loaned to your firm, including the names of persons or firms guaranteeing the loan.

State the name and address of each source, the name of person securing the loan, original dollar amount and the current balance of each loan, and the purpose for which each

loan was made to your firm. Provide copies of signed loan agreements and security agreements

G. Contributions or transfers of assets to/from your firm and to/from any of its owners or another individual over the past two years:

Indicate in the spaces provided, the type of contribution or asset that was transferred, its current dollar value, the person or firm from whom it was transferred, the person or firm to whom it was transferred, the relationship between the two persons and/or firms, and the date of the transfer.

H. Current licenses/permits held by any owner or employee of your firm.

List the name of each person in your firm who holds a professional license or permit, the type of permit or license, the expiration date of the permit or license, and issuing State of the license or permit. Attach copies of licenses, license renewal forms, permits, and haul authority forms.

I. Largest contracts completed by your firm in the past three years, if any.

List the name of each owner or contractor for each contract, the name and location of the projects under each contract, the type of work performed on each contract, and the dollar value of each contract.

J. Largest active jobs on which your firm is currently working.

For each active job listed, state the name of the prime contractor and the project number, the location, the type of work performed, the project start date, the anticipated completion date, and the dollar value of the contract.

Section 5: AIRPORT CONCESSION (ACDBE) APPLICANTS

Complete the entries in this section if you are applying for ACDBE certification. Indicate in Section A if you operate a concession at the airport, and/or supply a good or service to an airport concessionaire. Indicate in Section B whether the applicant firm owns or operates any off-airport locations, providing the type of business, lease information, address/location, and annual gross receipts generated. Provide similar information in section C for any airport concession locations the firm currently owns or operates. If the applicant firm has any affiliates, provide the requested information in Section D. Indicate whether the ACDBE firm is participating in any joint ventures, and if so, include the original and any amended joint venture agreements.

AFFIDAVIT & SIGNATURE

The Affidavit of Certification must accompany your application. Carefully read the attached affidavit in its entirety. Fill in the required information for each blank space, and sign and date the affidavit in the presence of a Notary Public, who must then notarize the form.



Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

I am applying for certification as DBE ACDBE

(1) Contact person and Title: _____

(2) Legal name of firm: _____

(3) Phone #: (____) _____ - _____ (4) Other Phone #: (____) _____ - _____ (5) Fax #: (____) _____ - _____

(6) E-mail: _____ (7) Firm Websites: _____

(8) Street address of firm (No P.O. Box): _____ City: _____ County/Parish: _____ State: _____ Zip: _____ - _____

(9) Mailing address of firm (if different): _____ City: _____ County/Parish: _____ State: _____ Zip: _____ - _____

B. Prior/Other Certifications and Applications

(10) Is your firm currently certified for any of the following U.S. DOT programs?

DBE ACDBE Names of certifying agencies: _____

⊗ If you are certified in your home state as a DBE/ACDBE, you do not have to complete this application for other states. Ask your state UCP about the interstate certification process.

List the dates of any site visits conducted by your home state and any other states or UCP members:

Date ___/___/___ State/UCP Member: _____ Date ___/___/___ State/UCP Member: _____

(11) Indicate whether the firm or any persons listed in this application have ever been:

(a) Denied certification or decertified as a DBE, ACDBE, 8(a), SDB, MBE/WBE firm? Yes No

(b) Withdrawn an application for these programs, or debarred or suspended or otherwise had bidding privileges denied or restricted by any state or local agency, or Federal entity? Yes No

If yes, explain the nature of the action. (If you appealed the decision to DOT or another agency, attach a copy of the decision)

Section 2: GENERAL INFORMATION

A. Business Profile: (1) Give a concise description of the firm's primary activities and the product(s) or service(s) it provides. If your company offers more than one product/service, list the primary product or service first. Please use additional paper if necessary. This description may be used in our database and the UCP online directory if you are certified as a DBE or ACDBE.

(2) Applicable NAICS Codes for this line of work include: _____

(3) This firm was established on ___/___/___ (4) I/We have owned this firm since: ___/___/___



(5) Method of acquisition (Check all that apply):

- Started new business Bought existing business Inherited business Gifted
 Merger or consolidation Other (explain) _____

(6) Is your firm “for profit”? Yes
 Federal Tax ID# _____

No → **⊗ STOP!** If your firm is NOT for-profit, then you do NOT qualify for this program and should not fill out this application.

(7) Type of Legal Business Structure: (check all that apply):

- Sole Proprietorship
 Limited Liability Partnership
 Partnership Corporation
 Limited Liability Company Other, Describe _____

(8) Number of employees: Full-time _____ Part-time _____ Seasonal _____ Total _____
 (Provide a list of employees, their job titles, and dates of employment, to your application).

(9) Specify the firm’s gross receipts for the last 3 years. (Submit complete copies of the firm’s Federal tax returns for each year. If there are affiliates or subsidiaries of the applicant firm or owners, you must submit complete copies of these firms’ Federal tax returns).

Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____

B. Relationships and Dealings with Other Businesses

(1) Is your firm co-located at any of its business locations, or does it share a telephone number, P.O. Box, office or storage space, yard, warehouse, facilities, equipment, inventory, financing, office staff, and/or employees with any other business, organization, or entity? Yes No

If Yes, explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or oral agreement. Also detail the items shared

(2) Has any other firm had an ownership interest in your firm at present or at any time in the past?

Yes No If Yes, explain _____

(3) At present, or at any time in the past, has your firm:

- (a) Ever existed under different ownership, a different type of ownership, or a different name? Yes No
 (b) Existed as a subsidiary of any other firm? Yes No
 (c) Existed as a partnership in which one or more of the partners are/were other firms? Yes No
 (d) Owned any percentage of any other firm? Yes No
 (e) Had any subsidiaries? Yes No
 (f) Served as a subcontractor with another firm constituting more than 25% of your firm’s receipts? Yes No
 (If you answered “Yes” to any of the questions in (2) and/or (3)(a)-(f), you may be asked to provide further details and explain whether the arrangement continues).



Section 3: MAJORITY OWNER INFORMATION

A. Identify the majority owner of the firm holding 51% or more ownership interest.

(1) Full Name: _____ | (2) Title: _____ | (3) Home Phone #: _____
 _____ | _____ | () _____ - _____

(4) Home Address (Street and Number): _____ | City: _____ | State: _____ | Zip: _____
 _____ | _____ | _____ | _____ - _____

(5) Gender: Male Female

(6) Ethnic group membership (Check all that apply):

- Black
 Hispanic
 Asian Pacific
 Native American
 Subcontinent Asian
 Other (specify) _____

(7) U.S. Citizenship: U.S. Citizen
 Lawfully Admitted Permanent Resident

(8) Number of years as owner: _____
 (9) Percentage owned: _____ %
 Class of stock owned: _____ Date acquired _____

(10) Initial investment to acquire ownership interest in firm:	Type	Dollar Value
	Cash	\$ _____
	Real Estate	\$ _____
	Equipment	\$ _____
	Other	\$ _____

Describe how you acquired your business:

- Started business myself.
 It was a gift from: _____
 I bought it from: _____
 I inherited it from: _____
 Other _____

(Attach documentation substantiating your investment)

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees:

(2) Does this owner perform a management or supervisory function for any other business? Yes No

If Yes, identify: Name of Business: _____ Function/Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No

Identify the name of the business, and the nature of the relationship, and the owner's function at the firm:

(b) Does this owner work for any other firm, non-profit organization, or engage in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____

(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No

(If Yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage the company: (Please attach extra sheets, if needed): _____



Section 3: OWNER INFORMATION, Cont'd.

A. Identify all individuals, firms, or holding companies that hold LESS THAN 51% ownership interest in the firm (*Attach separate sheets for each additional owner*)

<p>(1) Full Name: _____</p>	<p>(2) Title: _____</p>	<p>(3) Home Phone #: _____ () _____ - _____</p>										
<p>(4) Home Address (<i>Street and Number</i>): _____</p>	<p>City: _____</p>	<p>State: _____</p>										
<p>(4) Zip: _____ - _____</p>												
<p>(5) Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female</p> <p>(6) Ethnic group membership (<i>Check all that apply</i>)</p> <p><input type="checkbox"/> Black</p> <p><input type="checkbox"/> Hispanic</p> <p><input type="checkbox"/> Asian Pacific</p> <p><input type="checkbox"/> Native American</p> <p><input type="checkbox"/> Subcontinent Asian</p> <p><input type="checkbox"/> Other (<i>specify</i>) _____</p> <p>(7) U.S. Citizenship:</p> <p><input type="checkbox"/> U.S. Citizen</p> <p><input type="checkbox"/> Lawfully Admitted Permanent Resident</p>	<p>(8) Number of years as owner: _____</p> <p>(9) Percentage owned: _____ %</p> <p>Class of stock owned: _____ Date acquired _____</p> <p>(10) Initial investment to acquire ownership interest in firm:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Type</th> <th style="text-align: left; border-bottom: 1px solid black;">Dollar Value</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>\$ _____</td> </tr> <tr> <td>Real Estate</td> <td>\$ _____</td> </tr> <tr> <td>Equipment</td> <td>\$ _____</td> </tr> <tr> <td>Other</td> <td>\$ _____</td> </tr> </tbody> </table> <p>Describe how you acquired your business:</p> <p><input type="checkbox"/> Started business myself.</p> <p><input type="checkbox"/> It was a gift from: _____</p> <p><input type="checkbox"/> I bought it from: _____</p> <p><input type="checkbox"/> I inherited it from: _____</p> <p><input type="checkbox"/> Other _____</p> <p><i>(Attach documentation substantiating your investment)</i></p>		Type	Dollar Value	Cash	\$ _____	Real Estate	\$ _____	Equipment	\$ _____	Other	\$ _____
Type	Dollar Value											
Cash	\$ _____											
Real Estate	\$ _____											
Equipment	\$ _____											
Other	\$ _____											

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees:

(2) Does this owner perform a management or supervisory function for any other business? Yes No

If Yes, identify: Name of Business: _____ Function/Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (*e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.*) Yes No

Identify the name of the business, and the nature of the relationship, and the owner's function at the firm:

(b) Does this owner work for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____

(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No

(If Yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage: (*Please attach extra sheets, if needed*): _____

Section 4: CONTROL


A. Identify your firm's Officers and Board of Directors (If additional space is required, attach a separate sheet):

	Name	Title	Date Appointed	Ethnicity	Gender
(1) Officers of the Company	(a)				
	(b)				
	(c)				
	(d)				
(2) Board of Directors	(a)				
	(b)				
	(c)				
	(d)				

(3) Do any of the persons listed above perform a management or supervisory function for any other business?
 Yes No If Yes, identify for each:

 Person: _____ Title: _____
 Business: _____ Function: _____

 Person: _____ Title: _____
 Business: _____ Function: _____

(4) Do any of the persons listed in section A above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.)

 Yes No

If Yes, identify for each:

 Firm Name: _____ Person: _____
 Nature of Business Relationship: _____

B. Duties of Owners, Officers, Directors, Managers, and Key Personnel
1. Complete for all Owners who are responsible for the following functions of the firm (Attach separate sheets as needed).

A = Always F = Frequently	S = Seldom N = Never	Majority Owner (51% or more)				Minority Owner (49% or less)			
		Name: _____	Title: _____	Percent Owned: _____		Name: _____	Title: _____	Percent Owned: _____	
Sets policy for company direction/scope of operations		A	F	S	N	A	F	S	N
Bidding and estimating		A	F	S	N	A	F	S	N
Major purchasing decisions		A	F	S	N	A	F	S	N
Marketing and sales		A	F	S	N	A	F	S	N
Supervises field operations		A	F	S	N	A	F	S	N
Attend bid opening and lettings		A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable/payable, etc.)		A	F	S	N	A	F	S	N
Hires and fires management staff		A	F	S	N	A	F	S	N
Hire and fire field staff or crew		A	F	S	N	A	F	S	N
Designates profits spending or investment		A	F	S	N	A	F	S	N
Obligates business by contract/credit		A	F	S	N	A	F	S	N
Purchase equipment		A	F	S	N	A	F	S	N
Signs business checks		A	F	S	N	A	F	S	N



2. Complete for all Officers, Directors, Managers, and Key Personnel who are responsible for the following functions of the firm. (Attach separate sheets as needed).

A= Always S = Seldom F = Frequently N = Never	Officer/Director/Manager/Key Personnel				Officer/Director/Manager/ Key Personnel			
	Name: _____				Name: _____			
	Title: _____				Title: _____			
	Race and Gender: _____				Race and Gender: _____			
	Percent Owned: _____				Percent Owned: _____			
Sets policy for company direction/scope of operations	A	F	S	N	A	F	S	N
Bidding and estimating	A	F	S	N	A	F	S	N
Major purchasing decisions	A	F	S	N	A	F	S	N
Marketing and sales	A	F	S	N	A	F	S	N
Supervises field operations	A	F	S	N	A	F	S	N
Attend bid opening and lettings	A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable/payable, etc.)	A	F	S	N	A	F	S	N
Hires and fires management staff	A	F	S	N	A	F	S	N
Hire and fire field staff or crew	A	F	S	N	A	F	S	N
Designates profits spending or investment	A	F	S	N	A	F	S	N
Obligates business by contract/credit	A	F	S	N	A	F	S	N
Purchase equipment	A	F	S	N	A	F	S	N
Signs business checks	A	F	S	N	A	F	S	N

Do any of the persons listed in B1 or B2 perform a management or supervisory function for any other business? If Yes, identify the person, the business, and their title/function: _____

Do any of the persons listed above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) If Yes, describe the nature of the business relationship: _____

C. Inventory: Indicate your firm’s inventory in the following categories (Please attach additional sheets if needed):=

1. Equipment and Vehicles

Make and Model	Current Value	Owned or Leased by Firm or Owner?	Used as collateral?	Where is item stored?
1. _____				
2. _____				
3. _____				
4. _____				
5. _____				
6. _____				
7. _____				
8. _____				
9. _____				

2. Office Space

Street Address Owned or Leased by Firm or Owner? Current Value of Property or Lease



3. Storage Space *(Provide signed lease agreements for the properties listed)*

Street Address	Owned or Leased by Firm or Owner?	Current Value of Property or Lease
_____	_____	_____
_____	_____	_____

D. Does your firm rely on any other firm for management functions or employee payroll? Yes No

E. Financial/Banking Information *(Provide bank authorization and signature cards)*

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Bonding Information: If you have bonding capacity, identify the firm's bonding aggregate and project limits:
 Aggregate limit \$ _____ Project limit \$ _____

F. Identify all sources, amounts, and purposes of money loaned to your firm including from financial institutions. Identify whether you the owner and any other person or firm loaned money to the applicant DBE/ACDBE. Include the names of any persons or firms guaranteeing the loan, if other than the listed owner. *(Provide copies of signed loan agreements and security agreements).*

Name of Source	Address of Source	Name of Person Guaranteeing the Loan	Original Amount	Current Balance	Purpose of Loan
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

G. List all contributions or transfers of assets to/from your firm and to/from any of its owners or another individual over the past two years *(Attach additional sheets if needed):*

Contribution/Asset	Dollar Value	From Whom Transferred	To Whom Transferred	Relationship	Date of Transfer
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

H. List current licenses/permits held by any owner and/or employee of your firm *(e.g. contractor, engineer, architect, etc.)(Attach additional sheets if needed):*

Name of License/Permit Holder	Type of License/Permit	Expiration Date	State
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____



I. List the three largest contracts completed by your firm in the past three years, if any:

Name of Owner/Contractor	Name/Location of Project	Type of Work Performed	Dollar Value of Contract
1. _____			
2. _____			
3. _____			

J. List the three largest active jobs on which your firm is currently working:

Name of Prime Contractor and Project Number	Location of Project	Type of Work	Project Start Date	Anticipated Completion Date	Dollar Value of Contract
1. _____					
2. _____					
3. _____					

Additional Information:



SECTION 5 - AIRPORT CONCESSION

(ACDBE APPLICANTS ONLY)

A. I am applying for ACDBE certification to: *(check all that apply)*

Operate a concession at an airport Supply a good or service to an airport concessionaire

B. Does the applicant firm own/operate any off-airport locations? Yes No *If Yes, identify the following*

Type of Business (e.g., F&B, News & Gift, Retail, Duty Free, Advertising, etc.)	Lease Term (years)	Lease Start Date	Address / Location	Annual Gross Receipts Generated

C. Does the applicant firm currently own/operate any airport concession locations? Yes No *If Yes, supply the following information:*

Airport Name	Concession Type (e.g., F&B, News & Gift, Retail, Duty Free, Advertising, etc.)	Number of Leases	Number of Locations	Annual Gross Receipts Generated	Lease Type <i>(e.g. Direct Lease, Subcontract Management Agreement, etc. enter all that apply to the leases listed)</i>

D. Does the applicant firm have any affiliates? Yes No *If Yes, provide the following information concerning any locations owned/operated by affiliate firms.*

Airport Name	Concession Type (e.g., F&B, News & Gift, Retail, Duty Free, Advertising, etc.)	Number of Leases	Number of Locations	Annual Gross Receipts Generated	Lease Type <i>(e.g. Direct Lease, Subcontract Management Agreement, etc. enter all that apply to the leases listed)</i>

E. Is the ACDBE applicant firm a participant in any joint ventures? Yes No *If Yes, attach all original and any amended Joint Venture Agreements and any amendments to the agreements.*



AFFIDAVIT OF CERTIFICATION

This form must be signed and notarized for each owner upon which disadvantaged status is relied.

A MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION IS SUFFICIENT CAUSE FOR DENIAL OF CERTIFICATION, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

I _____ (full name printed),
swear or affirm under penalty of law that I am
_____ (title) of the applicant firm
_____ and that I
have read and understood all of the questions in this
application and that all of the foregoing information and
statements submitted in this application and its attachments
and supporting documents are true and correct to the best of
my knowledge, and that all responses to the questions are full
and complete, omitting no material information. The responses
include all material information necessary to fully and
accurately identify and explain the operations, capabilities and
pertinent history of the named firm as well as the ownership,
control, and affiliations thereof.

I recognize that the information submitted in this application is
for the purpose of inducing certification approval by a
government agency. I understand that a government agency
may, by means it deems appropriate, determine the accuracy
and truth of the statements in the application, and I authorize
such agency to contact any entity named in the application, and
the named firm's bonding companies, banking institutions,
credit agencies, contractors, clients, and other certifying
agencies for the purpose of verifying the information supplied
and determining the named firm's eligibility.

I agree to submit to government audit, examination and review
of books, records, documents and files, in whatever form they
exist, of the named firm and its affiliates, inspection of its
places(s) of business and equipment, and to permit interviews
of its principals, agents, and employees. I understand that
refusal to permit such inquiries shall be grounds for denial of
certification.

If awarded a contract, subcontract, concession lease or
sublease, I agree to promptly and directly provide the prime
contractor, if any, and the Department, recipient agency, or
federal funding agency on an ongoing basis, current, complete
and accurate information regarding (1) work performed on the
project; (2) payments; and (3) proposed changes, if any, to the
foregoing arrangements.

I agree to provide written notice to the recipient agency or
Unified Certification Program of any material change in the
information contained in the original application within 30
calendar days of such change (e.g., ownership changes,
address/telephone number, personal net worth exceeding \$1.32
million, etc.).

I acknowledge and agree that any misrepresentations in this
application or in records pertaining to a contract or subcontract
will be grounds for terminating any contract or subcontract
which may be awarded; denial or revocation of certification;
suspension and debarment; and for initiating action under
federal and/or state law concerning false statement, fraud or
other applicable offenses.

I certify that I am a socially and economically disadvantaged
individual who is an owner of the above-referenced firm seeking
certification as a Disadvantaged Business Enterprise or Airport
Concession Disadvantaged Business Enterprise. In support of my
application, I certify that I am a member of one or more of the
following groups, and that I have held myself out as a member of
the group(s): (Check all that apply):

- Female Black American Hispanic American
 Native American Asian-Pacific American
 Subcontinent Asian American Other (specify)

I certify that I am socially disadvantaged because I have been
subjected to racial or ethnic prejudice or cultural bias, or have
suffered the effects of discrimination, because of my identity
as a member of one or more of the groups identified above,
without regard to my individual qualities.

I further certify that my personal net worth does not exceed
\$1.32 million, and that I am economically disadvantaged
because my ability to compete in the free enterprise system has
been impaired due to diminished capital and credit
opportunities as compared to others in the same or similar line
of business who are not socially and economically
disadvantaged.

I declare under penalty of perjury that the information
provided in this application and supporting documents is true
and correct.

Signature _____ (Date) _____
(DBE/ACDBE Applicant)

NOTARY CERTIFICATE



UNIFORM CERTIFICATION APPLICATION SUPPORTING DOCUMENTS CHECKLIST

In order to complete your application for DBE or ACDBE certification, you must attach copies of all of the following REQUIRED documents. A failure to supply any information requested by the UCP may result in your firm denied DBE/ACDBE certification.

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 who the applicant firm relies upon to satisfy the Regulation's 51% ownership requirement.
- Personal Federal tax returns for the past 3 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 3 years.
- 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
- 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's, 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

Partnership or Joint Venture

- Original and any amended Partnership or Joint Venture Agreements

Corporation or LLC

- Official Articles of Incorporation (*signed by the state official*)
- Both sides of all corporate stock certificates and your firm's stock transfer ledger
- Shareholders' Agreement(s)
- Minutes of all stockholders and board of director's meetings

- Corporate by-laws and any amendments
- Corporate bank resolution and bank signature cards
- Official Certificate of Formation and Operating Agreement with any amendments (for LLCs)

Optional Documents to Be Provided on Request

The certifying agency to which you are applying may require the submission of the following documents. If requested to provide these document, you must supply them with your application or at the on-site visit.

- Proof of citizenship
- Insurance agreements for each truck owned or operated by your firm
- Audited financial statements (if available)
- Trust agreements held by any owner claiming disadvantaged status
- Year-end balance sheets and income statements for the past 3 years (*or life of firm, if less than three years*)

Suppliers

- List of product lines carried and list of distribution equipment owned and/or leased



U.S. Department of
Transportation

**Personal Net Worth Statement
For DBE/ACDBE Program Eligibility**

OMB APPROVAL NO: [2105-0510](#)

EXPIRATION DATE: 10/31/2021

As of _____

This form is used by all participants in the U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) and Airport Concession DBE (ACDBE) Programs. Each individual owner of a firm applying to participate as a DBE or ACDBE, whose ownership and control are relied upon for DBE certification must complete this form. Each person signing this form authorizes the certifying agency to make inquiries as necessary to verify the accuracy of the statements made. The agency you apply to will use the information provided to determine whether an owner is economically disadvantaged as defined in the DBE program regulations 49 C.F.R. Parts 23 and 26. **Return form to appropriate certifying agency, not U.S. DOT.**

Applicant Name:		
Residence: (As reported to the IRS) Address, City, State and Zip Code		Residence Phone
Business Name of Applicant Firm		Business Phone
Marital Status: <input type="checkbox"/> Single, <input type="checkbox"/> Married, <input type="checkbox"/> Divorced, <input type="checkbox"/> Union	Spouse's Full Name:	

ASSETS		(Omit Cents)	LIABILITIES		(Omit Cents)
Cash and Cash Equivalents	\$		Loan on Life Insurance (Complete Section 5)	\$	
Retirement Accounts (IRAs, 401Ks, 403Bs, Pensions, etc.) (Report full value minus tax and interest penalties that would apply if assets were distributed today) (Complete Section 3)	\$		Mortgages on Real Estate Excluding Primary Residence Debt (Complete Section 4)	\$	
Brokerage, Investment Accounts	\$		Notes, Obligations on Personal Property (Complete Section 6)	\$	
Assets Held in Trust	\$		Notes & Accounts Payable to Banks and Others (Complete Section 2)	\$	
Loans from You to the Firm, Other Entities, Individuals, & Other Receivables (Complete Section 6)	\$		Other Liabilities (Complete Section 8)	\$	
Real Estate Excluding Primary Residence (Complete Section 4)	\$		Unpaid Taxes (Complete Section 8)	\$	
Life Insurance (Cash Surrender Value Only) (Complete Section 5)	\$				
Other Personal Property and Assets (Complete Section 6)	\$				
Business Interests Other Than the Applicant Firm (Complete Section 7)	\$				
Total Assets	\$		Total Liabilities	\$	
			NET WORTH		

Section 2. Notes Payable to Banks and Others

Name of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Brokerage and custodial accounts, stocks, bonds, retirement accounts. (Full Value) (Use attachments if necessary).

Name of Security / Brokerage Account / Retirement Account	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned (Including Primary Residence, Investment Properties, Personal Property Leased or Rented for Business Purposes, Farm Properties, or any Other Income Producing property). (List each parcel separately. Add additional sheets if necessary).

	Primary Residence	Property B	Property C
Type of Property			
Address			
Date Acquired and Method of Acquisition (purchase, inherit, divorce, gift, etc.)			
Names on Deed			
Purchase Price			
Present Market Value			
Source of Market Valuation			
Name of all Mortgage Holders			
Mortgage Acc. # and balance (as of date of form)			
Equity line of credit balance			
Amount of Payment Per Month/Year (Specify)			

Section 5. Life Insurance Held (Give face amount and cash surrender value of policies, name of insurance company and beneficiaries).

Insurance Company	Face Value	Cash Surrender Amount	Beneficiaries	Loan on Policy Information

Section 6. Other Personal Property and Assets (Use attachments as necessary)

Type of Property or Asset	Total Present Value	Amount of Liability (Balance)	Is this asset insured?	Lien or Note amount and Terms of Payment
Automobiles and Vehicles (including recreation vehicles, motorcycles, boats, etc.) Include personally owned vehicles that are leased or rented to businesses or other individuals.				
Household Goods / Jewelry				
Loans from Owner to Firm, Other Entities, Individuals				
Other (List)				
Accounts and Notes Receivables				

Section 7. Value of Other Business Investments, Other Businesses Owned (excluding applicant firm)

Sole Proprietorships, General Partners, Joint Ventures, Limited Liability Companies, Closely-held and Public Traded Corporations

Section 8. Other Liabilities and Unpaid Taxes (Describe)**Section 9. Transfer of Assets: Have you within 2 years of this personal net worth statement, transferred assets to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust?** Yes No If yes, describe.

I declare under penalty of perjury that the information provided in this personal net worth statement and supporting documents is complete, true and correct. I certify that no assets have been transferred to any beneficiary for less than fair market value in the last two years. I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application and this personal net worth statement, and I authorize such agency to contact any entity named in the application or this personal financial statement, including the names banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility. I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded; denial or revocation of certification; suspension and debarment; and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.

NOTARY CERTIFICATE:

(Insert applicable state acknowledgment, affirmation, or oath)

Signature (DBE/ACDBE Owner)_____
Date

In collecting the information requested by this form, the Department of Transportation complies with Federal Freedom of Information and Privacy Act (5 U.S.C. 552 and 552a) provisions. The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Disadvantaged Business Enterprise (DBE) Program or Airport Concessionaire DBE Programs as defined in 49 C.F.R. Parts 23 and 26. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).



General Instructions for Completing the Personal Net Worth Statement for DBE/ACDBE Program Eligibility

Please do not make adjustments to your figures pursuant to U.S. DOT regulations 49 C.F.R. Parts 23 and 26. The agency that you apply to will use the information provided on your completed Personal Net Worth (PNW) Statement to determine whether you meet the economic disadvantage requirements of 49 C.F.R. Parts 23 and 26. If there are discrepancies or questions regarding your form, it may be returned to you to correct and complete again.

An individual's personal net worth according to 49 C.F.R. Parts 23 and 26 includes only his or her own share of assets held separately, jointly, or as community property with the individual's spouse and excludes the following:

- Individual's ownership interest in the applicant firm;
- Individual's equity in his or her primary residence;
- Federal Tax and penalties, if applicable, that would accrue if retirement savings or investments (e.g., pension plans, Individual Retirement Accounts, 401(k) accounts, etc.) were distributed at the present time.

Indicate on the form if any items are jointly owned. If the personal net worth of the majority owner(s) of the firm exceeds \$1.32 million, as defined by 49 C.F.R. Parts 23 and 26, the firm is not eligible for DBE or ACDBE certification. If the personal net worth of the majority owner(s) exceeds the \$1.32 million cap specified in §26.67(a)(2)(i) at any time after your firm is certified, the firm is no longer eligible for certification. Should that occur, it is your responsibility to contact your certifying agency in writing to advise that your firm no longer qualifies as a DBE or ACDBE. You must fill out all line items on the Personal Net Worth Statement.

If necessary, use additional sheets of paper to report all information and details. If you have any questions about completing this form, please contact the certifying agency.

Assets

All assets must be reported at their current fair market values as of the date of your statement. Assessor's assessed value for real estate, for example, is not acceptable. Assets held in a trust should be included.

Cash and Cash Equivalents: On page 1, enter the total amount of cash or cash equivalents in bank accounts, including checking, savings, money market, certificates of deposit held domestic or foreign. Provide copies of the bank statement.

Retirement Accounts, IRA, 401Ks, 403Bs, Pensions: On page 1, enter the full value minus Federal tax and penalties that would apply if assets were distributed as of the date of the form. Describe the number of shares, name of securities, cost market value, date of quotation, and total value in section 3 on page 2.

Brokerage and Custodial Accounts, Stocks, Bonds, Retirement Accounts: Report total value on page 1, and on

page 2, section 3, enter the name of the security, brokerage account, retirement account, etc.; the cost; market value of the asset; the date of quotation; and total value as of the date of the PNW statement.

Assets Held in Trust: Enter the total value of the assets held in trust on page 1, and provide the names of beneficiaries and trustees, and other information in Section 6 on page 3.

Loans from you to the firm, other Entities, Individuals, and Other Receivables not listed: Enter current balances of loans you have extended to this firm and to other entities or individuals, plus interest payable on those loans; and other receivables not listed above. Complete Section 6 on page 3.

Real Estate: The total value of real estate excluding your primary residence should be listed on page 1. In section 4 on page 2, please list your primary residence in column 1, including the address, method of acquisition, date of acquired, names of deed, purchase price, present fair market value, source of market valuation, names of all mortgage holders, mortgage account number and balance, equity line of credit balance, and amount of payment. List this information for all real estate held. Please ensure that this section contains all real estate owned, including rental properties, vacation properties, commercial properties, personal property leased or rented for business purposes, farm properties and any other income producing properties, etc. Attach additional sheets if needed.

Life Insurance: On page 1, enter the cash surrender value of this asset. In section 5 on page 2, enter the name of the insurance company, the face value of the policy, cash surrender value, names of beneficiaries, and loans on the policy.

Other Personal Property and Assets: Enter the total value of personal property and assets you own on page 1. Personal property includes motor vehicles, boats, trailers, jewelry, furniture, household goods, collectibles, clothing, and personally owned vehicles that are leased or rented to businesses or other individuals. In section 6 on page 3, list these assets and enter the present value, the balance of any liabilities, whether the asset is insured, and lien or note information and terms of payments. For accounts and notes receivable, enter the total value of all monies owed to you personally, if any. You may also be asked to provide a copy of any liens or notes on the property.

Other Business Interests Other than Applicant Firm: On page 1, enter the total value of your other business investments (excluding the applicant firm). In section 7 on page 3, enter information concerning the businesses you hold an ownership interest in, such as sole proprietorships, partnerships, joint ventures, corporations, or limited liability corporations (other than the applicant firm). Do not reduce the value of these entries by any loans from the outside firm to the DBE/ACDBE applicant business.

Liabilities

Mortgages on Real Estate: Enter the total balance on all mortgages payable on real estate on page 1.

Loans on Life Insurance: Enter the total value of all loans due on life insurance policies on page 1, and complete section 5 on page 2.

Notes & Accounts Payable to Bank and Others: On page 1, section 2, enter details concerning any liability, including name of noteholders, original and current balances, payment terms, and security/collateral information. The entries should include automobile installment accounts. This should not, however, include any mortgage balances as this information is captured in section 4. Do not include loans for your business or mortgages for your properties in this section. You may be asked to submit copy of note/security agreement, and the most recent account statement.

Other Liabilities: On page 1, enter the total value due on all other liabilities not listed in the previous entries. In section 8, page 3, report the name of the individual obligated, names of co-signers, description of the liability, the name of the entity owed, the date of the obligation, payment amounts and terms. Note: Do not include contingent liabilities in this section. Contingent liabilities are liabilities that belong to you only if an event(s) should occur. For example, if you have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a

contingent liability. Contingent liabilities do not count toward your net worth until they become actual liabilities.

Unpaid Taxes: Enter the total amount of all taxes that are currently due, but are unpaid on page 1, and complete section 8 on page 3. Contingent tax liabilities or anticipated taxes for current year should not be included. Describe in detail the name of the individual obligated, names of co-signers, the type of unpaid tax, to whom the tax is payable, due date, amount, and to what property, if any, the tax lien attaches. If none, state "NONE." You must include documentation, such as tax liens, to support the amounts.

Transfers of Assets:

Transfers of Assets: If you checked the box indicating yes on page 3 in this category, provide details on all asset transfers (within 2 years of the date of this personal net worth statement) to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust. Include a description of the asset; names of individuals on the deed, title, note or other instrument indicating ownership rights; the names of individuals receiving the assets and their relation to the transferor; the date of the transfer; and the value or consideration received. Submit documentation requested on the form related to the transfer.

Affidavit

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

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



DEPARTMENT OF TRANSPORTATION
OFFICE OF CIVIL RIGHTS
1823 14TH STREET
SACRAMENTO, CA 95811

ANNUAL UPDATE DECLARATION

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE/DISADVANTAGED BUSINESS ENTERPRISE (ACDBE/DBE) CERTIFICATION

*Fill out all information and do not leave any blanks. Attach supporting documents and return form to agency listed above. Failure to complete and return this form will result in **suspension** from the DBE program pursuant to 49 CFR §26.88. Your firm's certification may also be removed for non-cooperation.*

Firm Name	Firm CUCP ID#
Address	City, State ZIP
Mailing Address(if different from above)	City, State ZIP
() () ()	
Phone #	Cell Phone #
Fax #	Email Address
	Web Address (if any)

1. During the past year, have there been any changes in the firm's

Primary business activity (type of work)?.....	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Business structure?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Ownership?.....	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Professional licensing?.....	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Geographical work area selections?.....	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Is the DBE owner's personal net worth above the threshold of \$1.32M?.....	YES <input type="checkbox"/>	NO <input type="checkbox"/>

If yes to any question in #1, please submit a letter on company letterhead describing changes and attach relevant supporting documentation.

2. Enter firm's **total gross receipts** for the past three years, **including all affiliate firms**:

20___ \$_____ ; 20___ \$_____ ; 20___ \$_____

3. Provide all requested documentation in the attached cover letter. If you do not have the cover letter, contact your certification agency for assistance

I/We declare under penalty of perjury laws of the United States that there have been no changes in the firm's circumstances affecting its ability to meet the size, disadvantaged status, ownership, or control requirements of 49 CFR Parts 23 and/or 26, except for any changes for which I/we have provided written notice. I/We further declare my/our Personal Net Worth does not exceed \$1,320,000 and that I am/we are socially or economically disadvantaged¹.

Each individual owner whose ownership and control is relied upon for certification is required to sign below. Attach additional page(s) as needed.

Signature _____

Signature _____

Printed Name _____

Printed Name _____

Title _____ Date _____

Title _____ Date _____

¹Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C Section 1001 (False Statement) and could subject you to fines, imprisonment or both. All owners claiming social and economic disadvantaged status must sign this declaration. In addition, signing this form I agree to adhere to 49 CFR Part 26 and 13 CFR Part 121, § 26.83(i), §26.5 and §26.65(b).¹

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

CALIFORNIA UNIFIED
CERTIFICATION PROGRAM
(CUCP)

California Department of Transportation

Interstate Certification Process

The California Unified Certification Program has published the **DBE Interstate Application Checklist** and the **DBE Interstate Application Affidavit**. The Interstate Certification process applies to firms already certified in their home state and seeking certification in California. Guidance provided by the US DOT, in the summer of 2014, provided that a firm currently is certified in its home state is not required to submit a **new** uniform certification application as if it were seeking certification for the first time. A DBE firm may simply present a copy of its DBE application among other required documents as submitted to its home State's UCP. The DBE Interstate Application Checklist provides the list of items required. The DBE Interstate Application Affidavit **must** be completed and submitted with the application.

Instructions: As an out-of-state applicant, your firm must be currently certified as a Disadvantaged Business Enterprise (DBE) or Airport Concession Disadvantaged Business Enterprise (ACDBE) pursuant to 49 Code of Federal Regulations Part 23 or 26 in your "home" state before you can apply to the California Unified Certification Program (CUCP). Pursuant to 49 CFR § 26.85(c), the firm's owner(s) (hereinafter "you") acknowledge and agree to comply with the following regulations:

You must provide to the CUCP, along with this declaration form, a completed copy of the application form, all supporting documents, and any other information you have submitted to your home state or any other state related to your firm's DBE or ACDBE certification. This includes affidavits of no change (see § 26.83(j)) and any notices of changes (see § 26.83(i)) that you have submitted to your home state, as well as any correspondence you have had with your home state's UCP or any other government entity concerning your application or status as a DBE or ACDBE firm.

You must also provide to the CUCP any notices or correspondence from states other than your home state relating to your status as an applicant or certified DBE in those states, if applicable. For example, if you have been denied certification or decertified by a state UCP other than your home state, or subject to a decertification action there, you must inform the CUCP of this fact and provide all documentation concerning this action to the CUCP.

If you have filed a certification appeal with the U.S. Department of Transportation (DOT) (see § 26.89), you must inform the CUCP of this fact and provide your letter of appeal and DOT's response to the CUCP.

You must submit this declaration form executed under penalty of perjury of the laws of the United States.

This declaration must affirm that you have submitted all the information required by 49 CFR 26.85(c) and the information is complete and, in the case of the information required by § 26.85(c)(1), is an identical copy of the information submitted to your home state. If the on-site report from your home state supporting your certification in your home state is more than three years old, as of the date of your application to the CUCP, please acknowledge in your declaration that you also affirm that the facts in the on-site report remain true and correct.

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

Is your firm currently certified as a DBE or ACDBE in your home state? (If Yes, check appropriate box and provide requested information. If No, please STOP and apply to your state Unified Certification Program before applying to California.)	Name of Certifying Agency in Firm's State Has your firm's state UCP conducted an on-site visit? <input type="checkbox"/> Yes, on ____/____/____ <input type="checkbox"/> No
<input type="checkbox"/> DBE <input type="checkbox"/> ACDBE	

A. Home State Certification

I affirm that the facts in the on-site report conducted by my state UCP over three years ago from the date of this declaration remain true and correct. Check if applicable

B. Contact Information

(1) Contact Person and Title		(2) Legal Name of Firm	
(3) Phone #	(4) Alternate Phone #	(5) Fax #	
(6) E-mail		(7) Website (If available)	
(8) Street Address of Firm (No P.O. Box)	City	County/Parist	State Zip
(9) Mailing Address of Firm (If different)	City	County/Parist	State Zip

A. Indicate Counties Where You Prefer to Perform Work

<input type="checkbox"/> 01 Alameda	<input type="checkbox"/> 11 Glenn	<input type="checkbox"/> 21 Marin	<input type="checkbox"/> 31 Placer	<input type="checkbox"/> 41 San Mateo	<input type="checkbox"/> 51 Sutter
<input type="checkbox"/> 02 Alpine	<input type="checkbox"/> 12 Humboldt	<input type="checkbox"/> 22 Mariposa	<input type="checkbox"/> 32 Plumas	<input type="checkbox"/> 42 Santa Barbara	<input type="checkbox"/> 52 Tehama
<input type="checkbox"/> 03 Amador	<input type="checkbox"/> 13 Imperial	<input type="checkbox"/> 23 Mendocino	<input type="checkbox"/> 33 Riverside	<input type="checkbox"/> 43 Santa Clara	<input type="checkbox"/> 53 Trinity
<input type="checkbox"/> 04 Butte	<input type="checkbox"/> 14 Inyo	<input type="checkbox"/> 24 Merced	<input type="checkbox"/> 34 Sacramento	<input type="checkbox"/> 44 Santa Cruz	<input type="checkbox"/> 54 Tulare
<input type="checkbox"/> 05 Calaveras	<input type="checkbox"/> 15 Kern	<input type="checkbox"/> 25 Modoc	<input type="checkbox"/> 35 San Benito	<input type="checkbox"/> 45 Shasta	<input type="checkbox"/> 55 Tuolumne
<input type="checkbox"/> 06 Colusa	<input type="checkbox"/> 16 Kings	<input type="checkbox"/> 26 Mono	<input type="checkbox"/> 36 San Bernardino	<input type="checkbox"/> 46 Sierra	<input type="checkbox"/> 56 Ventura
<input type="checkbox"/> 07 Contra Costa	<input type="checkbox"/> 17 Lake	<input type="checkbox"/> 27 Monterey	<input type="checkbox"/> 37 San Diego	<input type="checkbox"/> 47 Siskiyou	<input type="checkbox"/> 57 Yolo
<input type="checkbox"/> 08 Del Norte	<input type="checkbox"/> 18 Lassen	<input type="checkbox"/> 28 Napa	<input type="checkbox"/> 38 San Francisco	<input type="checkbox"/> 48 Solano	<input type="checkbox"/> 58 Yuba
<input type="checkbox"/> 09 El Dorado	<input type="checkbox"/> 19 Los Angeles	<input type="checkbox"/> 29 Nevada	<input type="checkbox"/> 39 San Joaquin	<input type="checkbox"/> 49 Sonoma	
<input type="checkbox"/> 10 Fresno	<input type="checkbox"/> 20 Madera	<input type="checkbox"/> 30 Orange	<input type="checkbox"/> 40 San Luis Obispo	<input type="checkbox"/> 50 Stanislaus	

**California Unified Certification Program (CUCP)
DBE Interstate Application Checklist
49 CFR Part 26.85(c)**

The California Department of Transportation Office of Civil Rights (OCR) and its certifying agencies (CUCP) do not have reciprocity with other State UCP's. The CUCP, as a whole, chooses not to accept other State's DBE certification of a firm. Therefore, as the applicant, your firm must provide the following information in paragraphs (1) through (5) of this section to the CUCP agency where the interstate application will be submitted.

- 1. You **must** provide **a complete copy** of the application form (*that was provided to your home state*), all supporting documents, and any other information you have submitted to your home State. This includes affidavits of no change, any notices of changes that you have submitted to your home State, as well as any correspondence you have had with your home State's UCP or any other recipient concerning your application or status as a DBE firm.
- 2. You **must** provide a current **Personal Net Worth Statement** for all disadvantaged owners of the firm. Additionally, you must provide the last **3 years** of **personal and business taxes** for the firm and all **affiliated businesses** associated with the firm or firm's owner.
- 3. You **must** provide any notices or correspondence from states other than your home State relating to your status as an applicant or certified DBE in those states. For example, if you have been denied certification or decertified in another State, or subject to a decertification action, you must inform the CUCP Certifying Agency of this fact and provided all documentation concerning this action to the CUCP Certifying Agency, with whom you're applying for Interstate certification.
- 4. If you have filed a certification appeal with the US DOT, you must inform the CUCP Certifying Agency of this fact and provide your letter of appeal, and the US DOT's response to the CUCP Certifying Agency.
- 5. You **must** submit an affidavit sworn to by the firm's owner(s) before a person who is authorized by State law to administer oaths or an unsworn declaration executed under penalty of perjury of the laws of the United States.
 - (i) This affidavit must affirm that you have submitted all the information required by 49 CFR Part 26.85(c), and the information is complete and, in the case of the information required by 26.85(c)(1), is an identical copy of the information submitted to State A.

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

- (ii) If the on-site report from you home State supporting your certification in you home State is more than three years old, as of the date of your application to the CUCP Agency, we may require your affidavit also affirm that the facts in the on-site report remain true and correct.

**California Unified Certification Program
DISADVANTAGED BUSINESS ENTERPRISE
Interstate Application Affidavit**

Business Name:	
Federal Identification No: (EIN)	
Business Address:	
Telephone No:	
Business Contact Email Address:	

I/We the undersigned owner(s) of the above referenced firm submit the enclosed application for Disadvantaged Business Enterprise (DBE) certification in the State of California and do hereby declare and affirm the facts presented herein are true and correct to the best of my/our knowledge:

1. All the information required by 49 CFR 26.85(c) is attached, and complete.
2. The facts set forth in the on-site conducted _____ from _____(home state) remain true and correct.
3. An identical copy of the application, all supporting documents, and any other information submitted to my/our home state, along with any other state related to this firm's certification, including all affidavits of no change, any notices of changes, as well as all correspondence related to the firm's applications or status as a DBE has been provided with the affidavit.

ANY MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION OR AFFIDAVIT IS SUFFICIENT CAUSE FOR DENIAL OF CERTIFICATION, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

Owner 1 Signature	Printed Name and Title	Date
Owner 2 Signature	Printed Name and Title	Date
Owner 3 Signature	Printed Name and Title	Date
Owner 4 Signature	Printed Name and Title	Date

DISADVANTAGED BUSINESS ENTERPRISE OUT-OF-STATE CERTIFICATION DECLARATION

CALIFORNIA UNIFIED
CERTIFICATION PROGRAM
(CUCP)



Notary

STATE OF: _____ **COUNTY OF:** _____

Sworn to (or affirmed) and subscribed before me this _____ day _____ 20_____

(NOTARY SEAL)

(Signature of Notary)

(Name of Notary, Typed, Printed, or Seal)

Personally, known or produced identification, _____ (type of identification).

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



Roster of Certifying Agencies

Note: If you received this information as a hard copy, the Uniform DBE/ACDBE Certification Application form and Personal Net Worth Statement are available at:

<https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/ready-apply>

If the firm has its principal place of business in another state and is currently certified in that state, please contact the California Department of Transportation.

Area	Counties	DBE Certifying Agencies	
Riverside, Imperial & San Diego (RIS)	Imperial Riverside San Diego	<p><u>SUBMIT APPLICATION PACKAGE TO:</u></p> <ul style="list-style-type: none"> ➤ CITY OF LOS ANGELES* ➤ LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> ➤ CALIFORNIA DEPARTMENT OF TRANSPORTATION <p style="text-align: center;">SEE CONTACT INFORMATION BELOW</p>	
Los Angeles Area	Kern Los Angeles Orange San Bernardino San Luis Obispo Santa Barbara Ventura	<p>CITY OF LOS ANGELES Bureau of Contract Admin. Centralized Certification Section 1149 S. Broadway, Ste 300 Los Angeles, CA 90015 Phone: (213) 847-2684 Fax: (213) 847-2777 Email: bca.certifications@lacity.org</p> <p>http://bca.lacity.org</p> <p><i>*Please note: <u>Only firms located within City of Los Angeles may apply</u></i></p>	<p>LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (METRO) Diversity and Economic Opportunity Department One Gateway Plaza, MS 99-8-4 Los Angeles, CA 90012 Phone: (213) 922-2600 Fax: (213) 922-7660 Email: certificationunit@metro.net</p> <p><i>Please Note: <u>Metro only accepts online applications.</u></i></p> <p><i>Please use link below to apply:</i> metro.gob2g.com</p>

Note: List of agencies subject to change

Rev 1/26/2021

AREA	COUNTIES	DBE CERTIFYING AGENCIES	
Bay Area/ Central Valley	Alameda Amador Calaveras Contra Costa Fresno Kings Madera Marin Mariposa Merced Monterey Napa San Benito San Francisco San Joaquin San Mateo Santa Clara Santa Cruz Solano Sonoma Stanislaus Tulare Tuolumne	<p>S.F. BAY AREA RAPID TRANSIT DISTRICT (BART) Office of Civil Rights 300 Lakeside Drive 16th Floor Oakland, CA 94612 Phone: (510) 464-6100 Fax: (510) 464-7587 www.bart.gov</p> <p>CITY OF FRESNO Finance Department, Purchasing Division, DBE Program 2600 Fresno Street, Room 2156 Fresno, CA 93721-3622 Phone: (559) 621-7036 Fax: (559) 488-1069 www.fresno.gov</p> <p>SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA) Business Diversity Programs 3331 North First Street, Bldg. B San Jose, CA 95134-1906 Phone: (408) 321-5962 osdb.osdb@vta.org www.vta.org/osb</p>	<p>SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY (SFMTA) Contract Compliance Office One S. Van Ness Avenue, 6th Flr San Francisco, CA 94103 Phone: (415) 701-4436 Fax: (415) 701-4347 www.sfmuni.com</p> <p>SAN MATEO COUNTY TRANSIT DISTRICT (SAMTRANS)/ PENINSULA CORRIDOR JOINT POWERS BOARD (JPB) DBE Office 1250 San Carlos Avenue San Carlos, CA 94070 Phone: (650) 508-7939 Fax: (650) 508-7738 www.samtrans.com</p>
Northern California	Alpine Butte Colusa Del Norte El Dorado Glenn Humboldt Inyo Lake Lassen Mendocino Modoc Mono Nevada Placer Plumas Sacramento Shasta Sierra Siskiyou Sutter Tehama Trinity Yolo Yuba	<p>CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) Office of Civil Rights 1823 - 14th Street Sacramento, CA 95811 Phone: (916) 324-1700 or Fax: (916) 324-1862 www.dot.ca.gov</p>	

ACDBE CERTIFYING AGENCIES

CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS)

**Office of Civil Rights
1823 14th Street
Sacramento, CA 95811
Phone: (916) 324-1700 ** Fax: (916) 324-1862
www.dot.ca.gov**

FOR LOS ANGELES WORLD AIRPORTS PLEASE CONTACT:

**CITY OF LOS ANGELES
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
Phone (213) 847-2684 ** Fax: (213) 847-2777
<http://bca.lacity.org>**

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY (SDCRAA)

**Small Business Development Department
P.O. Box 82776
San Diego, CA 92138-2776
Phone: (619) 400-2568 ** Fax: (619) 400-2566
www.san.org**

(San Diego Concessions Only)

SAN FRANCISCO INTERNATIONAL AIRPORT

**Small Business Affairs Office
P.O. Box 8097
San Francisco, CA 94128
Phone: (650) 821-5021 ** Fax: (650) 821-5146
www.flysfo.com**

(SFO Concessions Only)

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY (SFMTA)

**Contract Compliance Office
One S. Van Ness Avenue, 6th Floor
San Francisco, CA 94103
Phone: (415) 701-4436 ** Fax: (415) 701-4347
www.sfmuni.com**

ELECTRONIC CODE OF FEDERAL REGULATIONS

e-CFR data is current as of June 3, 2021

[Title 49](#) → [Subtitle A](#) → [Part 26](#)

Title 49: Transportation

PART 26—PARTICIPATION BY DISADVANTAGED BUSINESS ENTERPRISES IN DEPARTMENT OF TRANSPORTATION FINANCIAL ASSISTANCE PROGRAMS

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- §26.3 To whom does this part apply?
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- §26.15 How can recipients apply for exemptions or waivers?

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§26.86 What rules govern recipients' denials of initial requests for certification?

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§26.88 Summary suspension of certification.

§26.89 What is the process for certification appeals to the Department of Transportation?

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§26.101 What compliance procedures apply to recipients?

§26.103 What enforcement actions apply in FHWA and FTA programs?

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§26.109 What are the rules governing information, confidentiality, cooperation, and intimidation or retaliation?

Appendix A to Part 26—Guidance Concerning Good Faith Efforts

Appendix B to Part 26—Uniform Report of DBE Awards or Commitments and Payments Form

Appendix C to Part 26—DBE Business Development Program Guidelines

Appendix D to Part 26—Mentor-Protégé Program Guidelines

Appendix E to Part 26—Individual Determinations of Social and Economic Disadvantage

Appendix F to Part 26—Uniform Certification Application Form

Appendix G to Part 26—Personal Net Worth Statement

AUTHORITY: 23 U.S.C. 324; 42 U.S.C. 2000d, *et seq.*; Sec. 1101(b), Pub. L. 114-94, 129 Stat. 1312, 1324; 49 U.S.C. 47113, 47123; Sec. 150, Pub. L. 115-254, 132 Stat. 3215.

SOURCE: 64 FR 5126, Feb. 2, 1999, unless otherwise noted.

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Subpart A—General

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§26.1 What are the objectives of this part?

This part seeks to achieve several objectives:

(a) To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's highway, transit, and airport financial assistance programs;

(b) To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;

(c) To ensure that the Department's DBE program is narrowly tailored in accordance with applicable law;

(d) To ensure that only firms that fully meet this part's eligibility standards are permitted to participate as DBEs;

(e) To help remove barriers to the participation of DBEs in DOT-assisted contracts;

(f) To promote the use of DBEs in all types of federally-assisted contracts and procurement activities conducted by recipients.

(g) To assist the development of firms that can compete successfully in the marketplace outside the DBE program; and

(h) To provide appropriate flexibility to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

[64 FR 5126, Feb. 2, 1999, as amended at 79 FR 59592, Oct. 2, 2014]

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§26.3 To whom does this part apply?

(a) If you are a recipient of any of the following types of funds, this part applies to you:

(1) Federal-aid highway funds authorized under Titles I (other than Part B) and V of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Pub. L. 102-240, 105 Stat. 1914, or Titles I, III, and V of the Transportation Equity Act for the 21st Century (TEA-21), Pub. L. 105-178, 112 Stat. 107. Titles I, III, and V of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, 119 Stat. 1144; and Divisions A and B of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Pub. L. 112-141, 126 Stat. 405.

(2) Federal transit funds authorized by Titles I, III, V and VI of ISTEA, Pub. L. 102-240 or by Federal transit laws in Title 49, U.S. Code, or Titles I, III, and V of the TEA-21, Pub. L. 105-178. Titles I, III, and V of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, 119 Stat. 1144; and Divisions A and B of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Pub. L. 112-141, 126 Stat. 405.

(3) Airport funds authorized by 49 U.S.C. 47101, *et seq.*

(b) [Reserved]

(c) If you are letting a contract, and that contract is to be performed entirely outside the United States, its territories and possessions, Puerto Rico, Guam, or the Northern Marianas Islands, this part does not apply to the contract.

(d) If you are letting a contract in which DOT financial assistance does not participate, this part does not apply to the contract.

[64 FR 5126, Feb. 2, 1999, as amended at 79 FR 59592, Oct. 2, 2014]

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§26.5 What do the terms used in this part mean?

Affiliation has the same meaning the term has in the Small Business Administration (SBA) regulations, 13 CFR part 121.

(1) Except as otherwise provided in 13 CFR part 121, concerns are affiliates of each other when, either directly or indirectly:

(i) One concern controls or has the power to control the other; or

(ii) A third party or parties controls or has the power to control both; or

(iii) An identity of interest between or among parties exists such that affiliation may be found.

(2) In determining whether affiliation exists, it is necessary to consider all appropriate factors, including common ownership, common management, and contractual relationships. Affiliates must be considered together in determining whether a concern meets small business size criteria and the statutory cap on the participation of firms in the DBE program.

Alaska Native means a citizen of the United States who is a person of one-fourth degree or more Alaskan Indian (including Tsimshian Indians not enrolled in the Metlaktla Indian Community), Eskimo, or Aleut blood, or a combination of those bloodlines. The term includes, in the absence of proof of a minimum blood quantum, any citizen whom a Native village or Native group regards as an Alaska Native if their father or mother is regarded as an Alaska Native.

Alaska Native Corporation (ANC) means any Regional Corporation, Village Corporation, Urban Corporation, or Group Corporation organized under the laws of the State of Alaska in accordance with the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, *et seq.*).

Assets mean all the property of a person available for paying debts or for distribution, including one's respective share of jointly held assets. This includes, but is not limited to, cash on hand and in banks, savings accounts, IRA or other retirement accounts, accounts receivable, life insurance, stocks and bonds, real estate, and personal property.

Business, business concern or business enterprise means an entity organized for profit with a place of business located in the United States, and which operates primarily within the United States or which makes a significant contribution to the United States economy through payment of taxes or use of American products, materials, or labor.

Compliance means that a recipient has correctly implemented the requirements of this part.

Contingent Liability means a liability that depends on the occurrence of a future and uncertain event. This includes, but is not limited to, guaranty for debts owed by the applicant concern, legal claims and judgments, and provisions for federal income tax.

Contract means a legally binding relationship obligating a seller to furnish supplies or services (including, but not limited to, construction and professional services) and the buyer to pay for them. For purposes of this part, a lease is considered to be a contract.

Contractor means one who participates, through a contract or subcontract (at any tier), in a DOT-assisted highway, transit, or airport program.

Days mean calendar days. In computing any period of time described in this part, the day from which the period begins to run is not counted, and when the last day of the period is a Saturday, Sunday, or Federal holiday, the period extends to the next day that is not a Saturday, Sunday, or Federal holiday. Similarly, in circumstances where the recipient's offices are closed for all or part of the last day, the period extends to the next day on which the agency is open.

Department or DOT means the U.S. Department of Transportation, including the Office of the Secretary, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Aviation Administration (FAA).

Disadvantaged business enterprise or DBE means a for-profit small business concern—

(1) That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and

(2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

DOT-assisted contract means any contract between a recipient and a contractor (at any tier) funded in whole or in part with DOT financial assistance, including letters of credit or loan guarantees, except a contract solely for the purchase of land.

Good faith efforts means efforts to achieve a DBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement.

Home state means the state in which a DBE firm or applicant for DBE certification maintains its principal place of business.

Immediate family member means father, mother, husband, wife, son, daughter, brother, sister, grandfather, grandmother, father-in-law, mother-in-law, sister-in-law, brother-in-law, and domestic partner and civil unions recognized under State law.

Indian tribe means any Indian tribe, band, nation, or other organized group or community of Indians, including any ANC, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or is recognized as such by the State in which the tribe, band, nation, group, or community resides. See the definition of "Indian tribe" in this section.

Joint venture means an association of a DBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the DBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

Liabilities mean financial or pecuniary obligations. This includes, but is not limited to, accounts payable, notes payable to bank or others, installment accounts, mortgages on real estate, and unpaid taxes.

Native Hawaiian means any individual whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Native Hawaiian Organization means any community service organization serving Native Hawaiians in the State of Hawaii which is a not-for-profit organization chartered by the State of Hawaii, is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians.

Noncompliance means that a recipient has not correctly implemented the requirements of this part.

Operating Administration or *OA* means any of the following parts of DOT: the Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA). The "Administrator" of an operating administration includes his or her designees.

Personal net worth means the net value of the assets of an individual remaining after total liabilities are deducted. An individual's personal net worth does not include: The individual's ownership interest in an applicant or participating DBE firm; or the individual's equity in his or her primary place of residence. An individual's personal net worth includes only his or her own share of assets held jointly or as community property with the individual's spouse.

Primary industry classification means the most current North American Industry Classification System (NAICS) designation which best describes the primary business of a firm. The NAICS is described in the North American Industry Classification Manual—United States, which is available on the Internet at the U.S. Census Bureau Web site: <http://www.census.gov/eos/www/naics/>.

Primary recipient means a recipient which receives DOT financial assistance and passes some or all of it on to another recipient.

Principal place of business means the business location where the individuals who manage the firm's day-to-day operations spend most working hours. If the offices from which management is directed and where the business records are kept are in different locations, the recipient will determine the principal place of business.

Program means any undertaking on a recipient's part to use DOT financial assistance, authorized by the laws to which this part applies.

Race-conscious measure or program is one that is focused specifically on assisting only DBEs, including women-owned DBEs.

Race-neutral measure or program is one that is, or can be, used to assist all small businesses. For the purposes of this part, *race-neutral* includes gender-neutrality.

Recipient is any entity, public or private, to which DOT financial assistance is extended, whether directly or through another recipient, through the programs of the FAA, FHWA, or FTA, or who has applied for such assistance.

Secretary means the Secretary of Transportation or his/her designee.

Set-aside means a contracting practice restricting eligibility for the competitive award of a contract solely to DBE firms.

Small Business Administration or *SBA* means the United States Small Business Administration.

SBA certified firm refers to firms that have a current, valid certification from or recognized by the SBA under the 8(a) BD or SDB programs.

Small business concern means, with respect to firms seeking to participate as DBEs in DOT-assisted contracts, a small business concern as defined pursuant to section 3 of the Small Business Act and Small Business Administration regulations implementing it (13 CFR part 121) that also does not exceed the cap on average annual gross receipts specified in §26.65(b).

Socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who has been subjected to racial or ethnic prejudice or cultural bias within American society because of his or her identity as a members of groups and without regard to his or her individual qualities. The social disadvantage must stem from circumstances beyond the individual's control.

(1) Any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis. An individual must demonstrate that he or she has held himself or herself out, as a member of a designated group if you require it.

(2) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:

(i) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;

(ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

(iii) "Native Americans," which includes persons who are enrolled members of a federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians;

(iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Samoa, Macao, Fiji, Tonga, Kirbati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;

(v) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;

(vi) Women;

(vii) Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.

(3) Being born in a particular country does not, standing alone, mean that a person is necessarily a member of one of the groups listed in this definition.

Spouse means a married person, including a person in a domestic partnership or a civil union recognized under State law.

Transit vehicle manufacturer means any manufacturer whose primary business purpose is to manufacture vehicles specifically built for public mass transportation. Such vehicles include, but are not limited to: Buses, rail cars, trolleys, ferries, and vehicles manufactured specifically for paratransit purposes. Producers of vehicles that receive post-production alterations or retrofitting to be used for public transportation purposes (e.g., so-called cutaway vehicles, vans customized for service to people with disabilities) are also considered transit vehicle manufacturers. Businesses that manufacture, mass-produce, or distribute vehicles solely for personal use and for sale "off the lot" are not considered transit vehicle manufacturers.

Tribally-owned concern means any concern at least 51 percent owned by an Indian tribe as defined in this section.

You refers to a recipient, unless a statement in the text of this part or the context requires otherwise (i.e., 'You must do XYZ' means that recipients must do XYZ).

[64 FR 5126, Feb. 2, 1999, as amended at 64 FR 34570, June 28, 1999; 68 FR 35553, June 16, 2003; 76 FR 5096, Jan. 28, 2011; 79 FR 59592, Oct. 2, 2014]

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§26.7 What discriminatory actions are forbidden?

(a) You must never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by this part on the basis of race, color, sex, or national origin.

(b) In administering your DBE program, you must not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the program with respect to individuals of a particular race, color, sex, or national origin.

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§26.9 How does the Department issue guidance and interpretations under this part?

(a) Only guidance and interpretations (including interpretations set forth in certification appeal decisions) consistent with this part 26 and issued after March 4, 1999 express the

official positions and views of the Department of Transportation or any of its operating administrations.

(b) The Secretary of Transportation, Office of the Secretary of Transportation, FHWA, FTA, and FAA may issue written interpretations of or written guidance concerning this part. Written interpretations and guidance are valid, and express the official positions and views of the Department of Transportation or any of its operating administrations, only if they are issued over the signature of the Secretary of Transportation or if they contain the following statement:

The General Counsel of the Department of Transportation has reviewed this document and approved it as consistent with the language and intent of 49 CFR part 26.

[72 FR 15617, Apr. 2, 2007]

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§26.11 What records do recipients keep and report?

(a) You must transmit the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to this part, at the intervals stated on the form.

(b) You must continue to provide data about your DBE program to the Department as directed by DOT operating administrations.

(c) You must create and maintain a bidders list.

(1) The purpose of this list is to provide you as accurate data as possible about the universe of DBE and non-DBE contractors and subcontractors who seek to work on your Federally-assisted contracts for use in helping you set your overall goals.

(2) You must obtain the following information about DBE and non-DBE contractors and subcontractors who seek to work on your Federally-assisted contracts:

(i) Firm name;

(ii) Firm address;

(iii) Firm's status as a DBE or non-DBE;

(iv) Age of the firm; and

(v) The annual gross receipts of the firm. You may obtain this information by asking each firm to indicate into what gross receipts bracket they fit (*e.g.*, less than \$500,000; \$500,000-\$1 million; \$1-2 million; \$2-5 million; etc.) rather than requesting an exact figure from the firm.

(3) You may acquire the information for your bidders list in a variety of ways. For example, you can collect the data from all bidders, before or after the bid due date. You can conduct a survey that will result in statistically sound estimate of the universe of DBE and non-DBE contractors and subcontractors who seek to work on your Federally-assisted contracts. You may combine different data collection approaches (*e.g.*, collect name and address information from all bidders, while conducting a survey with respect to age and gross receipts information).

(d) You must maintain records documenting a firm's compliance with the requirements of this part. At a minimum, you must keep a complete application package for each certified firm and all affidavits of no-change, change notices, and on-site reviews. These records must be retained in accordance with applicable record retention requirements for the recipient's financial assistance agreement. Other certification or compliance related records must be retained for a minimum of three (3) years unless otherwise provided by applicable record retention requirements for the recipient's financial assistance agreement, whichever is longer.

(e) The State department of transportation in each UCP established pursuant to §26.81 of this part must report to the Department of Transportation's Office of Civil Rights, by January 1, 2015, and each year thereafter, the percentage and location in the State of certified DBE firms in the UCP Directory controlled by the following:

- (1) Women;
- (2) Socially and economically disadvantaged individuals (other than women); and
- (3) Individuals who are women and are otherwise socially and economically disadvantaged individuals.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 76 FR 5096, Jan. 28, 2011; 79 FR 59593, Oct. 2, 2014]

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§26.13 What assurances must recipients and contractors make?

(a) Each financial assistance agreement you sign with a DOT operating administration (or a primary recipient) must include the following assurance: The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements 49 CFR part 26. The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

(b) Each contract you sign with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance: The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;

(3) Liquidated damages; and/or

(4) Disqualifying the contractor from future bidding as non-responsible.

[79 FR 59593, Oct. 2, 2014]

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§26.15 How can recipients apply for exemptions or waivers?

(a) You can apply for an exemption from any provision of this part. To apply, you must request the exemption in writing from the Office of the Secretary of Transportation, FHWA, FTA, or FAA. The Secretary will grant the request only if it documents special or exceptional circumstances, not likely to be generally applicable, and not contemplated in connection with the rulemaking that established this part, that make your compliance with a specific provision of this part impractical. You must agree to take any steps that the Department specifies to comply with the intent of the provision from which an exemption is granted. The Secretary will issue a written response to all exemption requests.

(b) You can apply for a waiver of any provision of Subpart B or C of this part including, but not limited to, any provisions regarding administrative requirements, overall goals, contract goals or good faith efforts. Program waivers are for the purpose of authorizing you to operate a DBE program that achieves the objectives of this part by means that may differ from one or more of the requirements of Subpart B or C of this part. To receive a program waiver, you must follow these procedures:

(1) You must apply through the concerned operating administration. The application must include a specific program proposal and address how you will meet the criteria of paragraph (b)(2) of this section. Before submitting your application, you must have had public participation in developing your proposal, including consultation with the DBE community and at least one public hearing. Your application must include a summary of the public participation process and the information gathered through it.

(2) Your application must show that—

(i) There is a reasonable basis to conclude that you could achieve a level of DBE participation consistent with the objectives of this part using different or innovative means other than those that are provided in subpart B or C of this part;

(ii) Conditions in your jurisdiction are appropriate for implementing the proposal;

(iii) Your proposal would prevent discrimination against any individual or group in access to contracting opportunities or other benefits of the program; and

(iv) Your proposal is consistent with applicable law and program requirements of the concerned operating administration's financial assistance program.

(3) The Secretary has the authority to approve your application. If the Secretary grants your application, you may administer your DBE program as provided in your proposal, subject to the following conditions:

(i) DBE eligibility is determined as provided in subparts D and E of this part, and DBE participation is counted as provided in §26.49;

(ii) Your level of DBE participation continues to be consistent with the objectives of this part;

(iii) There is a reasonable limitation on the duration of your modified program; and

(iv) Any other conditions the Secretary makes on the grant of the waiver.

(4) The Secretary may end a program waiver at any time and require you to comply with this part's provisions. The Secretary may also extend the waiver, if he or she determines that all requirements of paragraphs (b)(2) and (3) of this section continue to be met. Any such extension shall be for no longer than period originally set for the duration of the program.

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Subpart B—Administrative Requirements for DBE Programs for Federally-Assisted Contracting

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§26.21 Who must have a DBE program?

(a) If you are in one of these categories and let DOT-assisted contracts, you must have a DBE program meeting the requirements of this part:

(1) All FHWA primary recipients receiving funds authorized by a statute to which this part applies;

(2) FTA recipients receiving planning, capital and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds \$250,000 in FTA funds in a Federal fiscal year;

(3) FAA recipients receiving grants for airport planning or development who will award prime contracts the cumulative total value of which exceeds \$250,000 in FAA funds in a Federal fiscal year.

(b)(1) You must submit a DBE program conforming to this part by August 31, 1999 to the concerned operating administration (OA). Once the OA has approved your program, the approval counts for all of your DOT-assisted programs (except that goals are reviewed by the particular operating administration that provides funding for your DOT-assisted contracts).

(2) You do not have to submit regular updates of your DBE programs, as long as you remain in compliance. However, you must submit significant changes in the program for approval.

(c) You are not eligible to receive DOT financial assistance unless DOT has approved your DBE program and you are in compliance with it and this part. You must continue to carry out your program until all funds from DOT financial assistance have been expended.

[64 FR 5126, Feb. 2, 1999, as amended at 64 FR 34570, June 28, 1999; 65 FR 68951, Nov. 15, 2000; 79 FR 59593, Oct. 2, 2014]

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§26.23 What is the requirement for a policy statement?

You must issue a signed and dated policy statement that expresses your commitment to your DBE program, states its objectives, and outlines responsibilities for its implementation. You must circulate the statement throughout your organization and to the DBE and non-DBE business communities that perform work on your DOT-assisted contracts.

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§26.25 What is the requirement for a liaison officer?

You must have a DBE liaison officer, who shall have direct, independent access to your Chief Executive Officer concerning DBE program matters. The liaison officer shall be responsible for implementing all aspects of your DBE program. You must also have adequate staff to administer the program in compliance with this part.

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§26.27 What efforts must recipients make concerning DBE financial institutions?

You must thoroughly investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in your community and make reasonable efforts to use these institutions. You must also encourage prime contractors to use such institutions.

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§26.29 What prompt payment mechanisms must recipients have?

(a) You must establish, as part of your DBE program, a contract clause to require prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment you make to the prime contractor.

(b) You must ensure prompt and full payment of retainage from the prime contractor to the subcontractor within 30 days after the subcontractor's work is satisfactorily completed. You must use one of the following methods to comply with this requirement:

(1) You may decline to hold retainage from prime contractors and prohibit prime contractors from holding retainage from subcontractors.

(2) You may decline to hold retainage from prime contractors and require a contract clause obligating prime contractors to make prompt and full payment of any retainage kept by prime contractor to the subcontractor within 30 days after the subcontractor's work is satisfactorily completed.

(3) You may hold retainage from prime contractors and provide for prompt and regular incremental acceptances of portions of the prime contract, pay retainage to prime contractors based on these acceptances, and require a contract clause obligating the prime contractor to pay all retainage owed to the subcontractor for satisfactory completion of the accepted work within 30 days after your payment to the prime contractor.

(c) For purposes of this section, a subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented as required by the recipient. When a recipient has made an incremental acceptance of a portion of a prime contract, the work of a subcontractor covered by that acceptance is deemed to be satisfactorily completed.

(d) Your DBE program must provide appropriate means to enforce the requirements of this section. These means may include appropriate penalties for failure to comply, the terms and conditions of which you set. Your program may also provide that any delay or postponement of payment among the parties may take place only for good cause, with your prior written approval.

(e) You may also establish, as part of your DBE program, any of the following additional mechanisms to ensure prompt payment:

(1) A contract clause that requires prime contractors to include in their subcontracts language providing that prime contractors and subcontractors will use appropriate alternative dispute resolution mechanisms to resolve payment disputes. You may specify the nature of such mechanisms.

(2) A contract clause providing that the prime contractor will not be reimbursed for work performed by subcontractors unless and until the prime contractor ensures that the subcontractors are promptly paid for the work they have performed.

(3) Other mechanisms, consistent with this part and applicable state and local law, to ensure that DBEs and other contractors are fully and promptly paid.

[68 FR 35553, June 16, 2003]

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§26.31 What information must you include in your DBE directory?

(a) In the directory required under §26.81(g) of this Part, you must list all firms eligible to participate as DBEs in your program. In the listing for each firm, you must include its address, phone number, and the types of work the firm has been certified to perform as a DBE.

(b) You must list each type of work for which a firm is eligible to be certified by using the most specific NAICS code available to describe each type of work. You must make any changes to your current directory entries necessary to meet the requirement of this paragraph (a) by August 26, 2011.

[76 FR 5096, Jan. 28, 2011]

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§26.33 What steps must a recipient take to address overconcentration of DBEs in certain types of work?

(a) If you determine that DBE firms are so overconcentrated in a certain type of work as to unduly burden the opportunity of non-DBE firms to participate in this type of work, you must devise appropriate measures to address this overconcentration.

(b) These measures may include the use of incentives, technical assistance, business development programs, mentor-protégé programs, and other appropriate measures designed to assist DBEs in performing work outside of the specific field in which you have determined that non-DBEs are unduly burdened. You may also consider varying your use of contract goals, to the extent consistent with §26.51, to ensure that non-DBEs are not unfairly prevented from competing for subcontracts.

(c) You must obtain the approval of the concerned DOT operating administration for your determination of overconcentration and the measures you devise to address it. Once approved, the measures become part of your DBE program.

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§26.35 What role do business development and mentor-protégé programs have in the DBE program?

(a) You may or, if an operating administration directs you to, you must establish a DBE business development program (BDP) to assist firms in gaining the ability to compete successfully in the marketplace outside the DBE program. You may require a DBE firm, as a condition of receiving assistance through the BDP, to agree to terminate its participation in the DBE program after a certain time has passed or certain objectives have been reached. See Appendix C of this part for guidance on administering BDP programs.

(b) As part of a BDP or separately, you may establish a “mentor-protégé” program, in which another DBE or non-DBE firm is the principal source of business development assistance to a DBE firm.

(1) Only firms you have certified as DBEs before they are proposed for participation in a mentor-protégé program are eligible to participate in the mentor-protégé program.

(2) During the course of the mentor-protégé relationship, you must:

(i) Not award DBE credit to a non-DBE mentor firm for using its own protégé firm for more than one half of its goal on any contract let by the recipient; and

(ii) Not award DBE credit to a non-DBE mentor firm for using its own protégé firm for more than every other contract performed by the protégé firm.

(3) For purposes of making determinations of business size under this part, you must not treat protégé firms as affiliates of mentor firms, when both firms are participating under an approved mentor-protégé program. See Appendix D of this part for guidance concerning the operation of mentor-protégé programs.

(c) Your BDPs and mentor-protégé programs must be approved by the concerned operating administration before you implement them. Once approved, they become part of your DBE program.

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§26.37 What are a recipient's responsibilities for monitoring the performance of other program participants?

(a) You must implement appropriate mechanisms to ensure compliance with the part's requirements by all program participants (e.g., applying legal and contract remedies available under Federal, state and local law). You must set forth these mechanisms in your DBE program.

(b) Your DBE program must also include a monitoring and enforcement mechanism to ensure that work committed to DBEs at contract award or subsequently (e.g., as the result of modification to the contract) is actually performed by the DBEs to which the work was committed. This mechanism must include a written certification that you have reviewed

contracting records and monitored work sites in your state for this purpose. The monitoring to which this paragraph refers may be conducted in conjunction with monitoring of contract performance for other purposes (e.g., close-out reviews for a contract).

(c) This mechanism must provide for a running tally of actual DBE attainments (e.g., payments actually made to DBE firms), including a means of comparing these attainments to commitments. In your reports of DBE participation to the Department, you must display both commitments and attainments.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 68 FR 35554, June 16, 2003; 76 FR 5097, Jan. 28, 2011]

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§26.39 Fostering small business participation.

(a) Your DBE program must include an element to structure contracting requirements to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors.

(b) This element must be submitted to the appropriate DOT operating administration for approval as a part of your DBE program by February 28, 2012. As part of this program element you may include, but are not limited to, the following strategies:

(1) Establishing a race-neutral small business set-aside for prime contracts under a stated amount (e.g., \$1 million).

(2) In multi-year design-build contracts or other large contracts (e.g., for “megaprojects”) requiring bidders on the prime contract to specify elements of the contract or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform.

(3) On prime contracts not having DBE contract goals, requiring the prime contractor to provide subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved.

(4) Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts.

(5) To meet the portion of your overall goal you project to meet through race-neutral measures, ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform.

(c) You must actively implement your program elements to foster small business participation. Doing so is a requirement of good faith implementation of your DBE program.

[76 FR 5097, Jan. 28, 2011]

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Subpart C—Goals, Good Faith Efforts, and Counting

SunLine Transit Agency DBE Program FFY 2022-2024

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§26.41 What is the role of the statutory 10 percent goal in this program?

(a) The statutes authorizing this program provide that, except to the extent the Secretary determines otherwise, not less than 10 percent of the authorized funds are to be expended with DBEs.

(b) This 10 percent goal is an aspirational goal at the national level, which the Department uses as a tool in evaluating and monitoring DBEs' opportunities to participate in DOT-assisted contracts.

(c) The national 10 percent goal does not authorize or require recipients to set overall or contract goals at the 10 percent level, or any other particular level, or to take any special administrative steps if their goals are above or below 10 percent.

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§26.43 Can recipients use set-asides or quotas as part of this program?

(a) You are not permitted to use quotas for DBEs on DOT-assisted contracts subject to this part.

(b) You may not set-aside contracts for DBEs on DOT-assisted contracts subject to this part, except that, in limited and extreme circumstances, you may use set-asides when no other method could be reasonably expected to redress egregious instances of discrimination.

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§26.45 How do recipients set overall goals?

(a)(1) Except as provided in paragraph (a)(2) of this section, you must set an overall goal for DBE participation in your DOT-assisted contracts.

(2) If you are a FTA or FAA recipient who reasonably anticipates awarding (excluding transit vehicle purchases) \$250,000 or less in FTA or FAA funds in prime contracts in a Federal fiscal year, you are not required to develop overall goals for FTA or FAA respectively for that fiscal year. However, if you have an existing DBE program, it must remain in effect and you must seek to fulfill the objectives outlined in §26.1.

(b) Your overall goal must be based on demonstrable evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing and able to participate on your DOT-assisted contracts (hereafter, the "relative availability of DBEs"). The goal must reflect your determination of the level of DBE participation you would expect absent the effects of discrimination. You cannot simply rely on either the 10 percent national goal, your previous overall goal or past DBE participation rates in your program without reference to the relative availability of DBEs in your market.

(c) *Step 1.* You must begin your goal setting process by determining a base figure for the relative availability of DBEs. The following are examples of approaches that you may take toward determining a base figure. These examples are provided as a starting point for your goal setting process. Any percentage figure derived from one of these examples should be considered a basis from which you begin when examining all evidence available in your jurisdiction. ~~These examples are not intended~~ as an exhaustive list. Other methods or

combinations of methods to determine a base figure may be used, subject to approval by the concerned operating administration.

(1) *Use DBE Directories and Census Bureau Data.* Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) data base, determine the number of all ready, willing and able businesses available in your market that perform work in the same NAICS codes. (Information about the CBP data base may be obtained from the Census Bureau at their web site, www.census.gov/epcd/cbp/view/cbpview.html.) Divide the number of DBEs by the number of all businesses to derive a base figure for the relative availability of DBEs in your market.

(2) *Use a bidders list.* Determine the number of DBEs that have bid or quoted (successful and unsuccessful) on your DOT-assisted prime contracts or subcontracts in the past three years. Determine the number of all businesses that have bid or quoted (successful and unsuccessful) on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number of all businesses to derive a base figure for the relative availability of DBEs in your market. When using this approach, you must establish a mechanism (documented in your goal submission) to directly capture data on DBE and non-DBE prime and subcontractors that submitted bids or quotes on your DOT-assisted contracts.

(3) *Use data from a disparity study.* Use a percentage figure derived from data in a valid, applicable disparity study.

(4) *Use the goal of another DOT recipient.* If another DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.

(5) *Alternative methods.* Except as otherwise provided in this paragraph, you may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in your market. The exclusive use of a list of prequalified contractors or plan holders, or a bidders list that does not comply with the requirements of paragraph (c)(2) of this section, is not an acceptable alternative means of determining the availability of DBEs.

(d) *Step 2.* Once you have calculated a base figure, you must examine all of the evidence available in your jurisdiction to determine what adjustment, if any, is needed to the base figure to arrive at your overall goal. If the evidence does not suggest an adjustment is necessary, then no adjustment shall be made.

(1) There are many types of evidence that must be considered when adjusting the base figure. These include:

(i) The current capacity of DBEs to perform work in your DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years;

(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure; and

(iii) If your base figure is the goal of another recipient, you must adjust it for differences in your local market and your contracting program.

(2) If available, you must consider evidence from related fields that affect the opportunities for DBEs to form, grow and compete. These include, but are not limited to:

(i) Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate in your program;

(ii) Data on employment, self-employment, education, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.

(3) If you attempt to make an adjustment to your base figure to account for the continuing effects of past discrimination (often called the “but for” factor) or the effects of an ongoing DBE program, the adjustment must be based on demonstrable evidence that is logically and directly related to the effect for which the adjustment is sought.

(e) Once you have determined a percentage figure in accordance with paragraphs (c) and (d) of this section, you should express your overall goal as follows:

(1) If you are an FHWA recipient, as a percentage of all Federal-aid highway funds you will expend in FHWA-assisted contracts in the forthcoming three fiscal years.

(2) If you are an FTA or FAA recipient, as a percentage of all FT or FAA funds (exclusive of FTA funds to be used for the purchase of transit vehicles) that you will expend in FTA or FAA-assisted contracts in the three forthcoming fiscal years.

(3) In appropriate cases, the FHWA, FTA or FAA Administrator may permit or require you to express your overall goal as a percentage of funds for a particular grant or project or group of grants and/or projects, including entire projects. Like other overall goals, a project goal may be adjusted to reflect changed circumstances, with the concurrence of the appropriate operating administration.

(i) A project goal is an overall goal, and must meet all the substantive and procedural requirements of this section pertaining to overall goals.

(ii) A project goal covers the entire length of the project to which it applies.

(iii) The project goal should include a projection of the DBE participation anticipated to be obtained during each fiscal year covered by the project goal.

(iv) The funds for the project to which the project goal pertains are separated from the base from which your regular overall goal, applicable to contracts not part of the project covered by a project goal, is calculated.

(f)(1)(i) If you set your overall goal on a fiscal year basis, you must submit it to the applicable DOT operating administration by August 1 at three-year intervals, based on a schedule established by the FHWA, FTA, or FAA, as applicable, and posted on that agency's Web site.

(ii) You may adjust your three-year overall goal during the three-year period to which it applies, in order to reflect changed circumstances. You must submit such an adjustment to the concerned operating administration for review and approval.

(iii) The operating administration may direct you to undertake a review of your goal if necessary to ensure that the goal continues to fit your circumstances appropriately.

(iv) While you are required to submit an overall goal to FHWA, FTA, or FAA only every three years, the overall goal and the provisions of Sec. 26.47(c) apply to each year during that three-year period.

(v) You may make, for informational purposes, projections of your expected DBE achievements during each of the three years covered by your overall goal. However, it is the overall goal itself, and not these informational projections, to which the provisions of section 26.47(c) of this part apply.

(2) If you are a recipient and set your overall goal on a project or grant basis as provided in paragraph (e)(3) of this section, you must submit the goal for review at a time determined by the FHWA, FTA or FAA Administrator, as applicable.

(3) You must include with your overall goal submission a description of the methodology you used to establish the goal, including your base figure and the evidence with which it was calculated, and the adjustments you made to the base figure and the evidence you relied on for the adjustments. You should also include a summary listing of the relevant available evidence in your jurisdiction and, where applicable, an explanation of why you did not use that evidence to adjust your base figure. You must also include your projection of the portions of the overall goal you expect to meet through race-neutral and race-conscious measures, respectively (see 26.51(c)).

(4) You are not required to obtain prior operating administration concurrence with your overall goal. However, if the operating administration's review suggests that your overall goal has not been correctly calculated or that your method for calculating goals is inadequate, the operating administration may, after consulting with you, adjust your overall goal or require that you do so. The adjusted overall goal is binding on you. In evaluating the adequacy or soundness of the methodology used to derive the overall goal, the operating administration will be guided by goal setting principles and best practices identified by the Department in guidance issued pursuant to §26.9.

(5) If you need additional time to collect data or take other steps to develop an approach to setting overall goals, you may request the approval of the concerned operating administration for an interim goal and/or goal-setting mechanism. Such a mechanism must:

(i) Reflect the relative availability of DBEs in your local market to the maximum extent feasible given the data available to you; and

(ii) Avoid imposing undue burdens on non-DBEs.

(6) Timely submission and operating administration approval of your overall goal is a condition of eligibility for DOT financial assistance.

(7) If you fail to establish and implement goals as provided in this section, you are not in compliance with this part. If you establish and implement goals in a way different from that provided in this part, you are not in compliance with this part. If you fail to comply with this requirement, you are not eligible to receive DOT financial assistance.

(g)(1) In establishing an overall goal, you must provide for consultation and publication. This includes:

(i) Consultation with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have

information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and your efforts to establish a level playing field for the participation of DBEs. The consultation must include a scheduled, direct, interactive exchange (e.g., a face-to-face meeting, video conference, teleconference) with as many interested stakeholders as possible focused on obtaining information relevant to the goal setting process, and it must occur before you are required to submit your methodology to the operating administration for review pursuant to paragraph (f) of this section. You must document in your goal submission the consultation process you engaged in. Notwithstanding paragraph (f)(4) of this section, you may not implement your proposed goal until you have complied with this requirement.

(ii) A published notice announcing your proposed overall goal before submission to the operating administration on August 1st. The notice must be posted on your official Internet Web site and may be posted in any other sources (e.g., minority-focused media, trade association publications). If the proposed goal changes following review by the operating administration, the revised goal must be posted on your official Internet Web site.

(2) At your discretion, you may inform the public that the proposed overall goal and its rationale are available for inspection during normal business hours at your principal office and for a 30-day comment period. Notice of the comment period must include addresses to which comments may be sent. The public comment period will not extend the August 1st deadline set in paragraph (f) of this section.

(h) Your overall goals must provide for participation by all certified DBEs and must not be subdivided into group-specific goals.

[64 FR 5126, Feb. 2, 1999, as amended at 64 FR 34570, June 28, 1999; 65 FR 68951, Nov. 15, 2000; 68 FR 35553, June 16, 2003; 75 FR 5536, Feb. 3, 2010; 76 FR 5097, Jan. 28, 2011; 79 FR 59593, Oct. 2, 2014]

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§26.47 Can recipients be penalized for failing to meet overall goals?

(a) You cannot be penalized, or treated by the Department as being in noncompliance with this rule, because your DBE participation falls short of your overall goal, unless you have failed to administer your program in good faith.

(b) If you do not have an approved DBE program or overall goal, or if you fail to implement your program in good faith, you are in noncompliance with this part.

(c) If the awards and commitments shown on your Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall goal applicable to that fiscal year, you must do the following in order to be regarded by the Department as implementing your DBE program in good faith:

(1) Analyze in detail the reasons for the difference between the overall goal and your awards and commitments in that fiscal year;

(2) Establish specific steps and milestones to correct the problems you have identified in your analysis and to enable you to meet fully your goal for the new fiscal year;

(3)(i) If you are a state highway agency; one of the 50 largest transit authorities as determined by the FTA; or an Operational Evolution Partnership Plan airport or other airport

designated by the FAA, you must submit, within 90 days of the end of the fiscal year, the analysis and corrective actions developed under paragraphs (c)(1) and (2) of this section to the appropriate operating administration for approval. If the operating administration approves the report, you will be regarded as complying with the requirements of this section for the remainder of the fiscal year.

(ii) As a transit authority or airport not meeting the criteria of paragraph (c)(3)(i) of this section, you must retain analysis and corrective actions in your records for three years and make it available to FTA or FAA on request for their review.

(4) FHWA, FTA, or FAA may impose conditions on the recipient as part of its approval of the recipient's analysis and corrective actions including, but not limited to, modifications to your overall goal methodology, changes in your race-conscious/race-neutral split, or the introduction of additional race-neutral or race-conscious measures.

(5) You may be regarded as being in noncompliance with this Part, and therefore subject to the remedies in §26.103 or §26.105 of this part and other applicable regulations, for failing to implement your DBE program in good faith if any of the following things occur:

(i) You do not submit your analysis and corrective actions to FHWA, FTA, or FAA in a timely manner as required under paragraph (c)(3) of this section;

(ii) FHWA, FTA, or FAA disapproves your analysis or corrective actions; or

(iii) You do not fully implement the corrective actions to which you have committed or conditions that FHWA, FTA, or FAA has imposed following review of your analysis and corrective actions.

(d) If, as recipient, your Uniform Report of DBE Awards or Commitments and Payments or other information coming to the attention of FTA, FHWA, or FAA, demonstrates that current trends make it unlikely that you will achieve DBE awards and commitments that would be necessary to allow you to meet your overall goal at the end of the fiscal year, FHWA, FTA, or FAA, as applicable, may require you to make further good faith efforts, such as by modifying your race-conscious/race-neutral split or introducing additional race-neutral or race-conscious measures for the remainder of the fiscal year.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5098, Jan. 28, 2011]

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§26.49 How are overall goals established for transit vehicle manufacturers?

(a) If you are an FTA recipient, you must require in your DBE program that each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, certify that it has complied with the requirements of this section. You do not include FTA assistance used in transit vehicle procurements in the base amount from which your overall goal is calculated.

(1) Only those transit vehicle manufacturers listed on FTA's certified list of Transit Vehicle Manufacturers, or that have submitted a goal methodology to FTA that has been approved or has not been disapproved, at the time of solicitation are eligible to bid.

(2) A TVM's failure to implement the DBE Program in the manner as prescribed in this section and throughout 49 CFR part 26 will be deemed as non-compliance, which will result

in removal from FTA's certified TVMs list, resulting in that manufacturer becoming ineligible to bid.

(3) FTA recipient's failure to comply with the requirements set forth in paragraph (a) of this section may result in formal enforcement action or appropriate sanction as determined by FTA (e.g., FTA declining to participate in the vehicle procurement).

(4) FTA recipients are required to submit within 30 days of making an award, the name of the successful bidder, and the total dollar value of the contract in the manner prescribed in the grant agreement.

(b) If you are a transit vehicle manufacturer, you must establish and submit for FTA's approval an annual overall percentage goal.

(1) In setting your overall goal, you should be guided, to the extent applicable, by the principles underlying §26.45. The base from which you calculate this goal is the amount of FTA financial assistance included in transit vehicle contracts you will bid on during the fiscal year in question, less the portion(s) attributable to the manufacturing process performed entirely by the transit vehicle manufacturer's own forces.

(i) You must consider and include in your base figure all domestic contracting opportunities made available to non-DBE firms; and

(ii) You must exclude from this base figure funds attributable to work performed outside the United States and its territories, possessions, and commonwealths.

(iii) In establishing an overall goal, the transit vehicle manufacturer must provide for public participation. This includes consultation with interested parties consistent with §26.45(g).

(2) The requirements of this part with respect to submission and approval of overall goals apply to you as they do to recipients.

(c) Transit vehicle manufacturers awarded must comply with the reporting requirements of §26.11 of this part including the requirement to submit the Uniform Report of Awards or Commitments and Payments, in order to remain eligible to bid on FTA assisted transit vehicle procurements.

(d) Transit vehicle manufacturers must implement all other applicable requirements of this part, except those relating to UCPs and DBE certification procedures.

(e) If you are an FHWA or FAA recipient, you may, with FHWA or FAA approval, use the procedures of this section with respect to procurements of vehicles or specialized equipment. If you choose to do so, then the manufacturers of this equipment must meet the same requirements (including goal approval by FHWA or FAA) as transit vehicle manufacturers must meet in FTA-assisted procurements.

(f) As a recipient you may, with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of complying through the procedures of this section.

[79 FR 59594, Oct. 2, 2014]

§26.51 What means do recipients use to meet overall goals?

(a) You must meet the maximum feasible portion of your overall goal by using race-neutral means of facilitating race-neutral DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract on a prime contract that does not carry a DBE contract goal.

(b) Race-neutral means include, but are not limited to, the following:

(1) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under §26.39 of this part.

(2) Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing);

(3) Providing technical assistance and other services;

(4) Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);

(5) Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;

(6) Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;

(7) Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;

(8) Ensuring distribution of your DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and

(9) Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

(c) Each time you submit your overall goal for review by the concerned operating administration, you must also submit your projection of the portion of the goal that you expect to meet through race-neutral means and your basis for that projection. This projection is subject to approval by the concerned operating administration, in conjunction with its review of your overall goal.

(d) You must establish contract goals to meet any portion of your overall goal you do not project being able to meet using race-neutral means.

(e) The following provisions apply to the use of contract goals:

(1) You may use contract goals only on those DOT-assisted contracts that have subcontracting possibilities.

(2) You are not required to set a contract goal on every DOT-assisted contract. You are not required to set each contract goal at the same percentage level as the overall goal. The goal for a specific contract may be higher or lower than that percentage level of the overall goal, depending on such factors as the type of work involved, the location of the work, and the availability of DBEs for the work of the particular contract. However, over the period covered by your overall goal, you must set contract goals so that they will cumulatively result in meeting any portion of your overall goal you do not project being able to meet through the use of race-neutral means.

(3) Operating administration approval of each contract goal is not necessarily required. However, operating administrations may review and approve or disapprove any contract goal you establish.

(4) Your contract goals must provide for participation by all certified DBEs and must not be subdivided into group-specific goals.

(f) To ensure that your DBE program continues to be narrowly tailored to overcome the effects of discrimination, you must adjust your use of contract goals as follows:

(1) If your approved projection under paragraph (c) of this section estimates that you can meet your entire overall goal for a given year through race-neutral means, you must implement your program without setting contract goals during that year, unless it becomes necessary in order meet your overall goal.

Example to paragraph (f)(1): Your overall goal for Year 1 is 12 percent. You estimate that you can obtain 12 percent or more DBE participation through the use of race-neutral measures, without any use of contract goals. In this case, you do not set any contract goals for the contracts that will be performed in Year 1. However, if part way through Year 1, your DBE awards or commitments are not at a level that would permit you to achieve your overall goal for Year 1, you could begin setting race-conscious DBE contract goals during the remainder of the year as part of your obligation to implement your program in good faith.

(2) If, during the course of any year in which you are using contract goals, you determine that you will exceed your overall goal, you must reduce or eliminate the use of contract goals to the extent necessary to ensure that the use of contract goals does not result in exceeding the overall goal. If you determine that you will fall short of your overall goal, then you must make appropriate modifications in your use of race-neutral and/or race-conscious measures to allow you to meet the overall goal.

Example to paragraph (f)(2): In Year II, your overall goal is 12 percent. You have estimated that you can obtain 5 percent DBE participation through use of race-neutral measures. You therefore plan to obtain the remaining 7 percent participation through use of DBE goals. By September, you have already obtained 11 percent DBE participation for the year. For contracts let during the remainder of the year, you use contract goals only to the extent necessary to obtain an additional one percent DBE participation. However, if you determine in September that your participation for the year is likely to be only 8 percent total, then you would increase your use of race-neutral and/or race-conscious means during the remainder of the year in order to achieve your overall goal.

(3) If the DBE participation you have obtained by race-neutral means alone meets or exceeds your overall goals for two consecutive years, you are not required to make a projection of the amount of your goal you can meet using such means in the next year. You do not set contract goals on any contracts in the next year. You continue using only race-

neutral means to meet your overall goals unless and until you do not meet your overall goal for a year.

Example to paragraph (f)(3): Your overall goal for Years I and Year II is 10 percent. The DBE participation you obtain through race-neutral measures alone is 10 percent or more in each year. (For this purpose, it does not matter whether you obtained additional DBE participation through using contract goals in these years.) In Year III and following years, you do not need to make a projection under paragraph (c) of this section of the portion of your overall goal you expect to meet using race-neutral means. You simply use race-neutral means to achieve your overall goals. However, if in Year VI your DBE participation falls short of your overall goal, then you must make a paragraph (c) projection for Year VII and, if necessary, resume use of contract goals in that year.

(4) If you obtain DBE participation that exceeds your overall goal in two consecutive years through the use of contract goals (*i.e.*, not through the use of race-neutral means alone), you must reduce your use of contract goals proportionately in the following year.

Example to paragraph (f)(4): In Years I and II, your overall goal is 12 percent, and you obtain 14 and 16 percent DBE participation, respectively. You have exceeded your goals over the two-year period by an average of 25 percent. In Year III, your overall goal is again 12 percent, and your paragraph (c) projection estimates that you will obtain 4 percent DBE participation through race-neutral means and 8 percent through contract goals. You then reduce the contract goal projection by 25 percent (*i.e.*, from 8 to 6 percent) and set contract goals accordingly during the year. If in Year III you obtain 11 percent participation, you do not use this contract goal adjustment mechanism for Year IV, because there have not been two *consecutive* years of exceeding overall goals.

(g) In any year in which you project meeting part of your goal through race-neutral means and the remainder through contract goals, you must maintain data separately on DBE achievements in those contracts with and without contract goals, respectively. You must report this data to the concerned operating administration as provided in §26.11.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5098, Jan. 28, 2011; 79 FR 59595, Oct. 2, 2014]

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§26.53 What are the good faith efforts procedures recipients follow in situations where there are contract goals?

(a) When you have established a DBE contract goal, you must award the contract only to a bidder/offeror who makes good faith efforts to meet it. You must determine that a bidder/offeror has made good faith efforts if the bidder/offeror does either of the following things:

(1) Documents that it has obtained enough DBE participation to meet the goal; or

(2) Documents that it made adequate good faith efforts to meet the goal, even though it did not succeed in obtaining enough DBE participation to do so. If the bidder/offeror does document adequate good faith efforts, you must not deny award of the contract on the basis that the bidder/offeror failed to meet the goal. See Appendix A of this part for guidance in determining the adequacy of a bidder/offeror's good faith efforts.

(b) In your solicitations for DOT-assisted contracts for which a contract goal has been established, you must require the following:

(1) Award of the contract will be conditioned on meeting the requirements of this section;

(2) All bidders or offerors will be required to submit the following information to the recipient, at the time provided in paragraph (b)(3) of this section:

(i) The names and addresses of DBE firms that will participate in the contract;

(ii) A description of the work that each DBE will perform. To count toward meeting a goal, each DBE firm must be certified in a NAICS code applicable to the kind of work the firm would perform on the contract;

(iii) The dollar amount of the participation of each DBE firm participating;

(iv) Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet a contract goal; and

(v) Written confirmation from each listed DBE firm that it is participating in the contract in the kind and amount of work provided in the prime contractor's commitment.

(vi) If the contract goal is not met, evidence of good faith efforts (see Appendix A of this part). The documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract; and

(3)(i) At your discretion, the bidder/offeror must present the information required by paragraph (b)(2) of this section—

(A) Under sealed bid procedures, as a matter of responsiveness, or with initial proposals, under contract negotiation procedures; or

(B) No later than 7 days after bid opening as a matter of responsibility. The 7 days shall be reduced to 5 days beginning January 1, 2017.

(ii) Provided that, in a negotiated procurement, including a design-build procurement, the bidder/offeror may make a contractually binding commitment to meet the goal at the time of bid submission or the presentation of initial proposals but provide the information required by paragraph (b)(2) of this section before the final selection for the contract is made by the recipient.

(c) You must make sure all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before committing yourself to the performance of the contract by the bidder/offeror.

(d) If you determine that the apparent successful bidder/offeror has failed to meet the requirements of paragraph (a) of this section, you must, before awarding the contract, provide the bidder/offeror an opportunity for administrative reconsideration.

(1) As part of this reconsideration, the bidder/offeror must have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so.

(2) Your decision on reconsideration must be made by an official who did not take part in the original determination that the bidder/offeror failed to meet the goal or make adequate good faith efforts to do so.

(3) The bidder/offeror must have the opportunity to meet in person with your reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so.

(4) You must send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so.

(5) The result of the reconsideration process is not administratively appealable to the Department of Transportation.

(e) In a "design-build" or "turnkey" contracting situation, in which the recipient lets a master contract to a contractor, who in turn lets subsequent subcontracts for the work of the project, a recipient may establish a goal for the project. The master contractor then establishes contract goals, as appropriate, for the subcontracts it lets. Recipients must maintain oversight of the master contractor's activities to ensure that they are conducted consistent with the requirements of this part.

(f)(1)(i) You must require that a prime contractor not terminate a DBE subcontractor listed in response to paragraph (b)(2) of this section (or an approved substitute DBE firm) without your prior written consent. This includes, but is not limited to, instances in which a prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

(ii) You must include in each prime contract a provision stating:

(A) That the contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains your written consent as provided in this paragraph (f); and

(B) That, unless your consent is provided under this paragraph (f), the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

(2) You may provide such written consent only if you agree, for reasons stated in your concurrence document, that the prime contractor has good cause to terminate the DBE firm.

(3) For purposes of this paragraph, good cause includes the following circumstances:

(i) The listed DBE subcontractor fails or refuses to execute a written contract;

(ii) The listed DBE subcontractor fails or refuses to perform the work of its subcontract in a way consistent with normal industry standards. Provided, however, that good cause does not exist if the failure or refusal of the DBE subcontractor to perform its work on the subcontract results from the bad faith or discriminatory action of the prime contractor;

(iii) The listed DBE subcontractor fails or refuses to meet the prime contractor's reasonable, nondiscriminatory bond requirements.

(iv) The listed DBE subcontractor becomes bankrupt, insolvent, or exhibits credit unworthiness;

(v) The listed DBE subcontractor is ineligible to work on public works projects because of suspension and debarment proceedings pursuant 2 CFR Parts 180, 215 and 1,200 or applicable state law;

(vii) You have determined that the listed DBE subcontractor is not a responsible contractor.

(vi) The listed DBE subcontractor voluntarily withdraws from the project and provides to you written notice of its withdrawal;

(vii) The listed DBE is ineligible to receive DBE credit for the type of work required;

(viii) A DBE owner dies or becomes disabled with the result that the listed DBE contractor is unable to complete its work on the contract;

(ix) Other documented good cause that you determine compels the termination of the DBE subcontractor. Provided, that good cause does not exist if the prime contractor seeks to terminate a DBE it relied upon to obtain the contract so that the prime contractor can self-perform the work for which the DBE contractor was engaged or so that the prime contractor can substitute another DBE or non-DBE contractor after contract award.

(4) Before transmitting to you its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to you, of its intent to request to terminate and/or substitute, and the reason for the request.

(5) The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise you and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why you should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), you may provide a response period shorter than five days.

(6) In addition to post-award terminations, the provisions of this section apply to preaward deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

(g) When a DBE subcontractor is terminated as provided in paragraph (f) of this section, or fails to complete its work on the contract for any reason, you must require the prime contractor to make good faith efforts to find another DBE subcontractor to substitute for the original DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the DBE that was terminated, to the extent needed to meet the contract goal you established for the procurement. The good faith efforts shall be documented by the contractor. If the recipient requests documentation under this provision, the contractor shall submit the documentation within 7 days, which may be extended for an additional 7 days if necessary at the request of the contractor, and the recipient shall provide a written determination to the contractor stating whether or not good faith efforts have been demonstrated.

(h) You must include in each prime contract the contract clause required by §26.13(b) stating that failure by the contractor to carry out the requirements of this part is a material breach of the contract and may result in the termination of the contract or such other remedies set forth in that section you deem appropriate if the prime contractor fails to comply with the requirements of this section.

(i) You must apply the requirements of this section to DBE bidders/offerors for prime contracts. In determining whether a DBE bidder/offeror for a prime contract has met a contract goal, you count the work the DBE has committed to performing with its own forces as well as the work that it has committed to be performed by DBE subcontractors and DBE suppliers.

(j) You must require the contractor awarded the contract to make available upon request a copy of all DBE subcontracts. The subcontractor shall ensure that all subcontracts or an agreement with DBEs to supply labor or materials require that the subcontract and all lower tier subcontractors be performed in accordance with this part's provisions.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5098, Jan. 28, 2011; 79 FR 59595, Oct. 2, 2014]

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§26.55 How is DBE participation counted toward goals?

(a) When a DBE participates in a contract, you count only the value of the work actually performed by the DBE toward DBE goals.

(1) Count the entire amount of that portion of a construction contract (or other contract not covered by paragraph (a)(2) of this section) that is performed by the DBE's own forces. Include the cost of supplies and materials obtained by the DBE for the work of the contract, including supplies purchased or equipment leased by the DBE (except supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate).

(2) Count the entire amount of fees or commissions charged by a DBE firm for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of a DOT-assisted contract, toward DBE goals, provided you determine the fee to be reasonable and not excessive as compared with fees customarily allowed for similar services.

(3) When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward DBE goals only if the DBE's subcontractor is itself a DBE. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE goals.

(b) When a DBE performs as a participant in a joint venture, count a portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the DBE performs with its own forces toward DBE goals.

(c) Count expenditures to a DBE contractor toward DBE goals only if the DBE is performing a commercially useful function on that contract.

(1) A DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. To determine whether a DBE is performing a commercially useful function, you must evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the DBE credit claimed for its performance of the work, and other relevant factors.

(2) A DBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such

an extra participant, you must examine similar transactions, particularly those in which DBEs do not participate.

(3) If a DBE does not perform or exercise responsibility for at least 30 percent of the total cost of its contract with its own work force, or the DBE subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved, you must presume that it is not performing a commercially useful function.

(4) When a DBE is presumed not to be performing a commercially useful function as provided in paragraph (c)(3) of this section, the DBE may present evidence to rebut this presumption. You may determine that the firm is performing a commercially useful function given the type of work involved and normal industry practices.

(5) Your decisions on commercially useful function matters are subject to review by the concerned operating administration, but are not administratively appealable to DOT.

(d) Use the following factors in determining whether a DBE trucking company is performing a commercially useful function:

(1) The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.

(2) The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.

(3) The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.

(4) The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.

(5) The DBE may also lease trucks from a non-DBE firm, including from an owner-operator. The DBE that leases trucks equipped with drivers from a non-DBE is entitled to credit for the total value of transportation services provided by non-DBE leased trucks equipped with drivers not to exceed the value of transportation services on the contract provided by DBE-owned trucks or leased trucks with DBE employee drivers. Additional participation by non-DBE owned trucks equipped with drivers receives credit only for the fee or commission it receives as a result of the lease arrangement. If a recipient chooses this approach, it must obtain written consent from the appropriate DOT operating administration.

Example to paragraph (d)(5): DBE Firm X uses two of its own trucks on a contract. It leases two trucks from DBE Firm Y and six trucks equipped with drivers from non-DBE Firm Z. DBE credit would be awarded for the total value of transportation services provided by Firm X and Firm Y, and may also be awarded for the total value of transportation services provided by four of the six trucks provided by Firm Z. In all, full credit would be allowed for the participation of eight trucks. DBE credit could be awarded only for the fees or commissions pertaining to the remaining trucks Firm X receives as a result of the lease with Firm Z.

(6) The DBE may lease trucks without drivers from a non-DBE truck leasing company. If the DBE leases trucks from a non-DBE truck leasing company and uses its own employees as drivers, it is entitled to credit for the total value of these hauling services.

Example to paragraph (d)(6): DBE Firm X uses two of its own trucks on a contract. It leases two additional trucks from non-DBE Firm Z. Firm X uses its own employees to drive the trucks leased from Firm Z. DBE credit would be awarded for the total value of the transportation services provided by all four trucks.

(7) For purposes of this paragraph (d), a lease must indicate that the DBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the DBE.

(e) Count expenditures with DBEs for materials or supplies toward DBE goals as provided in the following:

(1)(i) If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies toward DBE goals.

(ii) For purposes of this paragraph (e)(1), a manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.

(2)(i) If the materials or supplies are purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies toward DBE goals.

(ii) For purposes of this section, a regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

(A) To be a regular dealer, the firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question.

(B) A person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business as provided in this paragraph (e)(2)(ii) if the person both owns and operates distribution equipment for the products. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis.

(C) Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not regular dealers within the meaning of this paragraph (e)(2).

(3) With respect to materials or supplies purchased from a DBE which is neither a manufacturer nor a regular dealer, count the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on a job site, toward DBE goals, provided you determine the fees to be reasonable and not excessive as compared with fees customarily allowed for similar services. Do not count any portion of the cost of the materials and supplies themselves toward DBE goals, however.

(4) You must determine the amount of credit awarded to a firm for the provisions of materials and supplies (e.g., whether a firm is acting as a regular dealer or a transaction

expediter) on a contract-by-contract basis.

(f) If a firm is not currently certified as a DBE in accordance with the standards of subpart D of this part at the time of the execution of the contract, do not count the firm's participation toward any DBE goals, except as provided for in §26.87(i).

(g) Do not count the dollar value of work performed under a contract with a firm after it has ceased to be certified toward your overall goal.

(h) Do not count the participation of a DBE subcontractor toward a contractor's final compliance with its DBE obligations on a contract until the amount being counted has actually been paid to the DBE.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 68 FR 35554, June 16, 2003; 79 FR 59595, Oct. 2, 2014]

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Subpart D—Certification Standards

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§26.61 How are burdens of proof allocated in the certification process?

(a) In determining whether to certify a firm as eligible to participate as a DBE, you must apply the standards of this subpart.

(b) The firm seeking certification has the burden of demonstrating to you, by a preponderance of the evidence, that it meets the requirements of this subpart concerning group membership or individual disadvantage, business size, ownership, and control.

(c) You must rebuttably presume that members of the designated groups identified in §26.67(a) are socially and economically disadvantaged. This means they do not have the burden of proving to you that they are socially and economically disadvantaged. In order to obtain the benefit of the rebuttable presumption, individuals must submit a signed, notarized statement that they are a member of one of the groups in §26.67(a). Applicants do have the obligation to provide you information concerning their economic disadvantage (see §26.67).

(d) Individuals who are not presumed to be socially and economically disadvantaged, and individuals concerning whom the presumption of disadvantage has been rebutted, have the burden of proving to you, by a preponderance of the evidence, that they are socially and economically disadvantaged. (See Appendix E of this part.)

(e) You must make determinations concerning whether individuals and firms have met their burden of demonstrating group membership, ownership, control, and social and economic disadvantage (where disadvantage must be demonstrated on an individual basis) by considering all the facts in the record, viewed as a whole.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35554, June 16, 2003]

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§26.63 What rules govern group membership determinations?

(a)(1) If, after reviewing the signed notarized statement of membership in a presumptively disadvantaged group (see §26.61(c)), you have a well founded reason to question the individual's claim of membership in that group, you must require the individual to present additional evidence that he or she is a member of the group.

(2) You must provide the individual a written explanation of your reasons for questioning his or her group membership and a written request for additional evidence as outlined in paragraph (b) of this section.

(3) In implementing this section, you must take special care to ensure that you do not impose a disproportionate burden on members of any particular designated group. Imposing a disproportionate burden on members of a particular group could violate §26.7(b) and/or Title VI of the Civil Rights Act of 1964 and 49 CFR part 21.

(b) In making such a determination, you must consider whether the person has held himself out to be a member of the group over a long period of time prior to application for certification and whether the person is regarded as a member of the group by the relevant community. You may require the applicant to produce appropriate documentation of group membership.

(1) If you determine that an individual claiming to be a member of a group presumed to be disadvantaged is not a member of a designated disadvantaged group, the individual must demonstrate social and economic disadvantage on an individual basis.

(2) Your decisions concerning membership in a designated group are subject to the certification appeals procedure of §26.89.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35554, June 16, 2003]

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§26.65 What rules govern business size determinations?

(a) To be an eligible DBE, a firm (including its affiliates) must be an existing small business, as defined by Small Business Administration (SBA) standards. As a recipient, you must apply current SBA business size standard(s) found in 13 CFR part 121 appropriate to the type(s) of work the firm seeks to perform in DOT-assisted contracts, including the primary industry classification of the applicant.

(b) Even if it meets the requirements of paragraph (a) of this section, a firm is not an eligible DBE for the purposes of Federal Highway Administration and Federal Transit Administration-assisted work in any Federal fiscal year if the firm (including its affiliates) has had average annual gross receipts, as defined by SBA regulations (see 13 CFR 121.104), over the firm's previous three fiscal years, in excess of \$26.29 million. The Department will adjust this amount for inflation on an annual basis. The adjusted amount will be published on the Department's website in subsequent years.

(c) The Department adjusts the number in paragraph (b) of this section annually using the Department of Commerce price deflators for purchases by State and local governments as the basis for this adjustment.

[74 FR 15224, Apr. 3, 2009, as amended at 79 FR 59596, Oct. 2, 2014; 85 FR 80647, Dec. 14, 2020]

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§26.67 What rules determine social and economic disadvantage?

(a) *Presumption of disadvantage.* (1) You must rebuttably presume that citizens of the United States (or lawfully admitted permanent residents) who are women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, or other minorities found to be disadvantaged by the SBA, are socially and economically disadvantaged individuals. You must require applicants to submit a signed, notarized certification that each presumptively disadvantaged owner is, in fact, socially and economically disadvantaged.

(2)(i) You must require each individual owner of a firm applying to participate as a DBE, whose ownership and control are relied upon for DBE certification, to certify that he or she has a personal net worth that does not exceed \$1.32 million.

(ii) You must require each individual who makes this certification to support it with a signed, notarized statement of personal net worth, with appropriate supporting documentation. To meet this requirement, you must use the DOT personal net worth form provided in appendix G to this part without change or revision. Where necessary to accurately determine an individual's personal net worth, you may, on a case-by-case basis, require additional financial information from the owner of an applicant firm (e.g., information concerning the assets of the owner's spouse, where needed to clarify whether assets have been transferred to the spouse or when the owner's spouse is involved in the operation of the company). Requests for additional information shall not be unduly burdensome or intrusive.

(iii) In determining an individual's net worth, you must observe the following requirements:

(A) Exclude an individual's ownership interest in the applicant firm;

(B) Exclude the individual's equity in his or her primary residence (except any portion of such equity that is attributable to excessive withdrawals from the applicant firm). The equity is the market value of the residence less any mortgages and home equity loan balances. Recipients must ensure that home equity loan balances are included in the equity calculation and not as a separate liability on the individual's personal net worth form. Exclusions for net worth purposes are not exclusions for asset valuation or access to capital and credit purposes.

(C) Do not use a contingent liability to reduce an individual's net worth.

(D) With respect to assets held in vested pension plans, Individual Retirement Accounts, 401(k) accounts, or other retirement savings or investment programs in which the assets cannot be distributed to the individual at the present time without significant adverse tax or interest consequences, include only the present value of such assets, less the tax and interest penalties that would accrue if the asset were distributed at the present time.

(iv) Notwithstanding any provision of Federal or State law, you must not release an individual's personal net worth statement nor any documents pertaining to it to any third party without the written consent of the submitter. Provided, that you must transmit this information to DOT in any certification appeal proceeding under §26.89 of this part or to any other State to which the individual's firm has applied for certification under §26.85 of this part.

(b) *Rebuttal of presumption of disadvantage.* (1) An individual's presumption of economic disadvantage may be rebutted in two ways.

(i) If the statement of personal net worth and supporting documentation that an individual submits under paragraph (a)(2) of this section shows that the individual's personal net worth exceeds \$1.32 million, the individual's presumption of economic disadvantage is rebutted. You are not required to have a proceeding under paragraph (b)(2) of this section in order to rebut the presumption of economic disadvantage in this case.

Example to paragraph (b)(1)(i): An individual with very high assets and significant liabilities may, in accounting terms, have a PNW of less than \$1.32 million. However, the person's assets collectively (e.g., high income level, a very expensive house, a yacht, extensive real or personal property holdings) may lead a reasonable person to conclude that he or she is not economically disadvantaged. The recipient may rebut the individual's presumption of economic disadvantage under these circumstances, as provided in this section, even though the individual's PNW is less than \$1.32 million.

(ii)(A) If the statement of personal net worth and supporting documentation that an individual submits under paragraph (a)(2) of this section demonstrates that the individual is able to accumulate substantial wealth, the individual's presumption of economic disadvantage is rebutted. In making this determination, as a certifying agency, you may consider factors that include, but are not limited to, the following:

(1) Whether the average adjusted gross income of the owner over the most recent three year period exceeds \$350,000;

(2) Whether the income was unusual and not likely to occur in the future;

(3) Whether the earnings were offset by losses;

(4) Whether the income was reinvested in the firm or used to pay taxes arising in the normal course of operations by the firm;

(5) Other evidence that income is not indicative of lack of economic disadvantage; and

(6) Whether the total fair market value of the owner's assets exceed \$6 million.

(B) You must have a proceeding under paragraph (b)(2) of this section in order to rebut the presumption of economic disadvantage in this case.

(2) If you have a reasonable basis to believe that an individual who is a member of one of the designated groups is not, in fact, socially and/or economically disadvantaged you may, at any time, start a proceeding to determine whether the presumption should be regarded as rebutted with respect to that individual. Your proceeding must follow the procedures of §26.87.

(3) In such a proceeding, you have the burden of demonstrating, by a preponderance of the evidence, that the individual is not socially and economically disadvantaged. You may require the individual to produce information relevant to the determination of his or her disadvantage.

(4) When an individual's presumption of social and/or economic disadvantage has been rebutted, his or her ownership and control of the firm in question cannot be used for purposes of DBE eligibility under this subpart unless and until he or she makes an individual showing of social and/or economic disadvantage. If the basis for rebutting the presumption is a determination that the individual's personal net worth exceeds \$1.32 million, the individual is no longer eligible for participation in the program and cannot regain eligibility by making an individual showing of disadvantage, so long as his or her PNW remains above that amount.

(c) *Transfers within two years.* (1) Except as set forth in paragraph (c)(2) of this section, recipients must attribute to an individual claiming disadvantaged status any assets which that individual has transferred to an immediate family member, to a trust a beneficiary of which is an immediate family member, or to the applicant firm for less than fair market value, within two years prior to a concern's application for participation in the DBE program or within two years of recipient's review of the firm's annual affidavit, unless the individual claiming disadvantaged status can demonstrate that the transfer is to or on behalf of an immediate family member for that individual's education, medical expenses, or some other form of essential support.

(2) Recipients must not attribute to an individual claiming disadvantaged status any assets transferred by that individual to an immediate family member that are consistent with the customary recognition of special occasions, such as birthdays, graduations, anniversaries, and retirements.

(d) *Individual determinations of social and economic disadvantage.* Firms owned and controlled by individuals who are not presumed to be socially and economically disadvantaged (including individuals whose presumed disadvantage has been rebutted) may apply for DBE certification. You must make a case-by-case determination of whether each individual whose ownership and control are relied upon for DBE certification is socially and economically disadvantaged. In such a proceeding, the applicant firm has the burden of demonstrating to you, by a preponderance of the evidence, that the individuals who own and control it are socially and economically disadvantaged. An individual whose personal net worth exceeds \$1.32 million shall not be deemed to be economically disadvantaged. In making these determinations, use the guidance found in Appendix E of this part. You must require that applicants provide sufficient information to permit determinations under the guidance of appendix E of this part.

[79 FR 59596, Oct. 2, 2014]

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§26.69 What rules govern determinations of ownership?

(a) In determining whether the socially and economically disadvantaged participants in a firm own the firm, you must consider all the facts in the record viewed as a whole, including the origin of all assets and how and when they were used in obtaining the firm. All transactions for the establishment and ownership (or transfer of ownership) must be in the normal course of business, reflecting commercial and arms-length practices.

(b) To be an eligible DBE, a firm must be at least 51 percent owned by socially and economically disadvantaged individuals.

(1) In the case of a corporation, such individuals must own at least 51 percent of the each class of voting stock outstanding and 51 percent of the aggregate of all stock outstanding.

(2) In the case of a partnership, 51 percent of each class of partnership interest must be owned by socially and economically disadvantaged individuals. Such ownership must be reflected in the firm's partnership agreement.

(3) In the case of a limited liability company, at least 51 percent of each class of member interest must be owned by socially and economically disadvantaged individuals.

(c)(1) The firm's ownership by socially and economically disadvantaged individuals, including their contribution of capital or expertise to acquire their ownership interests, must be real, substantial, and continuing, going beyond pro forma ownership of the firm as reflected in ownership documents. Proof of contribution of capital should be submitted at the time of the application. When the contribution of capital is through a loan, there must be documentation of the value of assets used as collateral for the loan.

(2) Insufficient contributions include a promise to contribute capital, an unsecured note payable to the firm or an owner who is not a disadvantaged individual, mere participation in a firm's activities as an employee, or capitalization not commensurate with the value for the firm.

(3) The disadvantaged owners must enjoy the customary incidents of ownership, and share in the risks and be entitled to the profits and loss commensurate with their ownership interests, as demonstrated by the substance, not merely the form, of arrangements. Any terms or practices that give a non-disadvantaged individual or firm a priority or superior right to a firm's profits, compared to the disadvantaged owner(s), are grounds for denial.

(4) Debt instruments from financial institutions or other organizations that lend funds in the normal course of their business do not render a firm ineligible, even if the debtor's ownership interest is security for the loan.

Examples to paragraph (c): (i) An individual pays \$100 to acquire a majority interest in a firm worth \$1 million. The individual's contribution to capital would not be viewed as substantial.

(ii) A 51% disadvantaged owner and a non-disadvantaged 49% owner contribute \$100 and \$10,000, respectively, to acquire a firm grossing \$1 million. This may be indicative of a pro forma arrangement that does not meet the requirements of (c)(1).

(iii) The disadvantaged owner of a DBE applicant firm spends \$250 to file articles of incorporation and obtains a \$100,000 loan, but makes only nominal or sporadic payments to repay the loan. This type of contribution is not of a continuing nature.

(d) All securities that constitute ownership of a firm shall be held directly by disadvantaged persons. Except as provided in this paragraph (d), no securities or assets held in trust, or by any guardian for a minor, are considered as held by disadvantaged persons in determining the ownership of a firm. However, securities or assets held in trust are regarded as held by a disadvantaged individual for purposes of determining ownership of the firm, if—

(1) The beneficial owner of securities or assets held in trust is a disadvantaged individual, and the trustee is the same or another such individual; or

(2) The beneficial owner of a trust is a disadvantaged individual who, rather than the trustee, exercises effective control over the management, policy-making, and daily operational activities of the firm. Assets held in a revocable living trust may be counted only in the situation where the same disadvantaged individual is the sole grantor, beneficiary, and trustee.

(e) The contributions of capital or expertise by the socially and economically disadvantaged owners to acquire their ownership interests must be real and substantial. Examples of insufficient contributions include a promise to contribute capital, an unsecured note payable to the firm or an owner who is not a disadvantaged individual, or mere participation in a firm's activities as an employee. Debt instruments from financial institutions

or other organizations that lend funds in the normal course of their business do not render a firm ineligible, even if the debtor's ownership interest is security for the loan.

(f) The following requirements apply to situations in which expertise is relied upon as part of a disadvantaged owner's contribution to acquire ownership:

(1) The owner's expertise must be—

(i) In a specialized field;

(ii) Of outstanding quality;

(iii) In areas critical to the firm's operations;

(iv) Indispensable to the firm's potential success;

(v) Specific to the type of work the firm performs; and

(vi) Documented in the records of the firm. These records must clearly show the contribution of expertise and its value to the firm.

(2) The individual whose expertise is relied upon must have a significant financial investment in the firm.

(g) You must always deem as held by a socially and economically disadvantaged individual, for purposes of determining ownership, all interests in a business or other assets obtained by the individual—

(1) As the result of a final property settlement or court order in a divorce or legal separation, provided that no term or condition of the agreement or divorce decree is inconsistent with this section; or

(2) Through inheritance, or otherwise because of the death of the former owner.

(h)(1) You must presume as not being held by a socially and economically disadvantaged individual, for purposes of determining ownership, all interests in a business or other assets obtained by the individual as the result of a gift, or transfer without adequate consideration, from any non-disadvantaged individual or non-DBE firm who is—

(i) Involved in the same firm for which the individual is seeking certification, or an affiliate of that firm;

(ii) Involved in the same or a similar line of business; or

(iii) Engaged in an ongoing business relationship with the firm, or an affiliate of the firm, for which the individual is seeking certification.

(2) To overcome this presumption and permit the interests or assets to be counted, the disadvantaged individual must demonstrate to you, by clear and convincing evidence, that—

(i) The gift or transfer to the disadvantaged individual was made for reasons other than obtaining certification as a DBE; and

(ii) The disadvantaged individual actually controls the management, policy, and operations of the firm, or an affiliate of the firm, and the continuing participation of a non-disadvantaged

Attachment 6 firm, notwithstanding the continuing participation of a non-disadvantaged individual who provided the gift or transfer.

(i) You must apply the following rules in situations in which marital assets form a basis for ownership of a firm:

(1) When marital assets (other than the assets of the business in question), held jointly or as community property by both spouses, are used to acquire the ownership interest asserted by one spouse, you must deem the ownership interest in the firm to have been acquired by that spouse with his or her own individual resources, provided that the other spouse irrevocably renounces and transfers all rights in the ownership interest in the manner sanctioned by the laws of the state in which either spouse or the firm is domiciled. You do not count a greater portion of joint or community property assets toward ownership than state law would recognize as belonging to the socially and economically disadvantaged owner of the applicant firm.

(2) A copy of the document legally transferring and renouncing the other spouse's rights in the jointly owned or community assets used to acquire an ownership interest in the firm must be included as part of the firm's application for DBE certification.

(j) You may consider the following factors in determining the ownership of a firm. However, you must not regard a contribution of capital as failing to be real and substantial, or find a firm ineligible, solely because—

(1) A socially and economically disadvantaged individual acquired his or her ownership interest as the result of a gift, or transfer without adequate consideration, other than the types set forth in paragraph (h) of this section;

(2) There is a provision for the co-signature of a spouse who is not a socially and economically disadvantaged individual on financing agreements, contracts for the purchase or sale of real or personal property, bank signature cards, or other documents; or

(3) Ownership of the firm in question or its assets is transferred for adequate consideration from a spouse who is not a socially and economically disadvantaged individual to a spouse who is such an individual. In this case, you must give particularly close and careful scrutiny to the ownership and control of a firm to ensure that it is owned and controlled, in substance as well as in form, by a socially and economically disadvantaged individual.

[64 FR 5126, Feb. 2, 1999, as amended at 79 FR 59597, Oct. 2, 2014]

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§26.71 What rules govern determinations concerning control?

(a) In determining whether socially and economically disadvantaged owners control a firm, you must consider all the facts in the record, viewed as a whole.

(b) Only an independent business may be certified as a DBE. An independent business is one the viability of which does not depend on its relationship with another firm or firms.

(1) In determining whether a potential DBE is an independent business, you must scrutinize relationships with non-DBE firms, in such areas as personnel, facilities, equipment, financial and/or bonding support, and other resources.

(2) You must consider whether present or recent employer/employee relationships between the disadvantaged owner(s) of the potential DBE and non-DBE firms or persons associated with non-DBE firms compromise the independence of the potential DBE firm.

(3) You must examine the firm's relationships with prime contractors to determine whether a pattern of exclusive or primary dealings with a prime contractor compromises the independence of the potential DBE firm.

(4) In considering factors related to the independence of a potential DBE firm, you must consider the consistency of relationships between the potential DBE and non-DBE firms with normal industry practice.

(c) A DBE firm must not be subject to any formal or informal restrictions which limit the customary discretion of the socially and economically disadvantaged owners. There can be no restrictions through corporate charter provisions, by-law provisions, contracts or any other formal or informal devices (e.g., cumulative voting rights, voting powers attached to different classes of stock, employment contracts, requirements for concurrence by non-disadvantaged partners, conditions precedent or subsequent, executory agreements, voting trusts, restrictions on or assignments of voting rights) that prevent the socially and economically disadvantaged owners, without the cooperation or vote of any non-disadvantaged individual, from making any business decision of the firm. This paragraph does not preclude a spousal co-signature on documents as provided for in §26.69(j)(2).

(d) The socially and economically disadvantaged owners must possess the power to direct or cause the direction of the management and policies of the firm and to make day-to-day as well as long-term decisions on matters of management, policy and operations.

(1) A disadvantaged owner must hold the highest officer position in the company (e.g., chief executive officer or president).

(2) In a corporation, disadvantaged owners must control the board of directors.

(3) In a partnership, one or more disadvantaged owners must serve as general partners, with control over all partnership decisions.

(e) Individuals who are not socially and economically disadvantaged or immediate family members may be involved in a DBE firm as owners, managers, employees, stockholders, officers, and/or directors. Such individuals must not, however possess or exercise the power to control the firm, or be disproportionately responsible for the operation of the firm.

(f) The socially and economically disadvantaged owners of the firm may delegate various areas of the management, policymaking, or daily operations of the firm to other participants in the firm, regardless of whether these participants are socially and economically disadvantaged individuals. Such delegations of authority must be revocable, and the socially and economically disadvantaged owners must retain the power to hire and fire any person to whom such authority is delegated. The managerial role of the socially and economically disadvantaged owners in the firm's overall affairs must be such that the recipient can reasonably conclude that the socially and economically disadvantaged owners actually exercise control over the firm's operations, management, and policy.

(g) The socially and economically disadvantaged owners must have an overall understanding of, and managerial and technical competence and experience directly related to, the type of business in which the firm is engaged and the firm's operations. The socially

and economically disadvantaged owners are not required to have experience or expertise in every critical area of the firm's operations, or to have greater experience or expertise in a given field than managers or key employees. The socially and economically disadvantaged owners must have the ability to intelligently and critically evaluate information presented by other participants in the firm's activities and to use this information to make independent decisions concerning the firm's daily operations, management, and policymaking. Generally, expertise limited to office management, administration, or bookkeeping functions unrelated to the principal business activities of the firm is insufficient to demonstrate control.

(h) If state or local law requires the persons to have a particular license or other credential in order to own and/or control a certain type of firm, then the socially and economically disadvantaged persons who own and control a potential DBE firm of that type must possess the required license or credential. If state or local law does not require such a person to have such a license or credential to own and/or control a firm, you must not deny certification solely on the ground that the person lacks the license or credential. However, you may take into account the absence of the license or credential as one factor in determining whether the socially and economically disadvantaged owners actually control the firm.

(i)(1) You may consider differences in remuneration between the socially and economically disadvantaged owners and other participants in the firm in determining whether to certify a firm as a DBE. Such consideration shall be in the context of the duties of the persons involved, normal industry practices, the firm's policy and practice concerning reinvestment of income, and any other explanations for the differences proffered by the firm. You may determine that a firm is controlled by its socially and economically disadvantaged owner although that owner's remuneration is lower than that of some other participants in the firm.

(2) In a case where a non-disadvantaged individual formerly controlled the firm, and a socially and economically disadvantaged individual now controls it, you may consider a difference between the remuneration of the former and current controller of the firm as a factor in determining who controls the firm, particularly when the non-disadvantaged individual remains involved with the firm and continues to receive greater compensation than the disadvantaged individual.

(j) In order to be viewed as controlling a firm, a socially and economically disadvantaged owner cannot engage in outside employment or other business interests that conflict with the management of the firm or prevent the individual from devoting sufficient time and attention to the affairs of the firm to control its activities. For example, absentee ownership of a business and part-time work in a full-time firm are not viewed as constituting control. However, an individual could be viewed as controlling a part-time business that operates only on evenings and/or weekends, if the individual controls it all the time it is operating.

(k)(1) A socially and economically disadvantaged individual may control a firm even though one or more of the individual's immediate family members (who themselves are not socially and economically disadvantaged individuals) participate in the firm as a manager, employee, owner, or in another capacity. Except as otherwise provided in this paragraph, you must make a judgment about the control the socially and economically disadvantaged owner exercises vis-a-vis other persons involved in the business as you do in other situations, without regard to whether or not the other persons are immediate family members.

(2) If you cannot determine that the socially and economically disadvantaged owners—as distinct from the family as a whole—control the firm, then the socially and economically disadvantaged owners have failed to carry their burden of proof concerning control, even though they may participate significantly in the firm's activities.

(l) Where a firm was formerly owned and/or controlled by a non-disadvantaged individual (whether or not an immediate family member), ownership and/or control were transferred to a socially and economically disadvantaged individual, and the nondisadvantaged individual remains involved with the firm in any capacity, there is a rebuttable presumption of control by the non-disadvantaged individual unless the disadvantaged individual now owning the firm demonstrates to you, by clear and convincing evidence, that:

(1) The transfer of ownership and/or control to the disadvantaged individual was made for reasons other than obtaining certification as a DBE; and

(2) The disadvantaged individual actually controls the management, policy, and operations of the firm, notwithstanding the continuing participation of a nondisadvantaged individual who formerly owned and/or controlled the firm.

(m) In determining whether a firm is controlled by its socially and economically disadvantaged owners, you may consider whether the firm owns equipment necessary to perform its work. However, you must not determine that a firm is not controlled by socially and economically disadvantaged individuals solely because the firm leases, rather than owns, such equipment, where leasing equipment is a normal industry practice and the lease does not involve a relationship with a prime contractor or other party that compromises the independence of the firm.

(n) You must grant certification to a firm only for specific types of work in which the socially and economically disadvantaged owners have the ability to control the firm. To become certified in an additional type of work, the firm need demonstrate to you only that its socially and economically disadvantaged owners are able to control the firm with respect to that type of work. You must not require that the firm be recertified or submit a new application for certification, but you must verify the disadvantaged owner's control of the firm in the additional type of work.

(1) The types of work a firm can perform (whether on initial certification or when a new type of work is added) must be described in terms of the most specific available NAICS code for that type of work. If you choose, you may also, in addition to applying the appropriate NAICS code, apply a descriptor from a classification scheme of equivalent detail and specificity. A correct NAICS code is one that describes, as specifically as possible, the principal goods or services which the firm would provide to DOT recipients. Multiple NAICS codes may be assigned where appropriate. Program participants must rely on, and not depart from, the plain meaning of NAICS code descriptions in determining the scope of a firm's certification. If your Directory does not list types of work for any firm in a manner consistent with this paragraph (a)(1), you must update the Directory entry for that firm to meet the requirements of this paragraph (a)(1) by August 28, 2011.

(2) Firms and recipients must check carefully to make sure that the NAICS codes cited in a certification are kept up-to-date and accurately reflect work which the UCP has determined the firm's owners can control. The firm bears the burden of providing detailed company information the certifying agency needs to make an appropriate NAICS code designation.

(3) If a firm believes that there is not a NAICS code that fully or clearly describes the type(s) of work in which it is seeking to be certified as a DBE, the firm may request that the certifying agency, in its certification documentation, supplement the assigned NAICS code(s) with a clear, specific, and detailed narrative description of the type of work in which the firm is certified. A vague, general, or confusing description is not sufficient for this purpose, and recipients should not rely on such a description in determining whether a firm's participation can be counted toward DBE goals.

(4) A certifier is not precluded from changing a certification classification or description if there is a factual basis in the record. However, certifiers must not make after-the-fact statements about the scope of a certification, not supported by evidence in the record of the certification action.

(o) A business operating under a franchise or license agreement may be certified if it meets the standards in this subpart and the franchiser or licensor is not affiliated with the franchisee or licensee. In determining whether affiliation exists, you should generally not consider the restraints relating to standardized quality, advertising, accounting format, and other provisions imposed on the franchisee or licensee by the franchise agreement or license, provided that the franchisee or licensee has the right to profit from its efforts and bears the risk of loss commensurate with ownership. Alternatively, even though a franchisee or licensee may not be controlled by virtue of such provisions in the franchise agreement or license, affiliation could arise through other means, such as common management or excessive restrictions on the sale or transfer of the franchise interest or license.

(p) In order for a partnership to be controlled by socially and economically disadvantaged individuals, any non-disadvantaged partners must not have the power, without the specific written concurrence of the socially and economically disadvantaged partner(s), to contractually bind the partnership or subject the partnership to contract or tort liability.

(q) The socially and economically disadvantaged individuals controlling a firm may use an employee leasing company. The use of such a company does not preclude the socially and economically disadvantaged individuals from controlling their firm if they continue to maintain an employer-employee relationship with the leased employees. This includes being responsible for hiring, firing, training, assigning, and otherwise controlling the on-the-job activities of the employees, as well as ultimate responsibility for wage and tax obligations related to the employees.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5099, Jan. 28, 2011; 79 FR 59597, Oct. 2, 2014]

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§26.73 What are other rules affecting certification?

(a)(1) Consideration of whether a firm performs a commercially useful function or is a regular dealer pertains solely to counting toward DBE goals the participation of firms that have already been certified as DBEs. Except as provided in paragraph (a)(2) of this section, you must not consider commercially useful function issues in any way in making decisions about whether to certify a firm as a DBE.

(2) You may consider, in making certification decisions, whether a firm has exhibited a pattern of conduct indicating its involvement in attempts to evade or subvert the intent or requirements of the DBE program.

(b)(1) You must evaluate the eligibility of a firm on the basis of present circumstances. You must not refuse to certify a firm based solely on historical information indicating a lack of ownership or control of the firm by socially and economically disadvantaged individuals at some time in the past, if the firm currently meets the ownership and control standards of this part.

(2) You must not refuse to certify a firm solely on the basis that it is a newly formed firm, has not completed projects or contracts at the time of its application, has not yet realized profits from its activities, or has not demonstrated a potential for success. If the firm meets disadvantaged, size, ownership, and control requirements of this Part, the firm is eligible for certification.

(c) DBE firms and firms seeking DBE certification shall cooperate fully with your requests (and DOT requests) for information relevant to the certification process. Failure or refusal to provide such information is a ground for a denial or removal of certification.

(d) Only firms organized for profit may be eligible DBEs. Not-for-profit organizations, even though controlled by socially and economically disadvantaged individuals, are not eligible to be certified as DBEs.

(e) An eligible DBE firm must be owned by individuals who are socially and economically disadvantaged. Except as provided in this paragraph, a firm that is not owned by such individuals, but instead is owned by another firm—even a DBE firm—cannot be an eligible DBE.

(1) If socially and economically disadvantaged individuals own and control a firm through a parent or holding company, established for tax, capitalization or other purposes consistent with industry practice, and the parent or holding company in turn owns and controls an operating subsidiary, you may certify the subsidiary if it otherwise meets all requirements of this subpart. In this situation, the individual owners and controllers of the parent or holding company are deemed to control the subsidiary through the parent or holding company.

(2) You may certify such a subsidiary only if there is cumulatively 51 percent ownership of the subsidiary by socially and economically disadvantaged individuals. The following examples illustrate how this cumulative ownership provision works:

Example 1: Socially and economically disadvantaged individuals own 100 percent of a holding company, which has a wholly-owned subsidiary. The subsidiary may be certified, if it meets all other requirements.

Example 2: Disadvantaged individuals own 100 percent of the holding company, which owns 51 percent of a subsidiary. The subsidiary may be certified, if all other requirements are met.

Example 3: Disadvantaged individuals own 80 percent of the holding company, which in turn owns 70 percent of a subsidiary. In this case, the cumulative ownership of the subsidiary by disadvantaged individuals is 56 percent (80 percent of the 70 percent). This is more than 51 percent, so you may certify the subsidiary, if all other requirements are met.

Example 4: Same as Example 2 or 3, but someone other than the socially and economically disadvantaged owners of the parent or holding company controls the subsidiary. Even though the subsidiary is owned by disadvantaged individuals, through the holding or parent company, you cannot certify it because it fails to meet control requirements.

Example 5: Disadvantaged individuals own 60 percent of the holding company, which in turn owns 51 percent of a subsidiary. In this case, the cumulative ownership of the subsidiary by disadvantaged individuals is about 31 percent. This is less than 51 percent, so you cannot certify the subsidiary.

Example 6: The holding company, in addition to the subsidiary seeking certification, owns several other companies. The combined gross receipts of the holding companies and its subsidiaries are greater than the

size standard for the subsidiary seeking certification and/or the gross receipts cap of §26.65(b). Under the rules concerning affiliation, the subsidiary fails to meet the size standard and cannot be certified.

(f) Recognition of a business as a separate entity for tax or corporate purposes is not necessarily sufficient to demonstrate that a firm is an independent business, owned and controlled by socially and economically disadvantaged individuals.

(g) You must not require a DBE firm to be prequalified as a condition for certification.

(h) A firm that is owned by an Indian tribe or Native Hawaiian organization, rather than by Indians or Native Hawaiians as individuals, may be eligible for certification. Such a firm must meet the size standards of §26.65. Such a firm must be controlled by socially and economically disadvantaged individuals, as provided in §26.71.

(i) The following special rules apply to the certification of firms related to Alaska Native Corporations (ANCs).

(1) Notwithstanding any other provisions of this subpart, a direct or indirect subsidiary corporation, joint venture, or partnership entity of an ANC is eligible for certification as a DBE if it meets all of the following requirements:

(i) The Settlement Common Stock of the underlying ANC and other stock of the ANC held by holders of the Settlement Common Stock and by Natives and descendants of Natives represents a majority of both the total equity of the ANC and the total voting power of the corporation for purposes of electing directors;

(ii) The shares of stock or other units of common ownership interest in the subsidiary, joint venture, or partnership entity held by the ANC and by holders of its Settlement Common Stock represent a majority of both the total equity of the entity and the total voting power of the entity for the purpose of electing directors, the general partner, or principal officers; and

(iii) The subsidiary, joint venture, or partnership entity has been certified by the Small Business Administration under the 8(a) or small disadvantaged business program.

(2) As a recipient to whom an ANC-related entity applies for certification, you do not use the DOT uniform application form (see Appendix F of this part). You must obtain from the firm documentation sufficient to demonstrate that entity meets the requirements of paragraph (i) (1) of this section. You must also obtain sufficient information about the firm to allow you to administer your program (e.g., information that would appear in your DBE Directory).

(3) If an ANC-related firm does not meet all the conditions of paragraph (i)(1) of this section, then it must meet the requirements of paragraph (h) of this section in order to be certified, on the same basis as firms owned by Indian Tribes or Native Hawaiian Organizations.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35555, June 16, 2003; 76 FR 5099, Jan. 28, 2011; 79 FR 59598, Oct. 2, 2014]

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Subpart E—Certification Procedures

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§26.81 What are the requirements for Unified Certification Programs?

Summary of the Alaska Native Corporation (ANC) Program, 2022-2024

(a) You and all other DOT recipients in your state must participate in a Unified Certification Program (UCP).

(1) Within three years of March 4, 1999, you and the other recipients in your state must sign an agreement establishing the UCP for that state and submit the agreement to the Secretary for approval. The Secretary may, on the basis of extenuating circumstances shown by the recipients in the state, extend this deadline for no more than one additional year.

(2) The agreement must provide for the establishment of a UCP meeting all the requirements of this section. The agreement must specify that the UCP will follow all certification procedures and standards of this part, on the same basis as recipients; that the UCP shall cooperate fully with oversight, review, and monitoring activities of DOT and its operating administrations; and that the UCP shall implement DOT directives and guidance concerning certification matters. The agreement shall also commit recipients to ensuring that the UCP has sufficient resources and expertise to carry out the requirements of this part. The agreement shall include an implementation schedule ensuring that the UCP is fully operational no later than 18 months following the approval of the agreement by the Secretary.

(3) Subject to approval by the Secretary, the UCP in each state may take any form acceptable to the recipients in that state.

(4) The Secretary shall review the UCP and approve it, disapprove it, or remand it to the recipients in the state for revisions. A complete agreement which is not disapproved or remanded within 180 days of its receipt is deemed to be accepted.

(5) If you and the other recipients in your state fail to meet the deadlines set forth in this paragraph (a), you shall have the opportunity to make an explanation to the Secretary why a deadline could not be met and why meeting the deadline was beyond your control. If you fail to make such an explanation, or the explanation does not justify the failure to meet the deadline, the Secretary shall direct you to complete the required action by a date certain. If you and the other recipients fail to carry out this direction in a timely manner, you are collectively in noncompliance with this part.

(b) The UCP shall make all certification decisions on behalf of all DOT recipients in the state with respect to participation in the DOT DBE Program.

(1) Certification decisions by the UCP shall be binding on all DOT recipients within the state.

(2) The UCP shall provide "one-stop shopping" to applicants for certification, such that an applicant is required to apply only once for a DBE certification that will be honored by all recipients in the state.

(3) All obligations of recipients with respect to certification and nondiscrimination must be carried out by UCPs, and recipients may use only UCPs that comply with the certification and nondiscrimination requirements of this part.

(c) All certifications by UCPs shall be pre-certifications; i.e., certifications that have been made final before the due date for bids or offers on a contract on which a firm seeks to participate as a DBE.

(d) A UCP is not required to process an application for certification from a firm having its principal place of business outside the state if the firm is not certified by the UCP in the state in which it maintains its principal place of business. The “home state” UCP shall share its information and documents concerning the firm with other UCPs that are considering the firm's application.

(e) Subject to DOT approval as provided in this section, the recipients in two or more states may form a regional UCP. UCPs may also enter into written reciprocity agreements with other UCPs. Such an agreement shall outline the specific responsibilities of each participant. A UCP may accept the certification of any other UCP or DOT recipient.

(f) Pending the establishment of UCPs meeting the requirements of this section, you may enter into agreements with other recipients, on a regional or inter-jurisdictional basis, to perform certification functions required by this part. You may also grant reciprocity to other recipient's certification decisions.

(g) Each UCP shall maintain a unified DBE directory containing, for all firms certified by the UCP (including those from other states certified under the provisions of this part), the information required by §26.31. The UCP shall make the directory available to the public electronically, on the internet, as well as in print. The UCP shall update the electronic version of the directory by including additions, deletions, and other changes as soon as they are made and shall revise the print version of the Directory at least once a year.

(h) Except as otherwise specified in this section, all provisions of this subpart and subpart D of this part pertaining to recipients also apply to UCPs.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5100, Jan. 28, 2011]

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§26.83 What procedures do recipients follow in making certification decisions?

(a) You must ensure that only firms certified as eligible DBEs under this section participate as DBEs in your program.

(b) You must determine the eligibility of firms as DBEs consistent with the standards of subpart D of this part. When a UCP is formed, the UCP must meet all the requirements of subpart D of this part and this subpart that recipients are required to meet.

(c)(1) You must take all the following steps in determining whether a DBE firm meets the standards of subpart D of this part:

(i) Perform an on-site visit to the firm's principal place of business. You must interview the principal officers and review their résumés and/or work histories. You may interview key personnel of the firm if necessary. You must also perform an on-site visit to job sites if there are such sites on which the firm is working at the time of the eligibility investigation in your jurisdiction or local area. You may rely upon the site visit report of any other recipient with respect to a firm applying for certification;

(ii) Analyze documentation related to the legal structure, ownership, and control of the applicant firm. This includes, but is not limited to, Articles of Incorporation/Organization; corporate by-laws or operating agreements; organizational, annual and board/member meeting records; stock ledgers and certificates; and State-issued Certificates of Good

(iii) Analyze the bonding and financial capacity of the firm; lease and loan agreements; bank account signature cards;

(iv) Determine the work history of the firm, including contracts it has received, work it has completed; and payroll records;

(v) Obtain a statement from the firm of the type of work it prefers to perform as part of the DBE program and its preferred locations for performing the work, if any.

(vi) Obtain or compile a list of the equipment owned by or available to the firm and the licenses the firm and its key personnel possess to perform the work it seeks to do as part of the DBE program;

(vii) Obtain complete Federal income tax returns (or requests for extensions) filed by the firm, its affiliates, and the socially and economically disadvantaged owners for the last 3 years. A complete return includes all forms, schedules, and statements filed with the Internal Revenue Service.

(viii) Require potential DBEs to complete and submit an appropriate application form, except as otherwise provided in §26.85 of this part.

(2) You must use the application form provided in Appendix F to this part without change or revision. However, you may provide in your DBE program, with the written approval of the concerned operating administration, for supplementing the form by requesting specified additional information not inconsistent with this part.

(3) You must make sure that the applicant attests to the accuracy and truthfulness of the information on the application form. This shall be done either in the form of an affidavit sworn to by the applicant before a person who is authorized by State law to administer oaths or in the form of an unsworn declaration executed under penalty of perjury of the laws of the United States.

(4) You must review all information on the form prior to making a decision about the eligibility of the firm. You may request clarification of information contained in the application at any time in the application process.

(d) When another recipient, in connection with its consideration of the eligibility of a firm, makes a written request for certification information you have obtained about that firm (e.g., including application materials or the report of a site visit, if you have made one to the firm), you must promptly make the information available to the other recipient.

(e) [Reserved]

(f) Subject to the approval of the concerned operating administration as part of your DBE program, you may impose a reasonable application fee for certification. Fee waivers shall be made in appropriate cases.

(g) You must safeguard from disclosure to unauthorized persons information gathered as part of the certification process that may reasonably be regarded as proprietary or other confidential business information, consistent with applicable Federal, state, and local law.

(h)(1) Once you have certified a DBE, it shall remain certified until and unless you have removed its certification, in whole or in part, through the procedures of §26.87 of this part,

except as provided in §26.07(b)(1) of this part.

(2) You may not require DBEs to reapply for certification or undergo a recertification process. However, you may conduct a certification review of a certified DBE firm, including a new on-site review, if appropriate in light of changed circumstances (e.g., of the kind requiring notice under paragraph (i) of this section or relating to suspension of certification under §26.88), a complaint, or other information concerning the firm's eligibility. If information comes to your attention that leads you to question the firm's eligibility, you may conduct an on-site review on an unannounced basis, at the firm's offices and job sites.

(i) If you are a DBE, you must inform the recipient or UCP in writing of any change in circumstances affecting your ability to meet size, disadvantaged status, ownership, or control requirements of this part or any material change in the information provided in your application form.

(1) Changes in management responsibility among members of a limited liability company are covered by this requirement.

(2) You must attach supporting documentation describing in detail the nature of such changes.

(3) The notice must take the form of an affidavit sworn to by the applicant before a person who is authorized by state law to administer oaths or of an unsworn declaration executed under penalty of perjury of the laws of the United States. You must provide the written notification within 30 days of the occurrence of the change. If you fail to make timely notification of such a change, you will be deemed to have failed to cooperate under §26.109(c).

(j) If you are a DBE, you must provide to the recipient, every year on the anniversary of the date of your certification, an affidavit sworn to by the firm's owners before a person who is authorized by State law to administer oaths or an unsworn declaration executed under penalty of perjury of the laws of the United States. This affidavit must affirm that there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantaged status, ownership, or control requirements of this part or any material changes in the information provided in its application form, except for changes about which you have notified the recipient under paragraph (i) of this section. The affidavit shall specifically affirm that your firm continues to meet SBA business size criteria and the overall gross receipts cap of this part, documenting this affirmation with supporting documentation of your firm's size and gross receipts (e.g., submission of Federal tax returns). If you fail to provide this affidavit in a timely manner, you will be deemed to have failed to cooperate under §26.109(c).

(k) If you are a recipient, you must make decisions on applications for certification within 90 days of receiving from the applicant firm all information required under this part. You may extend this time period once, for no more than an additional 60 days, upon written notice to the firm, explaining fully and specifically the reasons for the extension. You may establish a different time frame in your DBE program, upon a showing that this time frame is not feasible, and subject to the approval of the concerned operating administration. Your failure to make a decision by the applicable deadline under this paragraph is deemed a constructive denial of the application, on the basis of which the firm may appeal to DOT under §26.89.

(l) As a recipient or UCP, you must advise each applicant within 30 days from your receipt of the application whether the application is complete and suitable for evaluation and, if not, what additional information or action is required.

(m) Except as otherwise provided in this paragraph, if an applicant for DBE certification withdraws its application before you have issued a decision on the application, the applicant can resubmit the application at any time. As a recipient or UCP, you may not apply the waiting period provided under §26.86(c) of this part before allowing the applicant to resubmit its application. However, you may place the reapplication at the “end of the line,” behind other applications that have been made since the firm's previous application was withdrawn. You may also apply the waiting period provided under §26.86(c) of this part to a firm that has established a pattern of frequently withdrawing applications before you make a decision.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35555, June 16, 2003; 76 FR 5100, Jan. 28, 2011; 79 FR 59598, Oct. 2, 2014]

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§26.85 Interstate certification.

(a) This section applies with respect to any firm that is currently certified in its home state.

(b) When a firm currently certified in its home state (“State A”) applies to another State (“State B”) for DBE certification, State B may, at its discretion, accept State A's certification and certify the firm, without further procedures.

(1) To obtain certification in this manner, the firm must provide to State B a copy of its certification notice from State A.

(2) Before certifying the firm, State B must confirm that the firm has a current valid certification from State A. State B can do so by reviewing State A's electronic directory or obtaining written confirmation from State A.

(c) In any situation in which State B chooses not to accept State A's certification of a firm as provided in paragraph (b) of this section, as the applicant firm you must provide the information in paragraphs (c)(1) through (4) of this section to State B.

(1) You must provide to State B a complete copy of the application form, all supporting documents, and any other information you have submitted to State A or any other state related to your firm's certification. This includes affidavits of no change (see §26.83(j)) and any notices of changes (see §26.83(i)) that you have submitted to State A, as well as any correspondence you have had with State A's UCP or any other recipient concerning your application or status as a DBE firm.

(2) You must also provide to State B any notices or correspondence from states other than State A relating to your status as an applicant or certified DBE in those states. For example, if you have been denied certification or decertified in State C, or subject to a decertification action there, you must inform State B of this fact and provide all documentation concerning this action to State B.

(3) If you have filed a certification appeal with DOT (see §26.89), you must inform State B of the fact and provide your letter of appeal and DOT's response to State B.

(4) You must submit an affidavit sworn to by the firm's owners before a person who is authorized by State law to administer oaths or an unsworn declaration executed under penalty of perjury of the laws of the United States.

(i) This affidavit must affirm that you have submitted all the information required by 49 CFR 26.85(c) and the information is complete and, in the case of the information required by §26.85(c)(1), is an identical copy of the information submitted to State A.

(ii) If the on-site report from State A supporting your certification in State A is more than three years old, as of the date of your application to State B, State B may require that your affidavit also affirm that the facts in the on-site report remain true and correct.

(d) As State B, when you receive from an applicant firm all the information required by paragraph (c) of this section, you must take the following actions:

(1) Within seven days contact State A and request a copy of the site visit review report for the firm (see §26.83(c)(1)), any updates to the site visit review, and any evaluation of the firm based on the site visit. As State A, you must transmit this information to State B within seven days of receiving the request. A pattern by State B of not making such requests in a timely manner or by "State A" or any other State of not complying with such requests in a timely manner is noncompliance with this Part.

(2) Determine whether there is good cause to believe that State A's certification of the firm is erroneous or should not apply in your State. Reasons for making such a determination may include the following:

(i) Evidence that State A's certification was obtained by fraud;

(ii) New information, not available to State A at the time of its certification, showing that the firm does not meet all eligibility criteria;

(iii) State A's certification was factually erroneous or was inconsistent with the requirements of this part;

(iv) The State law of State B requires a result different from that of the State law of State A.

(v) The information provided by the applicant firm did not meet the requirements of paragraph (c) of this section.

(3) If, as State B, unless you have determined that there is good cause to believe that State A's certification is erroneous or should not apply in your State, you must, no later than 60 days from the date on which you received from the applicant firm all the information required by paragraph (c) of this section, send to the applicant firm a notice that it is certified and place the firm on your directory of certified firms.

(4) If, as State B, you have determined that there is good cause to believe that State A's certification is erroneous or should not apply in your State, you must, no later than 60 days from the date on which you received from the applicant firm all the information required by paragraph (c) of this section, send to the applicant firm a notice stating the reasons for your determination.

(i) This notice must state with particularity the specific reasons why State B believes that the firm does not meet the requirements of this Part for DBE eligibility and must offer the firm an opportunity to respond to State B with respect to these reasons.

(ii) The firm may elect to respond in writing, to request an in-person meeting with State B's decision-making agency or to request a meeting with State B's decision-making agency and the firm's decision-making agency. If the firm

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§26.86 What rules govern recipients' denials of initial requests for certification?

(a) When you deny a request by a firm, which is not currently certified with you, to be certified as a DBE, you must provide the firm a written explanation of the reasons for the denial, specifically referencing the evidence in the record that supports each reason for the denial. All documents and other information on which the denial is based must be made available to the applicant, on request.

(b) [Reserved]

(c) When a firm is denied certification, you must establish a time period of no more than twelve months that must elapse before the firm may reapply to the recipient for certification. You may provide, in your DBE program, subject to approval by the concerned operating administration, a shorter waiting period for reapplication. The time period for reapplication begins to run on the date the explanation required by paragraph (a) of this section is received by the firm. An applicant's appeal of your decision to the Department pursuant to §26.89 does not extend this period.

(d) When you make an administratively final denial of certification concerning a firm, the firm may appeal the denial to the Department under §26.89.

[64 FR 5126, Feb. 2, 1999. Redesignated and amended at 68 FR 35555, June 16, 2003; 79 FR 59598, Oct. 2, 2014]

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§26.87 What procedures does a recipient use to remove a DBE's eligibility?

(a) *Ineligibility complaints.* (1) Any person may file with you a written complaint alleging that a currently-certified firm is ineligible and specifying the alleged reasons why the firm is ineligible. You are not required to accept a general allegation that a firm is ineligible or an anonymous complaint. The complaint may include any information or arguments supporting the complainant's assertion that the firm is ineligible and should not continue to be certified. Confidentiality of complainants' identities must be protected as provided in §26.109(b).

(2) You must review your records concerning the firm, any material provided by the firm and the complainant, and other available information. You may request additional information from the firm or conduct any other investigation that you deem necessary.

(3) If you determine, based on this review, that there is reasonable cause to believe that the firm is ineligible, you must provide written notice to the firm that you propose to find the firm ineligible, setting forth the reasons for the proposed determination. If you determine that such reasonable cause does not exist, you must notify the complainant and the firm in writing of this determination and the reasons for it. All statements of reasons for findings on the issue of reasonable cause must specifically reference the evidence in the record on which each reason is based.

(b) *Recipient-initiated proceedings.* If, based on notification by the firm of a change in its circumstances or other information that comes to your attention, you determine that there is reasonable cause to believe that a currently certified firm is ineligible, you must provide written notice to the firm that you propose to find the firm ineligible, setting forth the reasons

for the proposed determination. The statement of reasons for the finding of reasonable cause must specifically reference the evidence in the record on which each reason is based.

(c) *DOT directive to initiate proceeding.* (1) If the concerned operating administration determines that information in your certification records, or other information available to the concerned operating administration, provides reasonable cause to believe that a firm you certified does not meet the eligibility criteria of this part, the concerned operating administration may direct you to initiate a proceeding to remove the firm's certification.

(2) The concerned operating administration must provide you and the firm a notice setting forth the reasons for the directive, including any relevant documentation or other information.

(3) You must immediately commence and prosecute a proceeding to remove eligibility as provided by paragraph (b) of this section.

(d) *Hearing.* When you notify a firm that there is reasonable cause to remove its eligibility, as provided in paragraph (a), (b), or (c) of this section, you must give the firm an opportunity for an informal hearing, at which the firm may respond to the reasons for the proposal to remove its eligibility in person and provide information and arguments concerning why it should remain certified.

(1) In such a proceeding, you bear the burden of proving, by a preponderance of the evidence, that the firm does not meet the certification standards of this part.

(2) You must maintain a complete record of the hearing, by any means acceptable under state law for the retention of a verbatim record of an administrative hearing. If there is an appeal to DOT under §26.89, you must provide a transcript of the hearing to DOT and, on request, to the firm. You must retain the original record of the hearing. You may charge the firm only for the cost of copying the record.

(3) The firm may elect to present information and arguments in writing, without going to a hearing. In such a situation, you bear the same burden of proving, by a preponderance of the evidence, that the firm does not meet the certification standards, as you would during a hearing.

(e) *Separation of functions.* You must ensure that the decision in a proceeding to remove a firm's eligibility is made by an office and personnel that did not take part in actions leading to or seeking to implement the proposal to remove the firm's eligibility and are not subject, with respect to the matter, to direction from the office or personnel who did take part in these actions.

(1) Your method of implementing this requirement must be made part of your DBE program.

(2) The decisionmaker must be an individual who is knowledgeable about the certification requirements of your DBE program and this part.

(3) Before a UCP is operational in its state, a small airport or small transit authority (*i.e.*, an airport or transit authority serving an area with less than 250,000 population) is required to meet this requirement only to the extent feasible.

(f) *Grounds for decision.* You may base a decision to remove a firm's eligibility only on one or more of the following grounds:

(1) Changes in the firm's circumstances since the certification of the firm by the recipient that render the firm unable to meet the eligibility standards of this part;

(2) Information or evidence not available to you at the time the firm was certified;

(3) Information relevant to eligibility that has been concealed or misrepresented by the firm;

(4) A change in the certification standards or requirements of the Department since you certified the firm;

(5) Your decision to certify the firm was clearly erroneous;

(6) The firm has failed to cooperate with you (see §26.109(c));

(7) The firm has exhibited a pattern of conduct indicating its involvement in attempts to subvert the intent or requirements of the DBE program (see §26.73(a)(2)); or

(8) The firm has been suspended or debarred for conduct related to the DBE program. The notice required by paragraph (g) of this section must include a copy of the suspension or debarment action. A decision to remove a firm for this reason shall not be subject to the hearing procedures in paragraph (d) of this section.

(g) *Notice of decision.* Following your decision, you must provide the firm written notice of the decision and the reasons for it, including specific references to the evidence in the record that supports each reason for the decision. The notice must inform the firm of the consequences of your decision and of the availability of an appeal to the Department of Transportation under §26.89. You must send copies of the notice to the complainant in an ineligibility complaint or the concerned operating administration that had directed you to initiate the proceeding. Provided that, when sending such a notice to a complainant other than a DOT operating administration, you must not include information reasonably construed as confidential business information without the written consent of the firm that submitted the information.

(h) [Reserved]

(i) *Status of firm during proceeding.* (1) A firm remains an eligible DBE during the pendency of your proceeding to remove its eligibility.

(2) The firm does not become ineligible until the issuance of the notice provided for in paragraph (g) of this section.

(j) *Effects of removal of eligibility.* When you remove a firm's eligibility, you must take the following action:

(1) When a prime contractor has made a commitment to using the ineligible firm, or you have made a commitment to using a DBE prime contractor, but a subcontract or contract has not been executed before you issue the decertification notice provided for in paragraph (g) of this section, the ineligible firm does not count toward the contract goal or overall goal. You must direct the prime contractor to meet the contract goal with an eligible DBE firm or demonstrate to you that it has made a good faith effort to do so.

(2) If a prime contractor has executed a subcontract with the firm before you have notified the firm of its ineligibility, the prime contractor may continue to use the firm on the contract and may continue to receive credit toward its DBE goal for the firm's work. In this case, or in a case where you have let a prime contract to the DBE that was later ruled ineligible, the portion of the ineligible firm's performance of the contract remaining after you issued the notice of its ineligibility shall not count toward your overall goal, but may count toward the contract goal.

(3) *Exception:* If the DBE's ineligibility is caused solely by its having exceeded the size standard during the performance of the contract, you may continue to count its participation on that contract toward overall and contract goals.

(k) *Availability of appeal.* When you make an administratively final removal of a firm's eligibility under this section, the firm may appeal the removal to the Department under §26.89.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35556, June 16, 2003; 76 FR 5101, Jan. 28, 2011; 79 FR 59599, Oct. 2, 2014]

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§26.88 Summary suspension of certification.

(a) A recipient shall immediately suspend a DBE's certification without adhering to the requirements in §26.87(d) of this part when an individual owner whose ownership and control of the firm are necessary to the firm's certification dies or is incarcerated.

(b)(1) A recipient may immediately suspend a DBE's certification without adhering to the requirements in §26.87(d) when there is adequate evidence to believe that there has been a material change in circumstances that may affect the eligibility of the DBE firm to remain certified, or when the DBE fails to notify the recipient or UCP in writing of any material change in circumstances as required by §26.83(i) of this part or fails to timely file an affidavit of no change under §26.83(j).

(2) In determining the adequacy of the evidence to issue a suspension under paragraph (b)(1) of this section, the recipient shall consider all relevant factors, including how much information is available, the credibility of the information and allegations given the circumstances, whether or not important allegations are corroborated, and what inferences can reasonably be drawn as a result.

(c) The concerned operating administration may direct the recipient to take action pursuant to paragraph (a) or (b) this section if it determines that information available to it is sufficient to warrant immediate suspension.

(d) When a firm is suspended pursuant to paragraph (a) or (b) of this section, the recipient shall immediately notify the DBE of the suspension by certified mail, return receipt requested, to the last known address of the owner(s) of the DBE.

(e) Suspension is a temporary status of ineligibility pending an expedited show cause hearing/proceeding under §26.87 of this part to determine whether the DBE is eligible to participate in the program and consequently should be removed. The suspension takes effect when the DBE receives, or is deemed to have received, the Notice of Suspension.

(f) While suspended, the DBE may not be considered to meet a contract goal on a new contract, and any work it does on a contract received during the suspension shall not be counted toward a recipient's overall goal. The DBE may continue to perform under an existing contract executed before the DBE received a Notice of Suspension and may be counted toward the contract goal during the period of suspension as long as the DBE is performing a commercially useful function under the existing contract.

(g) Following receipt of the Notice of Suspension, if the DBE believes it is no longer eligible, it may voluntarily withdraw from the program, in which case no further action is required. If the DBE believes that its eligibility should be reinstated, it must provide to the recipient information demonstrating that the firm is eligible notwithstanding its changed circumstances. Within 30 days of receiving this information, the recipient must either lift the suspension and reinstate the firm's certification or commence a decertification action under §26.87 of this part. If the recipient commences a decertification proceeding, the suspension remains in effect during the proceeding.

(h) The decision to immediately suspend a DBE under paragraph (a) or (b) of this section is not appealable to the US Department of Transportation. The failure of a recipient to either lift the suspension and reinstate the firm or commence a decertification proceeding, as required by paragraph (g) of this section, is appealable to the U.S. Department of Transportation under §26.89 of this part, as a constructive decertification.

[79 FR 59599, Oct. 2, 2014]

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§26.89 What is the process for certification appeals to the Department of Transportation?

(a)(1) If you are a firm that is denied certification or whose eligibility is removed by a recipient, including SBA-certified firms, you may make an administrative appeal to the Department.

(2) If you are a complainant in an ineligibility complaint to a recipient (including the concerned operating administration in the circumstances provided in §26.87(c)), you may appeal to the Department if the recipient does not find reasonable cause to propose removing the firm's eligibility or, following a removal of eligibility proceeding, determines that the firm is eligible.

(3) Send appeals to the following address: U.S. Department of Transportation, Departmental Office of Civil Rights, 1200 New Jersey Avenue SE., Washington, DC 20590-0001.

(b) Pending the Department's decision in the matter, the recipient's decision remains in effect. The Department does not stay the effect of the recipient's decision while it is considering an appeal.

(c) If you want to file an appeal, you must send a letter to the Department within 90 days of the date of the recipient's final decision, including information and setting forth a full and specific statement as to why the decision is erroneous, what significant fact that the recipient failed to consider, or what provisions of this Part the recipient did not properly apply. The Department may accept an appeal filed later than 90 days after the date of the decision if the

Department determines that there was good cause for the late filing of the appeal or in the interest of justice.

(d) When it receives an appeal, the Department requests a copy of the recipient's complete administrative record in the matter. If you are the recipient, you must provide the administrative record, including a hearing transcript, within 20 days of the Department's request. The Department may extend this time period on the basis of a recipient's showing of good cause. To facilitate the Department's review of a recipient's decision, you must ensure that such administrative records are well organized, indexed, and paginated. Records that do not comport with these requirements are not acceptable and will be returned to you to be corrected immediately. If an appeal is brought concerning one recipient's certification decision concerning a firm, and that recipient relied on the decision and/or administrative record of another recipient, this requirement applies to both recipients involved.

(e) The Department makes its decision based solely on the entire administrative record as supplemented by the appeal. The Department does not make a de novo review of the matter and does not conduct a hearing. The Department may also supplement the administrative record by adding relevant information made available by the DOT Office of Inspector General; Federal, State, or local law enforcement authorities; officials of a DOT operating administration or other appropriate DOT office; a recipient; or a firm or other private party.

(f) As a recipient, when you provide supplementary information to the Department, you shall also make this information available to the firm and any third-party complainant involved, consistent with Federal or applicable state laws concerning freedom of information and privacy. The Department makes available, on request by the firm and any third-party complainant involved, any supplementary information it receives from any source.

(1) The Department affirms your decision unless it determines, based on the entire administrative record, that your decision is unsupported by substantial evidence or inconsistent with the substantive or procedural provisions of this part concerning certification.

(2) If the Department determines, after reviewing the entire administrative record, that your decision was unsupported by substantial evidence or inconsistent with the substantive or procedural provisions of this part concerning certification, the Department reverses your decision and directs you to certify the firm or remove its eligibility, as appropriate. You must take the action directed by the Department's decision immediately upon receiving written notice of it.

(3) The Department is not required to reverse your decision if the Department determines that a procedural error did not result in fundamental unfairness to the appellant or substantially prejudice the opportunity of the appellant to present its case.

(4) If it appears that the record is incomplete or unclear with respect to matters likely to have a significant impact on the outcome of the case, the Department may remand the record to you with instructions seeking clarification or augmentation of the record before making a finding. The Department may also remand a case to you for further proceedings consistent with Department instructions concerning the proper application of the provisions of this part.

(5) The Department does not uphold your decision based on grounds not specified in your decision.

(6) The Department's decision is based on the status and circumstances of the firm as of the date of the decision being appealed.

(7) The Department provides written notice of its decision to you, the firm, and the complainant in an ineligibility complaint. A copy of the notice is also sent to any other recipient whose administrative record or decision has been involved in the proceeding (see paragraph (d) of this section). The Department will also notify the SBA in writing when DOT takes an action on an appeal that results in or confirms a loss of eligibility to any SBA-certified firm. The notice includes the reasons for the Department's decision, including specific references to the evidence in the record that supports each reason for the decision.

(8) The Department's policy is to make its decision within 180 days of receiving the complete administrative record. If the Department does not make its decision within this period, the Department provides written notice to concerned parties, including a statement of the reason for the delay and a date by which the appeal decision will be made.

(g) All decisions under this section are administratively final, and are not subject to petitions for reconsideration.

[64 FR 5126, Feb. 2, 1999, as amended at 65 FR 68951, Nov. 15, 2000; 68 FR 35556, June 16, 2003; 73 FR 33329, June 12, 2008; 79 FR 59599, Oct. 2, 2014]

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§26.91 What actions do recipients take following DOT certification appeal decisions?

(a) If you are the recipient from whose action an appeal under §26.89 is taken, the decision is binding. It is not binding on other recipients.

(b) If you are a recipient to which a DOT determination under §26.89 is applicable, you must take the following action:

(1) If the Department determines that you erroneously certified a firm, you must remove the firm's eligibility on receipt of the determination, without further proceedings on your part. Effective on the date of your receipt of the Department's determination, the consequences of a removal of eligibility set forth in §26.87(i) take effect.

(2) If the Department determines that you erroneously failed to find reasonable cause to remove the firm's eligibility, you must expeditiously commence a proceeding to determine whether the firm's eligibility should be removed, as provided in §26.87.

(3) If the Department determines that you erroneously declined to certify or removed the eligibility of the firm, you must certify the firm, effective on the date of your receipt of the written notice of Department's determination.

(4) If the Department determines that you erroneously determined that the presumption of social and economic disadvantage either should or should not be deemed rebutted, you must take appropriate corrective action as determined by the Department.

(5) If the Department affirms your determination, no further action is necessary.

(c) Where DOT has upheld your denial of certification to or removal of eligibility from a firm, or directed the removal of a firm's eligibility, other recipients with whom the firm is certified may commence a proceeding to remove the firm's eligibility under §26.87. Such

recipients must not remove the firm's eligibility absent such a proceeding. Where DOT has reversed your denial of certification to or removal of eligibility from a firm, other recipients must take the DOT action into account in any certification action involving the firm. However, other recipients are not required to certify the firm based on the DOT decision.

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Subpart F—Compliance and Enforcement

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§26.101 What compliance procedures apply to recipients?

(a) If you fail to comply with any requirement of this part, you may be subject to formal enforcement action under §26.103 or §26.105 or appropriate program sanctions by the concerned operating administration, such as the suspension or termination of Federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied. Program sanctions may include, in the case of the FHWA program, actions provided for under 23 CFR 1.36; in the case of the FAA program, actions consistent with 49 U.S.C. 47106(d), 47111(d), and 47122; and in the case of the FTA program, any actions permitted under 49 U.S.C. chapter 53 or applicable FTA program requirements.

(b) As provided in statute, you will not be subject to compliance actions or sanctions for failing to carry out any requirement of this part because you have been prevented from complying because a Federal court has issued a final order in which the court found that the requirement is unconstitutional.

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§26.103 What enforcement actions apply in FHWA and FTA programs?

The provisions of this section apply to enforcement actions under FHWA and FTA programs:

(a) *Noncompliance complaints.* Any person who believes that a recipient has failed to comply with its obligations under this part may file a written complaint with the concerned operating administration's Office of Civil Rights. If you want to file a complaint, you must do so no later than 180 days after the date of the alleged violation or the date on which you learned of a continuing course of conduct in violation of this part. In response to your written request, the Office of Civil Rights may extend the time for filing in the interest of justice, specifying in writing the reason for so doing. The Office of Civil Rights may protect the confidentiality of your identity as provided in §26.109(b). Complaints under this part are limited to allegations of violation of the provisions of this part.

(b) *Compliance reviews.* The concerned operating administration may review the recipient's compliance with this part at any time, including reviews of paperwork and on-site reviews, as appropriate. The Office of Civil Rights may direct the operating administration to initiate a compliance review based on complaints received.

(c) *Reasonable cause notice.* If it appears, from the investigation of a complaint or the results of a compliance review, that you, as a recipient, are in noncompliance with this part, the appropriate DOT office promptly sends you, return receipt requested, a written notice advising you that there is reasonable cause to find you in noncompliance. The notice states

the reasons for this finding and directs you to reply within 30 days concerning whether you wish to begin conciliation.

(d) *Conciliation.* (1) If you request conciliation, the appropriate DOT office shall pursue conciliation for at least 30, but not more than 120, days from the date of your request. The appropriate DOT office may extend the conciliation period for up to 30 days for good cause, consistent with applicable statutes.

(2) If you and the appropriate DOT office sign a conciliation agreement, then the matter is regarded as closed and you are regarded as being in compliance. The conciliation agreement sets forth the measures you have taken or will take to ensure compliance. While a conciliation agreement is in effect, you remain eligible for FHWA or FTA financial assistance.

(3) The concerned operating administration shall monitor your implementation of the conciliation agreement and ensure that its terms are complied with. If you fail to carry out the terms of a conciliation agreement, you are in noncompliance.

(4) If you do not request conciliation, or a conciliation agreement is not signed within the time provided in paragraph (d)(1) of this section, then enforcement proceedings begin.

(e) *Enforcement actions.* (1) Enforcement actions are taken as provided in this subpart.

(2) Applicable findings in enforcement proceedings are binding on all DOT offices.

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§26.105 What enforcement actions apply in FAA programs?

(a) Compliance with all requirements of this part by airport sponsors and other recipients of FAA financial assistance is enforced through the procedures of Title 49 of the United States Code, including 49 U.S.C. 47106(d), 47111(d), and 47122, and regulations implementing them.

(b) The provisions of §26.103(b) and this section apply to enforcement actions in FAA programs.

(c) Any person who knows of a violation of this part by a recipient of FAA funds may file a complaint under 14 CFR part 16 with the Federal Aviation Administration Office of Chief Counsel.

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§26.107 What enforcement actions apply to firms participating in the DBE program?

(a) If you are a firm that does not meet the eligibility criteria of subpart D of this part and that attempts to participate in a DOT-assisted program as a DBE on the basis of false, fraudulent, or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, the Department may initiate suspension or debarment proceedings against you under 2 CFR parts 180 and 1200.

(b) If you are a firm that, in order to meet DBE contract goals or other DBE program requirements, uses or attempts to use, on the basis of false, fraudulent or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, another firm that does not meet the eligibility criteria of subpart D of this

part, the Department may initiate suspension or debarment proceedings against you under 2 CFR parts 180 and 1200.

(c) In a suspension or debarment proceeding brought under paragraph (a) or (b) of this section, the concerned operating administration may consider the fact that a purported DBE has been certified by a recipient. Such certification does not preclude the Department from determining that the purported DBE, or another firm that has used or attempted to use it to meet DBE goals, should be suspended or debarred.

(d) The Department may take enforcement action under 49 CFR Part 31, Program Fraud and Civil Remedies, against any participant in the DBE program whose conduct is subject to such action under 49 CFR part 31.

(e) The Department may refer to the Department of Justice, for prosecution under 18 U.S.C. 1001 or other applicable provisions of law, any person who makes a false or fraudulent statement in connection with participation of a DBE in any DOT-assisted program or otherwise violates applicable Federal statutes.

[64 FR 5126, Feb. 2, 1999, as amended at 76 FR 5101, Jan. 28, 2011]

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§26.109 What are the rules governing information, confidentiality, cooperation, and intimidation or retaliation?

(a) *Availability of records.* (1) In responding to requests for information concerning any aspect of the DBE program, the Department complies with provisions of the Federal Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a). The Department may make available to the public any information concerning the DBE program release of which is not prohibited by Federal law.

(2) Notwithstanding any provision of Federal or state law, you must not release any information that may reasonably be construed as confidential business information to any third party without the written consent of the firm that submitted the information. This includes applications for DBE certification and supporting information. However, you must transmit this information to DOT in any certification appeal proceeding under §26.89 of this part or to any other state to which the individual's firm has applied for certification under §26.85 of this part.

(b) *Confidentiality of information on complainants.* Notwithstanding the provisions of paragraph (a) of this section, the identity of complainants shall be kept confidential, at their election. If such confidentiality will hinder the investigation, proceeding or hearing, or result in a denial of appropriate administrative due process to other parties, the complainant must be advised for the purpose of waiving the privilege. Complainants are advised that, in some circumstances, failure to waive the privilege may result in the closure of the investigation or dismissal of the proceeding or hearing. FAA follows the procedures of 14 CFR part 16 with respect to confidentiality of information in complaints.

(c) *Cooperation.* All participants in the Department's DBE program (including, but not limited to, recipients, DBE firms and applicants for DBE certification, complainants and appellants, and contractors using DBE firms to meet contract goals) are required to cooperate fully and promptly with DOT and recipient compliance reviews, certification reviews, investigations, and other requests for information. Failure to do so shall be a ground for appropriate action against the party involved (e.g., with respect to recipients, a finding of

noncompliance; with respect to DBE firms, denial of certification or removal of eligibility and/or suspension and debarment; with respect to a complainant or appellant, dismissal of the complaint or appeal; with respect to a contractor which uses DBE firms to meet goals, findings of non-responsibility for future contracts and/or suspension and debarment).

(d) *Intimidation and retaliation.* If you are a recipient, contractor, or any other participant in the program, you must not intimidate, threaten, coerce, or discriminate against any individual or firm for the purpose of interfering with any right or privilege secured by this part or because the individual or firm has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this part. If you violate this prohibition, you are in noncompliance with this part.

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35556, June 16, 2003; 76 FR 5101, Jan. 28, 2011]

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Appendix A to Part 26—Guidance Concerning Good Faith Efforts

I. When, as a recipient, you establish a contract goal on a DOT-assisted contract for procuring construction, equipment, services, or any other purpose, a bidder must, in order to be responsible and/or responsive, make sufficient good faith efforts to meet the goal. The bidder can meet this requirement in either of two ways. First, the bidder can meet the goal, documenting commitments for participation by DBE firms sufficient for this purpose. Second, even if it doesn't meet the goal, the bidder can document adequate good faith efforts. This means that the bidder must show that it took all necessary and reasonable steps to achieve a DBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to obtain sufficient DBE participation, even if they were not fully successful.

II. In any situation in which you have established a contract goal, Part 26 requires you to use the good faith efforts mechanism of this part. As a recipient, you have the responsibility to make a fair and reasonable judgment whether a bidder that did not meet the goal made adequate good faith efforts. It is important for you to consider the quality, quantity, and intensity of the different kinds of efforts that the bidder has made, based on the regulations and the guidance in this Appendix.

The efforts employed by the bidder should be those that one could reasonably expect a bidder to take if the bidder were actively and aggressively trying to obtain DBE participation sufficient to meet the DBE contract goal. Mere pro forma efforts are not good faith efforts to meet the DBE contract requirements. We emphasize, however, that your determination concerning the sufficiency of the firm's good faith efforts is a judgment call. Determinations should not be made using quantitative formulas.

III. The Department also strongly cautions you against requiring that a bidder meet a contract goal (*i.e.*, obtain a specified amount of DBE participation) in order to be awarded a contract, even though the bidder makes an adequate good faith efforts showing. This rule specifically prohibits you from ignoring bona fide good faith efforts.

IV. The following is a list of types of actions which you should consider as part of the bidder's good faith efforts to obtain DBE participation. It is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases.

A. (1) Conducting market research to identify small business contractors and suppliers and soliciting through all reasonable and available means the interest of all certified DBEs that have the capability to perform the work of the contract. This may include attendance at pre-bid and business matchmaking meetings and events, advertising and/or written notices, posting of Notices of Sources Sought and/or Requests for Proposals, written notices or emails to all DBEs listed in the State's directory of transportation firms that specialize in the areas of work desired (as noted in the DBE directory) and which are located in the area or surrounding areas of the project.

(2) The bidder should solicit this interest as early in the acquisition process as practicable to allow the DBEs to respond to the solicitation and submit a timely offer for the subcontract. The bidder should determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.

B. Selecting portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goals will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units (for example, smaller tasks or quantities) to facilitate DBE participation, even when the prime contractor might otherwise prefer to perform these work items with its own forces. This may include, where possible, establishing flexible timeframes for performance and delivery schedules in a manner that encourages and facilitates DBE participation.

C. Providing interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation with their offer for the subcontract.

D. (1) Negotiating in good faith with interested DBEs. It is the bidder's responsibility to make a portion of the work available to DBE subcontractors and suppliers and to select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional Agreements could not be reached for DBEs to perform the work.

(2) A bidder using good business judgment would consider a number of factors in negotiating with subcontractors, including DBE subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a bidder's failure to meet the contract DBE goal, as long as such costs are reasonable. Also, the ability or desire of a prime contractor to perform the work of a contract with its own organization does not relieve the bidder of the responsibility to make good faith efforts. Prime contractors are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.

E. (1) Not rejecting DBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor's standing within its industry,

membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union status) are not legitimate causes for the rejection or non-solicitation of bids in the contractor's efforts to meet the project goal. Another practice considered an insufficient good faith effort is the rejection of the DBE because its quotation for the work was not the lowest received. However, nothing in this paragraph shall be construed to require the bidder or prime contractor to accept unreasonable quotes in order to satisfy contract goals.

(2) A prime contractor's inability to find a replacement DBE at the original price is not alone sufficient to support a finding that good faith efforts have been made to replace the original DBE. The fact that the contractor has the ability and/or desire to perform the contract work with its own forces does not relieve the contractor of the obligation to make good faith efforts to find a replacement DBE, and it is not a sound basis for rejecting a prospective replacement DBE's reasonable quote.

F. Making efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance as required by the recipient or contractor.

G. Making efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

H. Effectively using the services of available minority/women community organizations; minority/women contractors' groups; local, State, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.

V. In determining whether a bidder has made good faith efforts, it is essential to scrutinize its documented efforts. At a minimum, you must review the performance of other bidders in meeting the contract goal. For example, when the apparent successful bidder fails to meet the contract goal, but others meet it, you may reasonably raise the question of whether, with additional efforts, the apparent successful bidder could have met the goal. If the apparent successful bidder fails to meet the goal, but meets or exceeds the average DBE participation obtained by other bidders, you may view this, in conjunction with other factors, as evidence of the apparent successful bidder having made good faith efforts. As provided in §26.53(b)(2)(vi), you must also require the contractor to submit copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract to review whether DBE prices were substantially higher; and contact the DBEs listed on a contractor's solicitation to inquire as to whether they were contacted by the prime. Pro forma mailings to DBEs requesting bids are not alone sufficient to satisfy good faith efforts under the rule.

VI. A promise to use DBEs after contract award is not considered to be responsive to the contract solicitation or to constitute good faith efforts.

[79 FR 59600, Oct. 2, 2014]

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Appendix B to Part 26—Uniform Report of DBE Awards or Commitments and Payments Form

INSTRUCTIONS FOR COMPLETING THE UNIFORM REPORT OF DBE AWARDS/COMMITMENTS AND PAYMENTS

Recipients of Department of Transportation (DOT) funds are expected to keep accurate data regarding the contracting opportunities available to firms paid for with DOT dollars. Failure to submit contracting data relative to the DBE program will result in noncompliance with Part 26. All dollar values listed on this form should represent the DOT share attributable to the Operating Administration (OA): Federal Highway Administration (FHWA), Federal Aviation Administration (FAA) or Federal Transit Administration (FTA) to which this report will be submitted.

1. Indicate the DOT (OA) that provides your Federal financial assistance. If assistance comes from more than one OA, use separate reporting forms for each OA. If you are an FTA recipient, indicate your Vendor Number in the space provided.

2. If you are an FAA recipient, indicate the relevant AIP Numbers covered by this report. If you are an FTA recipient, indicate the Grant/Project numbers covered by this report. If more than ten attach a separate sheet.

3. Specify the Federal fiscal year (*i.e.*, October 1-September 30) in which the covered reporting period falls.

4. State the date of submission of this report.

5. Check the appropriate box that indicates the reporting period that the data provided in this report covers. For FHWA and FTA recipients, if this report is due June 1, data should cover October 1-March 31. If this report is due December 1, data should cover April 1-September 30. If the report is due to the FAA, data should cover the entire year.

6. Provide the name and address of the recipient.

7. State your overall DBE goal(s) established for the Federal fiscal year of the report being submitted to and approved by the relevant OA. Your overall goal is to be reported as well as the breakdown for specific Race Conscious and Race Neutral projections (both of which include gender-conscious/neutral projections). The Race Conscious projection should be based on measures that focus on and provide benefits only for DBEs. The use of contract goals is a primary example of a race conscious measure. The Race Neutral projection should include measures that, while benefiting DBEs, are not solely focused on DBE firms. For example, a small business outreach program, technical assistance, and prompt payment clauses can assist a wide variety of businesses in addition to helping DBE firms.

Section A: Awards and Commitments Made During This Period

The amounts in items 8(A)-10(I) should include all types of prime contracts awarded and all types of subcontracts awarded or committed, including: professional or consultant services, construction, purchase of materials or supplies, lease or purchase of equipment and any other types of services. All dollar amounts are to reflect only the Federal share of such contracts and should be rounded to the nearest dollar.

Line 8: Prime contracts awarded this period: The items on this line should correspond to the contracts directly between the recipient and a supply or service contractor, with no intermediaries between the two.

8(A). Provide the *total dollar amount* for all prime contracts assisted with DOT funds and awarded during this reporting period. This value should include the entire Federal share of the contracts without removing any amounts associated with resulting subcontracts.

8(B). Provide the *total number* of all prime contracts assisted with DOT funds and awarded during this reporting period.

8(C). From the total dollar amount awarded in item 8(A), provide the *dollar amount* awarded in prime contracts to certified DBE firms during this reporting period. This amount should not include the amounts sub contracted to other firms.

8(D). From the total number of prime contracts awarded in item 8(B), specify the *number* of prime contracts awarded to certified DBE firms during this reporting period.

8(E&F). This field is closed for data entry. Except for the very rare case of DBE-set asides permitted under 49 CFR part 26, all prime contracts awarded to DBES are regarded as race-neutral.

8(G). From the total dollar amount awarded in item 8(C), provide the *dollar amount* awarded to certified DBEs through the use of Race Neutral methods. See the definition of Race Neutral in item 7 and the explanation in item 8 of project types to include.

8(H). From the total number of prime contracts awarded in 8(D), specify the *number* awarded to DBEs through Race Neutral methods.

8(I). Of all prime contracts awarded this reporting period, calculate the *percentage* going to DBEs. Divide the dollar amount in item 8(C) by the dollar amount in item 8(A) to derive this percentage. Round percentage to the nearest tenth.

Line 9: Subcontracts awarded/committed this period: Items 9(A)-9(I) are derived in the same way as items 8(A)-8(I), except that these calculations should be based on subcontracts rather than prime contracts. Unlike prime contracts, which may only be awarded, subcontracts may be either awarded or committed.

9(A). If filling out the form for general reporting, provide the total dollar amount of subcontracts assisted with DOT funds awarded or committed during this period. This value should be a subset of the total dollars awarded in prime contracts in 8(A), and therefore should never be greater than the amount awarded in prime contracts. If filling out the form for project reporting, provide the total dollar amount of subcontracts assisted with DOT funds awarded or committed during this period. This value should be a subset of the total dollars awarded or previously in prime contracts in 8(A). The sum of all subcontract amounts in consecutive periods should never exceed the sum of all prime contract amounts awarded in those periods.

9(B). Provide the total number of all sub contracts assisted with DOT funds that were awarded or committed during this reporting period.

9(C). From the total dollar amount of sub contracts awarded/committed this period in item 9(A), provide the total dollar amount awarded in sub contracts to DBEs.

9(D). From the total number of sub contracts awarded or committed in item 9(B), specify the number of sub contracts awarded or committed to DBEs.

9(E). From the total dollar amount of sub contracts awarded or committed to DBEs this period, provide the amount in dollars to DBEs using Race Conscious measures.

9(F). From the total number of sub contracts awarded or committed to DBEs this period, provide the amount in dollars to DBEs using Race Conscious measures.

Attachment 6
provide the number of sub contracts awarded or committed to DBEs using Race Conscious measures.

9(G). From the total dollar amount of sub contracts awarded/committed to DBEs this period, provide the amount in dollars to DBEs using Race Neutral measures.

9(H). From the total number of sub contracts awarded/committed to DBEs this period, provide the number of sub contracts awarded to DBEs using Race Neutral measures.

9(I). Of all subcontracts awarded this reporting period, calculate the *percentage* going to DBEs. Divide the dollar amount in item 9(C) by the dollar amount in item 9(A) to derive this percentage. Round percentage to the nearest tenth.

Line 10: Total contracts awarded or committed this period. These fields should be used to show the total dollar value and number of contracts awarded to DBEs and to calculate the overall percentage of dollars awarded to DBEs.

10(A)-10(B). These fields are unavailable for data entry.

10(C-H). Combine the total values listed on the prime contracts line (Line 8) with the corresponding values on the subcontracts line (Line 9).

10(I). Of all contracts awarded this reporting period, calculate the *percentage* going to DBEs. Divide the total dollars awarded to DBEs in item 10(C) by the dollar amount in item 8(A) to derive this percentage. Round percentage to the nearest tenth.

Section B: Breakdown by Ethnicity & Gender of Contracts Awarded to DBEs This Period

11-17. Further breakdown the contracting activity with DBE involvement. The Total Dollar Amount to DBEs in 17(C) should equal the Total Dollar Amount to DBEs in 10(C). Likewise the total number of contracts to DBEs in 17(F) should equal the Total Number of Contracts to DBEs in 10(D).

Line 16: The “Non-Minority” category is reserved for any firms whose owners are not members of the presumptively disadvantaged groups already listed, but who are either “women” OR eligible for the DBE program on an individual basis. All DBE firms must be certified by the Unified Certification Program to be counted in this report.

Section C: Payments on Ongoing Contracts

Line 18(A-E). Submit information on contracts that are currently in progress. All dollar amounts are to reflect only the Federal share of such contracts, and should be rounded to the nearest dollar.

18(A). Provide the total dollar amount paid to all firms performing work on contracts.

18(B). Provide the total number of contracts where work was performed during the reporting period.

18(C). From the total number of contracts provided in 18(A) provide the total number of contracts that are currently being performed by DBE firms for which payments have been made.

18(D). From the total dollar amount paid to all firms in 18(A), provide the total dollar value paid to DBE firms currently performing work during this period.

18(E). Provide the total number of DBE firms that received payment during this reporting period. For example, while 3 contracts may be active during this period, one DBE firm may be providing supplies or services on all three contracts. This field should only list the number of DBE firms performing work.

18(F). Of all payments made during this period, calculate the percentage going to DBEs. Divide the total dollar value to DBEs in item 18(D) by the total dollars of all payments in 18(B). Round percentage to the nearest tenth.

Section D: Actual Payments on Contracts Completed This Reporting Period

This section should provide information only on contracts that are closed during this period. All dollar amounts are to reflect the entire Federal share of such contracts, and should be rounded to the nearest dollar.

19(A). Provide the total number of contracts completed during this reporting period that used Race Conscious measures. Race Conscious contracts are those with contract goals or another race conscious measure.

19(B). Provide the total dollar value of prime contracts completed this reporting period that had race conscious measures.

19(C). From the total dollar value of prime contracts completed this period in 19(B), provide the total dollar amount of dollars awarded or committed to DBE firms in order to meet the contract goals. This applies only to Race Conscious contracts.

19(D). Provide the actual total DBE participation in dollars on the race conscious contracts completed this reporting period.

19(E). Of all the contracts completed this reporting period using Race Conscious measures, calculate the percentage of DBE participation. Divide the total dollar amount to DBEs in item 19(D) by the total dollar value provided in 19(B) to derive this percentage. Round to the nearest tenth.

20(A)-20(E). Items 21(A)-21(E) are derived in the same manner as items 19(A)-19(E), except these figures should be based on contracts completed using Race Neutral measures.

20(C). This field is closed.

21(A)-21(D). Calculate the totals for each column by adding the race conscious and neutral figures provided in each row above.

21(C). This field is closed.

21(E). Calculate the overall percentage of dollars to DBEs on completed contracts. Divide the Total DBE participation dollar value in 21(D) by the Total Dollar Value of Contracts Completed in 21(B) to derive this percentage. Round to the nearest tenth.

23. Name of the Authorized Representative preparing this form.

24. Signature of the Authorized Representative.

25. Phone number of the Authorized Representative.

****Submit your completed report to your Regional or Division Office.**

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[79 FR 59601, Oct. 2, 2014]

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Appendix C to Part 26—DBE Business Development Program Guidelines

The purpose of this program element is to further the development of DBEs, including but not limited to assisting them to move into non-traditional areas of work and/or compete in the marketplace outside the DBE program, via the provision of training and assistance from the recipient.

(A) Each firm that participates in a recipient's business development program (BDP) program is subject to a program term determined by the recipient. The term should consist of two stages; a developmental stage and a transitional stage.

(B) In order for a firm to remain eligible for program participation, it must continue to meet all eligibility criteria contained in part 26.

(C) By no later than 6 months of program entry, the participant should develop and submit to the recipient a comprehensive business plan setting forth the participant's business targets, objectives and goals. The participant will not be eligible for program benefits until such business plan is submitted and approved by the recipient. The approved business plan will constitute the participant's short and long term goals and the strategy for developmental growth to the point of economic viability in non-traditional areas of work and/or work outside the DBE program.

Attachment 6 Business plan should contain at least the following.

(1) An analysis of market potential, competitive environment and other business analyses estimating the program participant's prospects for profitable operation during the term of program participation and after graduation from the program.

(2) An analysis of the firm's strengths and weaknesses, with particular attention paid to the means of correcting any financial, managerial, technical, or labor conditions which could impede the participant from receiving contracts other than those in traditional areas of DBE participation.

(3) Specific targets, objectives, and goals for the business development of the participant during the next two years, utilizing the results of the analysis conducted pursuant to paragraphs (C) and (D)(1) of this appendix;

(4) Estimates of contract awards from the DBE program and from other sources which are needed to meet the objectives and goals for the years covered by the business plan; and

(5) Such other information as the recipient may require.

(E) Each participant should annually review its currently approved business plan with the recipient and modify the plan as may be appropriate to account for any changes in the firm's structure and redefined needs. The currently approved plan should be considered the applicable plan for all program purposes until the recipient approves in writing a modified plan. The recipient should establish an anniversary date for review of the participant's business plan and contract forecasts.

(F) Each participant should annually forecast in writing its need for contract awards for the next program year and the succeeding program year during the review of its business plan conducted under paragraph (E) of this appendix. Such forecast should be included in the participant's business plan. The forecast should include:

(1) The aggregate dollar value of contracts to be sought under the DBE program, reflecting compliance with the business plan;

(2) The aggregate dollar value of contracts to be sought in areas other than traditional areas of DBE participation;

(3) The types of contract opportunities being sought, based on the firm's primary line of business; and

(4) Such other information as may be requested by the recipient to aid in providing effective business development assistance to the participant.

(G) Program participation is divided into two stages; (1) a developmental stage and (2) a transitional stage. The developmental stage is designed to assist participants to overcome their social and economic disadvantage by providing such assistance as may be necessary and appropriate to enable them to access relevant markets and strengthen their financial and managerial skills. The transitional stage of program participation follows the developmental stage and is designed to assist participants to overcome, insofar as practical, their social and economic disadvantage and to prepare the participant for leaving the program.

(H) The length of service in the program term should not be a pre-set time frame for either the developmental or transitional stages but should be figured on the number of years considered necessary in normal progression of achieving the firm's established goals and

objectives. The setting of such time could be factored on such items as, but not limited to, the number of contracts, aggregate amount of the contract received, years in business, growth potential, etc.

(I) Beginning in the first year of the transitional stage of program participation, each participant should annually submit for inclusion in its business plan a transition management plan outlining specific steps to promote profitable business operations in areas other than traditional areas of DBE participation after graduation from the program. The transition management plan should be submitted to the recipient at the same time other modifications are submitted pursuant to the annual review under paragraph (E) of this section. The plan should set forth the same information as required under paragraph (F) of steps the participant will take to continue its business development after the expiration of its program term.

(J) When a participant is recognized as successfully completing the program by substantially achieving the targets, objectives and goals set forth in its program term, and has demonstrated the ability to compete in the marketplace, its further participation within the program may be determined by the recipient.

(K) In determining whether a concern has substantially achieved the goals and objectives of its business plan, the following factors, among others, should be considered by the recipient:

(1) Profitability;

(2) Sales, including improved ratio of non-traditional contracts to traditional-type contracts;

(3) Net worth, financial ratios, working capital, capitalization, access to credit and capital;

(4) Ability to obtain bonding;

(5) A positive comparison of the DBE's business and financial profile with profiles of non-DBE businesses in the same area or similar business category; and

(6) Good management capacity and capability.

(L) Upon determination by the recipient that the participant should be graduated from the developmental program, the recipient should notify the participant in writing of its intent to graduate the firm in a letter of notification. The letter of notification should set forth findings, based on the facts, for every material issue relating to the basis of the program graduation with specific reasons for each finding. The letter of notification should also provide the participant 45 days from the date of service of the letter to submit in writing information that would explain why the proposed basis of graduation is not warranted.

(M) Participation of a DBE firm in the program may be discontinued by the recipient prior to expiration of the firm's program term for good cause due to the failure of the firm to engage in business practices that will promote its competitiveness within a reasonable period of time as evidenced by, among other indicators, a pattern of inadequate performance or unjustified delinquent performance. Also, the recipient can discontinue the participation of a firm that does not actively pursue and bid on contracts, and a firm that, without justification, regularly fails to respond to solicitations in the type of work it is qualified for and in the geographical

areas where it has indicated availability under its approved business plan. The recipient should take such action if over a 2-year period a DBE firm exhibits such a pattern.

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Appendix D to Part 26—Mentor-Protégé Program Guidelines

(A) The purpose of this program element is to further the development of DBEs, including but not limited to assisting them to move into non-traditional areas of work and/or compete in the marketplace outside the DBE program, via the provision of training and assistance from other firms. To operate a mentor-protégé program, a recipient must obtain the approval of the concerned operating administration.

(B)(1) Any mentor-protégé relationship shall be based on a written development plan, approved by the recipient, which clearly sets forth the objectives of the parties and their respective roles, the duration of the arrangement and the services and resources to be provided by the mentor to the protégé. The formal mentor-protégé agreement may set a fee schedule to cover the direct and indirect cost for such services rendered by the mentor for specific training and assistance to the protégé through the life of the agreement. Services provided by the mentor may be reimbursable under the FTA, FHWA, and FAA programs.

(2) To be eligible for reimbursement, the mentor's services provided and associated costs must be directly attributable and properly allowable to specific individual contracts. The recipient may establish a line item for the mentor to quote the portion of the fee schedule expected to be provided during the life of the contract. The amount claimed shall be verified by the recipient and paid on an incremental basis representing the time the protégé is working on the contract. The total individual contract figures accumulated over the life of the agreement shall not exceed the amount stipulated in the original mentor/protégé agreement.

(C) DBEs involved in a mentor-protégé agreement must be independent business entities which meet the requirements for certification as defined in subpart D of this part. A protégé firm must be certified *before* it begins participation in a mentor-protégé arrangement. If the recipient chooses to recognize mentor/protégé agreements, it should establish formal general program guidelines. These guidelines must be submitted to the operating administration for approval prior to the recipient executing an individual contractor/subcontractor mentor-protégé agreement.

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Appendix E to Part 26—Individual Determinations of Social and Economic Disadvantage

The following guidance is adapted, with minor modifications, from SBA regulations concerning social and economic disadvantage determinations (see 13 CFR 124.103(c) and 124.104).

SOCIAL DISADVANTAGE

I. Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities. Social disadvantage must stem from circumstances beyond their control. Evidence of individual social disadvantage must include the following elements:

(A) At least one objective distinguishing feature that has contributed to social disadvantage, such as race, ethnic origin, gender, disability, long-term residence in an environment isolated from the mainstream of American society, or other similar causes not common to individuals who are not socially disadvantaged;

(B) Personal experiences of substantial and chronic social disadvantage in American society, not in other countries; and

(C) Negative impact on entry into or advancement in the business world because of the disadvantage. Recipients will consider any relevant evidence in assessing this element. In every case, however, recipients will consider education, employment and business history, where applicable, to see if the totality of circumstances shows disadvantage in entering into or advancing in the business world.

(1) *Education.* Recipients will consider such factors as denial of equal access to institutions of higher education and vocational training, exclusion from social and professional association with students or teachers, denial of educational honors rightfully earned, and social patterns or pressures which discouraged the individual from pursuing a professional or business education.

(2) *Employment.* Recipients will consider such factors as unequal treatment in hiring, promotions and other aspects of professional advancement, pay and fringe benefits, and other terms and conditions of employment; retaliatory or discriminatory behavior by an employer or labor union; and social patterns or pressures which have channeled the individual into non-professional or non-business fields.

(3) *Business history.* The recipient will consider such factors as unequal access to credit or capital, acquisition of credit or capital under commercially unfavorable circumstances, unequal treatment in opportunities for government contracts or other work, unequal treatment by potential customers and business associates, and exclusion from business or professional organizations.

II. With respect to paragraph I.(A) of this appendix, the Department notes that people with disabilities have disproportionately low incomes and high rates of unemployment. Many physical and attitudinal barriers remain to their full participation in education, employment, and business opportunities available to the general public. The Americans with Disabilities Act (ADA) was passed in recognition of the discrimination faced by people with disabilities. It is plausible that many individuals with disabilities—especially persons with severe disabilities (e.g., significant mobility, vision, or hearing impairments)—may be socially and economically disadvantaged.

III. Under the laws concerning social and economic disadvantage, people with disabilities are not a group presumed to be disadvantaged. Nevertheless, recipients should look carefully at individual showings of disadvantage by individuals with disabilities, making a case-by-case judgment about whether such an individual meets the criteria of this appendix. As public entities subject to Title II of the ADA, recipients must also ensure their DBE programs are accessible to individuals with disabilities. For example, physical barriers or the lack of application and information materials in accessible formats cannot be permitted to thwart the access of potential applicants to the certification process or other services made available to DBEs and applicants.

ECONOMIC DISADVANTAGE

(A) *General.* Economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged.

(B) *Submission of narrative and financial information.* (1) Each individual claiming economic disadvantage must describe the conditions which are the basis for the claim in a narrative statement, and must submit personal financial information.

(2) [Reserved]

(C) *Factors to be considered.* In considering diminished capital and credit opportunities, recipients will examine factors relating to the personal financial condition of any individual claiming disadvantaged status, including personal income for the past two years (including bonuses and the value of company stock given in lieu of cash), personal net worth, and the fair market value of all assets, whether encumbered or not. Recipients will also consider the financial condition of the applicant compared to the financial profiles of small businesses in the same primary industry classification, or, if not available, in similar lines of business, which are not owned and controlled by socially and economically disadvantaged individuals in evaluating the individual's access to credit and capital. The financial profiles that recipients will compare include total assets, net sales, pre-tax profit, sales/working capital ratio, and net worth.

(D) *Transfers within two years.* (1) Except as set forth in paragraph (D)(2) of this appendix, recipients will attribute to an individual claiming disadvantaged status any assets which that individual has transferred to an immediate family member, or to a trust, a beneficiary of which is an immediate family member, for less than fair market value, within two years prior to a concern's application for participation in the DBE program, unless the individual claiming disadvantaged status can demonstrate that the transfer is to or on behalf of an immediate family member for that individual's education, medical expenses, or some other form of essential support.

(2) Recipients will not attribute to an individual claiming disadvantaged status any assets transferred by that individual to an immediate family member that are consistent with the customary recognition of special occasions, such as birthdays, graduations, anniversaries, and retirements.

(3) In determining an individual's access to capital and credit, recipients may consider any assets that the individual transferred within such two-year period described by paragraph (D)(1) of this appendix that are not considered in evaluating the individual's assets and net worth (e.g., transfers to charities).

[64 FR 5126, Feb. 2, 1999, as amended at 68 FR 35559, June 16, 2003]

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Appendix F to Part 26—Uniform Certification Application Form



Appendix F

UNIFORM CERTIFICATION APPLICATION
DISADVANTAGED BUSINESS ENTERPRISE (DBE) /
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
49 C.F.R. Parts 23 and 26

Roadmap for Applicants

1. Should I apply?

You may be eligible to participate in the DBE/ACDBE program if:

- The firm is a for-profit business that performs or seeks to perform transportation related work (or a concession activity) for a recipient of Federal Transit Administration, Federal Highway Administration, or Federal Aviation Administration funds.
- The firm is at least 51% owned by a socially and economically disadvantaged individual(s) who also controls it.
- The firm's disadvantaged owners are U.S. citizens or lawfully admitted permanent residents of the U.S.
- The firm meets the Small Business Administration's size standard and does not exceed \$23.98 million in gross annual receipts for DBE (\$52.47 million for ACDBEs). (Other size standards apply for ACDBE that are banks/financial institutions, car rental companies, pay telephone firms, and automobile dealers.)

2. How do I apply?

First time applicants for DBE certification must complete and submit this certification application and related material to the certifying agency in your home state and participate in an on-site interview conducted by that agency. The attached document checklist can help you locate the items you need to submit to the agency with your completed application. If you fail to submit the required documents, your application may be delayed and/or denied. Firms already certified as a DBE do not have to complete this form, but may be asked by certifying agencies outside of your home state to provide a copy of your initial application form, supporting documents, and any other information you submitted to your home state to obtain certification or to any other state related to your certification.

3. Where can I send my application? [INSERT UCP PARTICIPATING MEMBER CONTACT INFORMATION]

4. Who will contact me about my application and what are the eligibility standards?

The DBE and ACDBE Programs require that all U.S. Department of Transportation (DOT) recipients of federal assistance participate in a statewide Unified Certification Program (UCP). The UCP is a one-stop certification program that eliminates the need for your firm to obtain certification from multiple certifying agencies within your state. The UCP is responsible for certifying firms and maintaining a database of certified DBEs and ACDBEs for DOT grantees, pursuant to the eligibility standards found in 49 C.F.R. Parts 23 and 26.

5. Where can I find more information?

U.S. DOT—<https://www.civilrights.dot.gov/> (This site provides useful links to the rules and regulations governing the DBE/ACDBE program, questions and answers, and other pertinent information)

SBA—Small Business Size Standards matched to the North American Industry Classification System (NAICS): <http://www.census.gov/eos/www/naics/> and <http://www.sba.gov/content/table-small-business-size-standards>.

In collecting the information requested by this form, the Department of Transportation (Department) complies with the provisions of the Federal Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a). The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Department's Disadvantaged Business Enterprise Program as defined in 49 CFR §26.3 and the Airport Concession Disadvantaged Business Enterprise Program as defined in 49 CFR §23.3. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).

Under 49 C.F.R. §35.107, dated February 2, 1999 and January 28, 2011, if at any time, the Department or a recipient has reason to believe that any person or firm has willfully and knowingly provided incorrect information or made false statements, the Department may initiate suspension or debarment proceedings against the person or firm under 2 CFR Parts 180 and 1200, Nonprocurement Suspension and Debarment, take enforcement action under 49 C.F.R. Part 31, Program Fraud and Civil Remedies, and/or refer the matter to the Department of Justice for criminal prosecution under 18 U.S.C. 1001, which prohibits false statements in Federal programs.

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**INSTRUCTIONS FOR COMPLETING THE
DISADVANTAGED BUSINESS ENTERPRISE (DBE)
AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
UNIFORM CERTIFICATION APPLICATION**

NOTE: All participating firms must be for-profit enterprises. If your firm is not for-profit, then you do NOT qualify for the DBE/ACDBE program and should not complete this application. If you require additional space for any question in this application, please attach additional sheets or copies as needed, taking care to indicate on each attached sheet the section and number of this application to which it refers.

Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

- (1) Enter the contact name and title of the person completing this application and the person who will serve as your firm's contact for this application.
- (2) Enter the legal name of your firm, as indicated in your firm's Articles of Incorporation or charter.
- (3) Enter the primary phone number of your firm.
- (4) Enter a secondary phone number, if any.
- (5) Enter your firm's fax number, if any.
- (6) Enter the contact person's email address.
- (7) Enter your firm's website addresses, if any.
- (8) Enter the street address of the firm where its offices are physically located (not a P.O. Box).
- (9) Enter the mailing address of your firm, if it is different from your firm's street address.

B. Prior Other Certifications and Applications

- (10) Check the appropriate box indicating whether your firm is currently certified in the DBE/ACDBE programs, and provide the name of the certifying agency that certified your firm. List the dates of any site visits conducted by your home state and any other states or UCP members. Also provide the names of state/UCP members that conducted the review.
- (11) Indicate whether your firm or any of the persons listed has ever been denied certification as a DBE, 8(a), or Small Disadvantaged Business (SDB) firm, or state and local MBE/WBE firm. Indicate if the firm has ever been de-certified from one of these programs. Indicate if the application was withdrawn or whether the firm was delisted, suspended, or otherwise had its bidding privileges denied or restricted by any state or local agency, or Federal entity. If your answer is yes, identify the name of the agency, and explain fully the nature of the action in the space provided. Indicate if you have ever appealed this decision to the Department and if so, attach a copy of USDOT's final agency decision(s).

Section 2: GENERAL INFORMATION

A. Business profile:

- (1) Give a concise description of the firm's primary activities, the product(s) or services the company provides, its type of construction. If your company offers more than one product/service, list primary product or service first (attach additional sheets if necessary). This description may be used in our UCP online database if you are certified as a DBE.

- (2) If you know the appropriate NAICS Code for the line(s) of work you identified in your business profile, enter the codes in the space provided.

- (3) State the date on which your firm was established as stated in your firm's Articles of Incorporation or charter.

- (4) State the date each person became a firm owner.

- (5) Check the appropriate box describing the manner in which you and each other owner acquired ownership of your firm. If you checked "Other," explain in the space provided.

- (6) Check the appropriate box that indicates whether your firm is "for-profit." If you checked "No," then you do NOT qualify for the DBE/ACDBE program and should not complete this application. All participating firms must be for-profit enterprises. If the firm is a for-profit enterprise, provide the Federal Tax ID number as stated on your firm's Federal tax return.

- (7) Check the appropriate box that describes the type of legal business structure of your firm, as indicated in your firm's Articles of Incorporation or similar document. Identify all joint venture partners if applicable. If you checked "Other," briefly explain in the space provided.

- (8) Indicate in the spaces provided how many employees your firm has, specifying the number of employees who work on a full-time, part-time, and seasonal basis. Attach a list of employees, their job titles, and dates of employment, to your application.

- (9) Specify the firm's gross receipts for each of the past three years, as stated in your firm's filed Federal tax returns. You must submit complete copies of the firm's Federal tax returns for each year. If there are any affiliates or subsidiaries of the applicant firm or owners, you must provide these firms' gross receipts and submit complete copies of these firms' Federal tax returns. Affiliation is defined in 49 C.F.R. §20.5 and 13 C.F.R. Part 121.

B. Relationships and Dealings with Other Businesses

- (1) Check the appropriate box that indicates whether your firm is co-located at any of its business locations, or whether your firm shares a telephone number(s), a post office box, any office space, a yard, warehouse, other facilities, any equipment, financing, or any office staff and/or employees with any other business, organization or entity of any kind. If you answered "Yes," then specify the name of the other firm(s) and fully explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or

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- and agreement. Provide an explanation of any items shared with other firms in the space provided.
- (2) Check the appropriate box indicating whether any other firm currently has or had an ownership interest in your firm at present or at any time in the past. If you checked "yes," please explain.
 - (3) Check the appropriate box that indicates whether at present or at any time in the past your firm:
 - (a) ever existed under different ownership, a different type of ownership, or a different name;
 - (b) existed as a subsidiary of any other firm;
 - (c) existed as a partnership in which one or more of the partners are were other firms;
 - (d) owned any percentage of any other firm; and
 - (e) had any subsidiaries of its own.
 - (f) served as a subcontractor with another firm constituting more than 25% of your firm's receipts.

If you answered "Yes" to any of the questions in (3)(a-f), you may be asked to explain the arrangement in detail.

Section 3: MAJORITY OWNER INFORMATION

Identify all individuals or holding companies with any ownership interest in your firm, providing the information requested below. (If your firm has more than one owner, provide completed copies of this section for each owner.)

A. Identify the majority owner of the firm holding 51% or more ownership interest

- (1) Enter the full name of the owner.
- (2) Enter his/her title or position within your firm.
- (3) Give his/her home phone number.
- (4) Enter his/her home (street) address.
- (5) Indicate this owner's gender.
- (6) Identify the owner's ethnic group membership. If you checked "Other," specify this owner's ethnic group identity not otherwise listed.
- (7) Check the appropriate box to indicate whether this owner is a U.S. citizen or a lawfully admitted permanent resident. If this owner is neither a U.S. citizen nor a lawfully admitted permanent resident of the U.S., then this owner is NOT eligible for verification as a DBE owner.
- (8) Enter the number of years during which this owner has been an owner of your firm.
- (9) Indicate the percentage of the total ownership this person holds and the date acquired, including (if appropriate) the class of stock owned.
- (10) Indicate the dollar value of this owner's initial investment to acquire an ownership interest in your firm, broken down by cash, real estate, equipment, and/or other investments. Describe how you acquired your business and attach documentation substantiating this investment.

B. Additional Owner Information

- (1) Describe the familial relationship of this owner to each other owner of your firm and employees.
- (2) Indicate whether this owner performs a management or supervisory function for any other business. If you

checked "Yes," state the name of the other business and this owner's function/title held in that business.

- (3) (a) Check the appropriate box that indicates whether this owner owns or works for any other firm(s) that has any relationship with your firm. If you checked "Yes," identify the name of the other business, the nature of the business relationship, and the owner's function at the firm.
 - (b) If the owner works for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week, please identify this activity.
- (4) (a) Provide the personal net worth of the owner applying for verification in the space provided. Complete and attach the accompanying "Personal Net Worth Statement for DBE/ACDBE Program Eligibility" with your application. Note, complete this section and accompanying statement only for each owner applying for DBE qualification (i.e., for each owner claiming to be socially and economically disadvantaged).
 - (b) Check the appropriate box that indicates whether any trust has been created for the benefit of the disadvantaged owner(s). If you answered "Yes," you may be asked to provide a copy of the trust instrument.
- (5) Check the appropriate to indicate whether any of your immediate family members, managers, or employees, own, manage, or are associated with another company. Immediate family member is defined in 49 C.F.R. §26.5. If you answered "Yes," provide the name of each person, your relationship to them, the name of the company, the type of business, and whether they own or manage the company.

Section 4: CONTROL

A. Identify the firm's Officers and Board of Directors

- (1) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each officer.
- (2) In the space provided, state the name, title, date of appointment, ethnicity, and gender of each individual serving on your firm's Board of Directors.
- (3) Check the appropriate box to indicate whether any of your firm's officers and/or directors listed above performs a management or supervisory function for any other business. If you answered "Yes," identify each person by name, his/her title, the name of the other business in which s/he is involved, and his/her function performed in that other business.
- (4) Check the appropriate box that indicates whether any of your firm's officers and/or directors listed above own or work for any other firm(s) that has a relationship with your firm (e.g., ownership interest, shared office space, financial investments, equipment leases, personnel sharing, etc.). If you answered "Yes," identify the name of the firm, the individual's name, and the nature of his/her business relationship with that other firm.

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B. Duties of Owners, Officers, Directors, Managers and Key Personnel

(1), (2) Specify the roles of the majority and minority owners, directors, officers, and managers, and key personnel who control the functions listed for the business. Submit resumes for each owner and non-owner identified below. State the name of the individual, title, race and gender and percentage ownership if any. Circle the frequency of each person's involvement as follows: "always, frequently, seldom, or never" in each area.

Indicate whether any of the persons listed in this section perform a management or supervisory function for any other business. Identify the person, business, and their title/function. Identify if any of the persons listed above own or work for any other firm(s) that has a relationship with this firm (e.g. ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.) If you answered "Yes," describe the nature of his/her business relationship with that other firm.

C. Inventory: Indicate firm inventory in these categories:

(1) Equipment and Vehicles

State the make and model, and current dollar value of each piece of equipment and motor vehicle held and/or used by your firm. Indicate whether each piece is either owned or leased by your firm or owner, whether it is used as collateral, and where this item is stored.

(2) Office Space

State the street address of each office space held and/or used by your firm. Indicate whether your firm or owner owns or leases the office space and the current dollar value of that property or its lease.

(3) Storage Space

State the street address of each storage space held and/or used by your firm. Indicate whether your firm or owner owns or leases the storage space and the current dollar value of that property or its lease. Provide a signed lease agreement for each property.

D. Does your firm rely on any other firm for management functions or employee payroll?

Check the appropriate box that indicates whether your firm relies on any other firm for management functions or for employee payroll. If you answered "Yes," you may be asked to explain the nature of that reliance and the extent to which the other firm carries out such functions.

E. Financial / Banking Information

Banking Information: State the name, City and State of your firm's bank. In the space provided, identify the person able to sign checks on this account. Provide bank authorization and signature cards.

Bonding Information: State your firm's bonding limits (in dollars), specifying both the aggregate and project limits.

F. Sources, amounts, and purposes of money loaned to your firm, including the names of persons or firms guaranteeing the loan.

State the name and address of each source, the name of person securing the loan, original dollar amount and the current balance of each loan, and the purpose for which each loan was made to your firm. Provide copies of signed loan agreements and security agreements.

G. Contributions or transfers of assets to from your firm and to from any of its owners or another individual over the past two years:

Indicate in the spaces provided, the type of contribution or asset that was transferred, its current dollar value, the person or firm from whom it was transferred, the person or firm to whom it was transferred, the relationship between the two persons and/or firms, and the date of the transfer.

H. Current licenses/permits held by any owner or employee of your firm.

List the name of each person in your firm who holds a professional license or permit, the type of permit or license, the expiration date of the permit or license, and issuing State of the license or permit. Attach copies of licenses, license renewal forms, permits, and local authority forms.

I. Largest contracts completed by your firm in the past three years, if any.

List the name of each owner or contractor for each contract, the name and location of the projects under each contract, the type of work performed on each contract, and the dollar value of each contract.

J. Largest active jobs on which your firm is currently working.

For each active job listed, state the name of the prime contractor and the project number, the location, the type of work performed, the project start date, the anticipated completion date, and the dollar value of the contract.


AIRPORT CONCESSION (AC/DBE) APPLICANTS

Identify the concession space, address and location at the airport, the value of the property or lease, and free/lease payments paid to the airport. Provide information concerning any other airport concession businesses the applicant firm or any affiliate owns and/or operates, including name, location, type of concession, and start date of the concession enterprise.

AFFIDAVIT & SIGNATURE

The Affidavit of Certification must accompany your application for certification. Carefully read the attached affidavit in its entirety. Fill in the required information for each blank space, and sign and date the affidavit in the presence of a Notary Public, who must then notarize the form.

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Section 1: CERTIFICATION INFORMATION

A. Basic Contact Information

(1) Contact person and Title: _____ (2) Legal name of firm: _____

(3) Phone #: (____) _____ - _____ (4) Other Phone #: (____) _____ - _____ (5) Fax #: (____) _____ - _____

(6) E-mail: _____ (7) Firm Websites: _____

(8) Street address of firm (No P.O. Box): City: _____ County/Parish: _____ State: _____ Zip: _____

(9) Mailing address of firm (if different): City: _____ County/Parish: _____ State: _____ Zip: _____

B. Prior/Other Certifications and Applications

(10) Is your firm currently certified for any of the following U.S. DOT programs?
 DBE ACDBE Names of certifying agencies: _____

Ⓢ If you are certified in your home state as a DBE/ACDBE, you do not have to complete this application for other states. Ask your state UCP about the interstate certification process.

List the dates of any site visits conducted by your home state and any other states or UCP members:
 Date ___/___/___ State/UCP Member: _____ Date ___/___/___ State/UCP Member: _____

(11) Indicate whether the firm or any persons listed in this application have ever been:
 (a) Denied certification or decertified as a DBE, ACDBE, 8(a), SDB, MBE/WBE firm? Yes No
 (b) Withdrawn an application for these programs, or debarred or suspended or otherwise had bidding privileges denied or restricted by any state or local agency, or Federal entity? Yes No

If yes, explain the nature of the action. (If you appealed the decision to DOT or another agency, attach a copy of the decision.)

Section 2: GENERAL INFORMATION

A. Business Profile: (1) Give a concise description of the firm's primary activities and the product(s) or service(s) it provides. If your company offers more than one product/service, list the primary product or service first. Please use additional paper if necessary. This description may be used in our database and the UCP online directory if you are certified as a DBE or ACDBE.


(2) Applicable NAICS Codes for this line of work include: _____

(3) This firm was established on ___/___/___ (4) I/We have owned this firm since: ___/___/___

(5) Method of acquisition (Check all that apply):
 Started new business Bought existing business Inherited business Secured concession
 Merger or consolidation Other (explain) _____

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(6) Is your firm "for profit"? Yes No **STOP!** If your firm is NOT for-profit, then you do NOT qualify for this program and should not fill out this application.
Federal Tax ID# _____

(7) Type of Legal Business Structure: *(check all that apply)*

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Limited Liability Partnership
<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Joint Venture (Identify all JV partners _____)
<input type="checkbox"/> Applying as an ACDBE	<input type="checkbox"/> Other, Describe _____

(8) Number of employees: Full-time _____ Part-time _____ Seasonal _____ Total _____
(Provide a list of employees, their job titles, and dates of employment, in your application)

(9) Specify the firm's gross receipts for the last 3 years. *(Submit complete copies of the firm's Federal tax returns for each year. If there are affiliates or subsidiaries of the applicant firm or owners, you must submit complete copies of these firms' Federal tax returns).*

Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____
Year _____	Gross Receipts of Applicant Firm \$ _____	Gross Receipts of Affiliate Firms \$ _____

B. Relationships and Dealings with Other Businesses

(1) Is your firm co-located at any of its business locations, or does it share a telephone number, P.O. Box, office or storage space, yard, warehouse, facilities, equipment, inventory, financing, office staff, and/or employees with any other business, organization, or entity? Yes No
If Yes, explain the nature of your relationship with these other businesses by identifying the business or person with whom you have any formal, informal, written, or oral agreement. Also detail the items shared.

(2) Has any other firm had an ownership interest in your firm at present or at any time in the past?
 Yes No If Yes, explain _____

(3) At present, or at any time in the past, has your firm:

(a) Ever existed under different ownership, a different type of ownership, or a different name? Yes No

(b) Existed as a subsidiary of any other firm? Yes No

(c) Existed as a partnership in which one or more of the partners are/were other firms? Yes No

(d) Owned any percentage of any other firm? Yes No


(e) Had any subsidiaries? Yes No

(f) Served as a subcontractor with another firm constituting more than 25% of your firm's receipts? Yes No

(If you answered "Yes" to any of the questions in (1) and/or (2)(a)-(f), you may be asked to provide further details and explain whether the arrangement continues).

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Section 3: MAJORITY OWNER INFORMATION

A. Identify the majority owner of the firm holding 51% or more ownership interest.

(1) Full Name: _____ (2) Title: _____ (3) Home Phone #: _____
 () _____

(4) Home Address (Street and Number): _____ City: _____ State: _____ Zip: _____

(5) Gender: Male Female

(6) Ethnic group membership (Check all that apply):
 Black Hispanic
 Asian Pacific Native American
 Subcontinent Asian
 Other (specify) _____

(7) U.S. Citizenship:
 U.S. Citizen
 Lawfully Admitted Permanent Resident

(8) Number of years as owner: _____

(9) Percentage owned: _____ %
 Class of stock owned: _____
 Date acquired: _____

(10) Initial investment to acquire ownership interest in firm	Type	Dollar Value
<input type="checkbox"/>	Cash	\$ _____
<input type="checkbox"/>	Real Estate	\$ _____
<input type="checkbox"/>	Equipment	\$ _____
<input type="checkbox"/>	Other	\$ _____

Describe how you acquired your business:
 Started business myself
 It was a gift from: _____
 I bought it from: _____
 I inherited it from: _____
 Other: _____
(Attach documentation substantiating your investment)

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees:

(2) Does this owner perform a management or supervisory function for any other business? Yes No
 If Yes, identify Name of business: _____ Function Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g. ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No
 Identify the name of the business, and the nature of the relationship, and the owner's function at the firm.

(b) Does this owner work for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week? If yes, identify this activity: _____


(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____

(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No
(If Yes, you may be asked to provide a copy of the trust instrument)

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage the company. (Please attach extra sheets, if needed): _____

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Section 3: OWNER INFORMATION, Cont'd.

A. Identify all individuals, firms, or holding companies that hold LESS THAN 51% ownership interest in the firm (Attach separate sheets for each additional owner)

(1) Full Name: _____ (2) Title: _____ (3) Home Phone #: _____
 () - _____ - _____

(4) Home Address (Street and Number): _____ City: _____ State: _____ Zip: _____

(5) Gender: Male Female

(6) Ethnic group membership (Check all that apply)

Black Hispanic
 Asian Pacific Native American
 Subcontinent Asian
 Other (specify) _____

(7) U.S. Citizenship:
 U.S. Citizen
 Lawfully Admitted Permanent Resident

(8) Number of years as owner: _____
 (9) Percentage owned: _____ %
 Class of stock owned: _____
 Date acquired: _____

(10) Initial investment to acquire ownership interest in firm:

Type	Dollar Value
Cash	\$ _____
Real Estate	\$ _____
Equipment	\$ _____
Other	\$ _____

Describe how you acquired your business:
 Started business myself
 It was a gift from: _____
 I bought it from: _____
 I inherited it from: _____
 Other: _____
(Attach documentation substantiating your investment)

B. Additional Owner Information

(1) Describe familial relationship to other owners and employees: _____

(2) Does this owner perform a management or supervisory function for any other business? Yes No
 If Yes, identify: Name of business: _____ Function Title: _____

(3)(a) Does this owner own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investments, equipment, leases, personnel sharing, etc.) Yes No
 Identify the name of the business, and the nature of the relationship, and the owner's function at the firm: _____

(b) Does this owner work for any other firm, non-profit organization, or is engaged in any other activity more than 10 hours per week? If yes, identify this activity: _____

(4)(a) What is the personal net worth of this disadvantaged owner applying for certification? \$ _____


(b) Has any trust been created for the benefit of this disadvantaged owner(s)? Yes No
(If Yes, you may be asked to provide a copy of the trust instrument).

(5) Do any of your immediate family members, managers, or employees own, manage, or are associated with another company? Yes No If Yes, provide their name, relationship, company, type of business, and indicate whether they own or manage: *(Please attach extra sheets, if needed)* _____

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Section 4: CONTROL



A. Identify your firm's Officers and Board of Directors (If additional space is required, attach a separate sheet).

	Name	Title	Date Appointed	Ethnicity	Gender
(1) Officers of the Company	(a)				
	(b)				
	(c)				
	(d)				
(2) Board of Directors	(a)				
	(b)				
	(c)				
	(d)				

(3) Do any of the persons listed above perform a management or supervisory function for any other business?
 Yes No If Yes, identify for each:

Person: _____ Title: _____
 Business: _____ Function: _____

Person: _____ Title: _____
 Business: _____ Function: _____

(4) Do any of the persons listed in section A above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.)
 Yes No If Yes, identify for each:

Firm Name: _____ Person: _____
 Nature of Business Relationship: _____

B. Duties of Owners, Officers, Directors, Managers, and Key Personnel
 1. Identify your firm's management personnel who control your firm in the following areas (Attach separate sheet as needed).

	Majority Owner (51% or more)				Minority Owner (49% or less)			
	Name: _____ Title: _____ Percent Owned: _____				Name: _____ Title: _____ Percent Owned: _____			
	A	F	S	N	A	F	S	N
Sets policy for company direction/scope of operations	A	F	S	N	A	F	S	N
Bidding and estimating	A	F	S	N	A	F	S	N
Major purchasing decisions	A	F	S	N	A	F	S	N
Marketing and sales	A	F	S	N	A	F	S	N
Supervises field operations	A	F	S	N	A	F	S	N
Attend bid openings and lettings	A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable/payable, etc.)	A	F	S	N	A	F	S	N
Hires and fires management staff	A	F	S	N	A	F	S	N
Hire and fire field staff or crew	A	F	S	N	A	F	S	N
Designates profits spending or investment	A	F	S	N	A	F	S	N
Obligates business by contract credit	A	F	S	N	A	F	S	N
Purchases equipment	A	F	S	N	A	F	S	N
Signs business checks	A	F	S	N	A	F	S	N

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2. Complete for all Officers, Directors, Managers, and Key Personnel who control the following functions for the firm. (Attach separate sheets as needed).

A = Always F = Frequently S = Seldom N = Never	Officer/Director/Manager/Key Personnel				Officer/Director/Manager/Key Personnel			
	Name:	Title:	Race and Gender:	Percent Owned:	Name:	Title:	Race and Gender:	Percent Owned:
	A	F	S	N	A	F	S	N
Sets policy for company direction/scope of operations	A	F	S	N	A	F	S	N
Bidding and estimating	A	F	S	N	A	F	S	N
Major purchasing decisions	A	F	S	N	A	F	S	N
Marketing and sales	A	F	S	N	A	F	S	N
Supervises field operations	A	F	S	N	A	F	S	N
Attend bid openings and lettings	A	F	S	N	A	F	S	N
Perform office management (billing, accounts receivable payable, etc.)	A	F	S	N	A	F	S	N
Hires and fires management staff	A	F	S	N	A	F	S	N
Hire and fire field staff or crew	A	F	S	N	A	F	S	N
Designates profits spending or investment	A	F	S	N	A	F	S	N
Obligates business by contract/credit	A	F	S	N	A	F	S	N
Purchase equipment	A	F	S	N	A	F	S	N
Signs business checks	A	F	S	N	A	F	S	N

Do any of the persons listed in B1 or B2 perform a management or supervisory function for any other business? If Yes, identify the person, the business, and their title/function: _____

Do any of the persons listed above own or work for any other firm(s) that has a relationship with this firm? (e.g., ownership interest, shared office space, financial investment, equipment, leases, personnel sharing, etc.) If Yes, describe the nature of the business relationship: _____

C. Inventory: Indicate your firm's inventory in the following categories (Please attach additional sheets if needed).

1. Equipment and Vehicles


Make and Model	Current Value	Owned or Leased by Firm or Owner?	Used as collateral?	Where is item stored?
1. _____				
2. _____				
3. _____				
4. _____				
5. _____				
6. _____				
7. _____				
8. _____				
9. _____				

2. Office Space

Street Address	Owned or Leased by Firm or Owner?	Current Value of Property or Lease

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3. Storage Space *(Provide signed lease agreements for the properties listed)*

Street Address	Owned or Leased by Firm or Owner?	Current Value of Property or Lease

D. Does your firm rely on any other firm for management functions or employee payroll? Yes No

E. Financial Banking Information *(Provide bank authorization and signature cards)*

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Name of bank: _____ City and State: _____
 The following individuals are able to sign checks on this account: _____

Bonding Information. If you have bonding capacity, identify the firm's bonding aggregate and project limits:
 Aggregate limit \$ _____ Project limit \$ _____

F. Identify all sources, amounts, and purposes of money loaned to your firm including from financial institutions. Identify whether you the owner and any other person or firm loaned money to the applicant DBE/ACDBE. Include the names of any persons or firms guaranteeing the loan, if other than the listed owner. (Provide copies of signed loan agreements and security agreements.)

Name of Source	Address of Source	Name of Person Guaranteeing the Loan	Original Amount	Current Balance	Purpose of Loan
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

G. List all contributions or transfers of assets to/from your firm and to/from any of its owners or another individual over the past two years (Attach additional sheets if needed):

Contribution/Asset	Dollar Value	From Whom Transferred	To Whom Transferred	Relationship	Date of Transfer
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

H. List current licenses/permits held by any owner and/or employee of your firm (e.g. contractor, engineer, architect, etc. Attach additional sheets if needed):

Name of License/Permit Holder	Type of License/Permit	Expiration Date	State
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

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I. List the three largest contracts completed by your firm in the past three years, if any:

Name of Owner/Contractor	Name/Location of Project	Type of Work Performed	Dollar Value of Contract
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

J. List the three largest active jobs on which your firm is currently working:

Name of Prime Contractor and Project Number	Location of Project	Type of Work	Project Start Date	Anticipated Completion Date	Dollar Value of Contract
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

AIRPORT CONCESSION (ACDBE) APPLICANTS ONLY MUST COMPLETE THIS SECTION

Identify the following information concerning the ACDBE applicant firm:

<u>Concession Space</u>	<u>Address / Location at Airport</u>	<u>Value of Property or Lease</u>	<u>Fees/Lease Payments Paid to the Airport</u>

Provide information concerning any other airport concession businesses the applicant firm or any affiliate owns and/or operates, including name, location, type of concession, and start date of concession

<u>Name of Concession</u>	<u>Location</u>	<u>Type of Concession</u>	<u>Start Date of Concession</u>

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AFFIDAVIT OF CERTIFICATION

This form must be signed and notarized for each owner upon which disadvantaged status is relied.

A MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION IS SUFFICIENT CAUSE FOR DENIAL OF CERTIFICATION, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

I, _____ (full name printed),
swear or affirm under penalty of law that I am _____
(title) of the applicant firm and that I

have read and understood all of the questions in this application and that all of the foregoing information and statements submitted in this application and its attachments and supporting documents are true and correct to the best of my knowledge, and that all responses to the questions are full and complete, omitting no material information. The responses include all material information necessary to fully and accurately identify and explain the operations, capabilities and pertinent history of the named firm as well as the ownership, control, and affiliations thereof.

I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application, and I authorize such agency to contact any entity named in the application, and the named firm's bonding companies, banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility.

I agree to submit to government audit, examination and review of books, records, documents and files, in whatever form they exist, of the named firm and its affiliates, inspection of its place(s) of business and equipment, and to permit interviews of its principals, agents, and employees. I understand that refusal to permit such inquiries shall be grounds for denial of certification.

If awarded a contract, subcontract, concession lease or sublease, I agree to promptly and directly provide the prime contractor, if any, and the Department, recipient agency, or Federal funding agency on an ongoing basis, current, complete and accurate information regarding (1) work performed on the project; (2) payments; and (3) proposed changes, if any, to the foregoing arrangements.

I agree to provide written notice to the recipient agency or Unified Certification Program of any material change in the information contained in the original application within 30 calendar days of such change (e.g., ownership changes, address/telephone number, personal net worth exceeding \$1.32 million, etc.).

I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded, denial or revocation of certification, suspension and debarment, and for initiating actions under federal and/or state law concerning false statements, fraud or other applicable offenses.

I certify that I am a socially and economically disadvantaged individual who is an owner of the above-referenced firm seeking certification as a Disadvantaged Business Enterprise or Airport Concession Disadvantaged Business Enterprise. In support of my application, I certify that I am a member of one or more of the following groups, and that I have held myself out as a member of the group(s). (Check all that apply):

- Female Black American Hispanic American
- Native American Asian-Pacific American
- Subcontinent Asian American Other (specify) _____

I certify that I am socially disadvantaged because I have been subjected to racial or ethnic prejudice or cultural bias, or have suffered the effects of discrimination, because of my identity as a member of one or more of the groups identified above, without regard to my individual qualities.

I further certify that my personal net worth does not exceed \$1.32 million, and that I am economically disadvantaged because my ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially and economically disadvantaged.

I declare under penalty of perjury that the information provided in this application and supporting documents is true and correct.

Signature _____ (DBE/ACDBE Applicant) (Date) _____

NOTARY CERTIFICATE

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**UNIFORM CERTIFICATION APPLICATION
SUPPORTING DOCUMENTS CHECKLIST**

In order to complete your application for DBE or ACDBE certification, you must attach copies of all of the following **REQUIRED** documents. A failure to supply any information requested by the UCP may result in your firm denied DBE/ACDBE certification.

Required Documents for All Applicants

- Resumes (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 3 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 3 years.
- 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 local authority forms.
- Description of all real estate (including office/storage space, etc.) owned/leased by your firm and documented proof of ownership/signed leases
- 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 decertifications, if applicable; and any U.S. DOT appeal decisions on these actions.
- Bank authorizations 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

- Corporate by-laws and any amendments
- Corporate bank resolution and bank signature cards
- Official Certificate of Formation and Operating Agreement with any amendments (for LLCs)

Optional Documents to Be Provided on Request

The UCP to which you are applying may require the submission of the following documents. If requested to provide these documents, you must supply them with your application or at the on-site visit.

- Proof of citizenship
- Insurance agreements for each truck owned or operated by your firm
- Audited financial statements (if available)
- Personal Federal Tax returns for the past 3 years, if applicable, for other disadvantaged owners of the firm.
- Trust agreements held by any owner claiming disadvantaged status
- Year-end balance sheets and income statements for the past 3 years (or life of firm if less than three years)

Suppliers

- List of product lines carried and list of distribution equipment owned and/or leased

Partnership or Joint Venture

- Original and any amended Partnership or Joint Venture Agreements

Corporation or LLC


- Official Articles of Incorporation (signed by the state official)
- Both sides of all corporate stock certificates and your firm's stock transfer ledger
- Shareholders' Agreement(s)
- Minutes of all stockholders and board of directors meetings

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[79 FR 59603, Oct. 2, 2014]

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Appendix G to Part 26—Personal Net Worth Statement

 U.S. Department of Transportation		Personal Net Worth Statement For DBE/ACDBE Program Eligibility As of _____		DBE APPROVAL NO: EXPIRATION DATE:	
This form is used by all participants in the U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) Programs. Each individual owner of a firm applying to participate as a DBE or ACDBE, whose ownership and control are relied upon for DBE certification must complete this form. Each person signing this form authorizes the Unified Certification Program (UCP) recipient to make inquiries as necessary to verify the accuracy of the statements made. This agency you apply to will use the information provided to determine whether an owner is economically disadvantaged as defined in the DBE program regulations 49 C.F.R. Parts 23 and 26. Return form to appropriate UCP certifying member, not U.S. DOT.					
Name				Business Phone	
Residence Address: (As reported to the IRS) City, State and Zip Code				Residence Phone	
Business Name of Applicant Firm					
Spouse's Full Name (Marital Status: Single, Married, Divorced, Union)					
ASSETS (Omit Cents)		LIABILITIES (Omit Cents)			
Cash and Cash Equivalents	\$	Loan on Life Insurance (Complete Section 5)	\$		
Retirement Accounts (IRAs, 401(k)s, 403(b)s, Pensions, etc.) (Report full value minus tax and interest penalties that would apply if assets were distributed today) (Complete Section 3)	\$	Mortgages on Real Estate Excluding Primary Residence Debt (Complete Section 4)	\$		
Brokerage, Investment Accounts	\$	Notes, Obligations on Personal Property (Complete Section 6)	\$		
Assets Held in Trust	\$	Notes & Accounts Payable to Banks and Others (Complete Section 2)	\$		
Loans to Shareholders & Other Receivables (Complete section 8)	\$	Other Liabilities (Complete Section 8)	\$		
Real Estate Excluding Primary Residence (Complete Section 4)	\$	Unpaid Taxes (Complete Section 8)	\$		
Life Insurance (Cash Surrender Value Only) (Complete Section 5)	\$				
Other Personal Property and Assets (Complete Section 6)	\$				
Business Interests Other Than the Applicant Firm (Complete Section 7)	\$				
Total Assets	\$	Total Liabilities	\$		
		NET WORTH			
Section 2: Notes Payable to Banks and Others					
Name of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Enclosed Type of Collateral

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Section 6. Other Personal Property and Assets (Use attachments as necessary)				
Type of Property or Asset	Total Present Value	Amount of Liability (Balance)	Is this asset insured?	Lien or Note amount and Terms of Payment
Automobiles and Vehicles (including recreation vehicles, motorcycles, boats, etc.) include personally owned vehicles that are leased or rented to businesses or other individuals.				
Household Goods / Jewelry				
Other (List)				
Accounts and Notes Receivable				

Section 7. Value of Other Business Investments, Other Businesses Owned (excluding applicant firm)
Sole Proprietorships, General Partners, Joint Ventures, Limited Liability Companies, Closely-held and Public Traded Corporations

Section 8. Other Liabilities and Unpaid Taxes (Describe)

Section 9. Transfer of Assets: Have you within 2 years of this personal net worth statement, transferred assets to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust? Yes No If yes, describe

I declare under penalty of perjury that the information provided in this personal net worth statement and supporting documents is complete, true and correct. I certify that no assets have been transferred to any beneficiary for less than fair market value in the last two years. I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application and this personal net worth statement, and I authorize such agency to contact any entity named in the application or this personal financial statement, including the names banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility. I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded, denial or revocation of certification, suspension and debarment, and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.

NOTARY CERTIFICATE:
(Insert applicable state acknowledgment, affirmation, or oath)

Signature (DBE/ACDBE Owner): _____ Date: _____

In collecting the information requested by this form, the Department of Transportation complies with Federal Freedom of Information and Privacy Act (5-U.S.C. 552 and 552a) provisions. The Privacy Act provides comprehensive protections for your personal information. This includes how information is collected, used, disclosed, stored, and discarded. Your information will not be disclosed to third parties without your consent. The information collected will be used solely to determine your firm's eligibility to participate in the Disadvantaged Business Enterprise (DBE) Program or Airport Concessions DBE Programs as defined in 49 C.F.R. Parts 23 and 26. You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (65 FR 19477).

U.S. DOT Personal Net Worth Statement for DBE/ACDBE Program Eligibility • Page 3 of 5

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**General Instructions for Completing the
Personal Net Worth Statement
for DBE/ACDBE Program Eligibility**

Please do not make adjustments to your figures pursuant to U.S. DOT regulations 49 C.F.R. Parts 23 and 26. The agency that you apply to will use the information provided on your completed Personal Net Worth (PNW) Statement as determined whether you meet the economic disadvantage requirements of 49 C.F.R. Parts 23 and 26. If there are discrepancies or questions regarding your form, it may be returned to you to correct and complete again.

An individual's personal net worth according to 49 C.F.R. Parts 23 and 26 includes only his or her own share of assets held separately, jointly, or as community property with the individual's spouse and excludes the following:

- Individual's ownership interest in the applicant firm;
- Individual's equity in his or her primary residence;
- Tax and interest penalties that would accrue if retirement savings or investments (e.g., pension plans, Individual Retirement Accounts, 401(k) accounts, etc.) were distributed at the present time.

Indicate on the form, if any items are jointly owned. If the personal net worth of the majority owner(s) of the firm exceeds \$1.32 million, as defined by 49 C.F.R. Parts 23 and 26, the firm is not eligible for DBE or ACDBE certification. If the personal net worth of the majority owner(s) exceeds the \$1.32 million cap at any time after your firm is certified, the firm is no longer eligible for certification. Should that occur, it is your responsibility to contact your certifying agency in writing to advise that your firm no longer qualifies as a DBE or ACDBE. You must fill out all line items on the Personal Net Worth Statement.

If necessary, use additional sheets of paper to report all information and details. If you have any questions about completing this form, please contact one of the UCP certifying agencies.

ASSETS

All assets must be reported at their current fair market values as of the date of your statement. Assessor's assessed value for real estate, for example, is not acceptable. Assets held in a trust should be included.

Cash and Cash Equivalents: On page 1, enter the total amount of cash or cash equivalents in bank accounts, including checking, savings, money market, certificates of deposit held domestic or foreign. Provide copies of the bank statements.

Retirement Accounts, IRA, 401Ks, 403Bs, Pensions: On page 3, enter the full value minus tax and interest penalties that would apply if assets were distributed as of the date of the form. Describe the number of shares, name of securities, cost market value, date of quotation, and total value in section 3 on page 2.

Brokerage and Custodial Accounts, Stocks, Bonds, Retirement Accounts: Report total value on page 1, and on page 2, section 3, enter the name of the security, brokerage account, retirement account, etc.; the cost, market value of the asset; the date of quotation; and total value as of the date of the PNW statement.

Assets Held in Trust: Enter the total value of the assets held in trust on page 1, and provide the names of beneficiaries and trustees, and other information in Section 6 on page 3.

Loans to Shareholders and Other Receivables not listed: Enter amounts loaned to you from your firm, from any other business entity in which you hold an ownership interest, and other receivables not listed above. Complete Section 6 on page 3.

Real Estate: The total value of real estate excluding your primary residence should be listed on page 1. In section 4 on page 2, please list your primary residence in column 1, including the address, method of acquisition, date of acquisition, names of deed, purchase price, present fair market value, source of market valuation, names of all mortgage-holders, mortgage account number and balance, equity line of credit balance, and amount of payment. List this information for all real estate held. Please ensure that this section contains all real estate owned, including rental properties, vacation properties, commercial properties, personal property leased or rented for business purposes, farm properties and any other income producing properties, etc. Attach additional sheets if needed.

Life Insurance: On page 1, enter the cash surrender value of this asset. In section 5 on page 2, enter the name of the insurance company, the face value of the policy, cash surrender value, beneficiary names, and loans on the policy.

Other Personal Property and Assets: Enter the total value of personal property and assets you own on page 1. Personal property includes motor vehicles, boats, trailers, jewelry, furniture, household goods, collectibles, clothing, and personally owned vehicles that are leased or rented to businesses or other individuals. In section 6 on page 3, list these assets and enter the present value, the balance of any liabilities, whether the asset is insured, and lien or note information and terms of payments. Toy accounts and notes receivable, enter the total value of all assets owed to you personally, if any. This should include shareholder loans to the applicant firm, if those exist. If the asset is insured, you may be asked to provide a copy of the policy. You may also be asked to provide a copy of any liens or notes on the property.

Other Business Interests Other than Applicant Firm: On page 1, enter the total value of your other business investments (excluding the applicant firm). In section 7 on page 3, enter information concerning the businesses you

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hold an ownership interest in, such as sole proprietorships, partnerships, joint ventures, corporations, or limited liability corporations (other than the applicant firm). Do not reduce the value of these entries by any loans from the outside firm to the DBE/ACDBE applicant business.

Liabilities

Mortgages on Real Estate: Enter the total balance on all mortgages payable on real estate on page 1.

Loans on Life Insurance: Enter the total value of all loans due on life insurance policies on page 1, and complete section 5 on page 2.

Notes & Accounts Payable to Bank and Others: On page 1, section 2, enter details concerning any liability, including name of noteholder, original and current balances, payment terms, and security collateral information. The entries should include automobile installment accounts. This should not, however, include any mortgage balances as this information is captured in section 4. Do not include loans for your business or mortgages for your properties in this section. You may be asked to submit copy of note/security agreement, and the most recent account statement.

Other Liabilities: On page 1, enter the total value due on all other liabilities not listed in the previous entries. In section 8, page 3, report the name of the individual obligator, names of co-signers, description of the liability, the nature of the entry owed, the date of the obligation, payment amounts and terms. Note: Do not include contingent liabilities in this section. Contingent liabilities are liabilities that belong to you only if an event(s) should occur. For example, if you

have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a contingent liability. Contingent liabilities do not count toward your net worth until they become actual liabilities.

Unpaid Taxes: Enter the total amount of all taxes that are currently due, but are unpaid on page 1, and complete section 5 on page 3. Contingent tax liabilities or anticipated taxes for current year should not be included. Describe in detail the name of the individual obligated, names of co-signers, the type of unpaid tax, to whom the tax is payable, due date, amount, and to what property, if any, the tax lien attaches. If none, state "NONE." You must include documentation, such as tax liens, to support the amounts.

Transfers of Assets

Transfers of Assets: If you checked the box indicating yes on page 3 in this category, provide details on all asset transfers (within 2 years of the date of this personal net worth statement) to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust. Include a description of the asset, names of individuals on the deed, title, note or other instrument indicating ownership rights, the names of individuals receiving the assets and their relation to the transfer, the date of the transfer, and the value or consideration received. Submit documentation requested on the form related to the transfer.

Affidavit

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

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[79 FR 59617, Oct. 2, 2014]

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SunLine Transit Agency

DATE: September 27, 2023 **ACTION**

TO: Finance/Audit Committee
Board of Directors

FROM: Walter Watcher, Procurement Officer

RE: Ratification of Transit Bus Lease Agreement and Approval of FY24
Operating Budget Re-Allocation

Recommendation

Recommend that the Board of Directors:

1. Ratify an agreement for a total cost not to exceed \$480,996 including sales tax, with Shuttle Bus Leasing for the lease of six (6) 40' low floor compressed natural gas (CNG) buses for a one (1) year term; and
2. Approve the FY24 budget re-allocation of \$360,747 to bus leasing expenses from potential savings in insurance expenses.

Background

SunLine depends heavily on its fleet of forty-four compressed natural gas (CNG) buses to meet its daily operational needs. However, almost sixty percent of the fleet has been operating for over fifteen years, which is three (3) years past the typical useful life of twelve years per the Federal Transit Administration (FTA). In order to improve the reliability of the fleet, the Board approved a contract with Complete Coach Works (CCW) in September 2022 to refurbish twelve 2008 model-year CNG buses and overhaul their engines. This project is expected to start at the beginning of calendar year 2024, and full project completion is expected by the end of the year. As these buses are taken out of service and moved offsite to be refurbished, replacement buses through a lease with Shuttle Bus Leasing are needed to maintain existing levels of service.

Furthermore, due to current challenges in fueling and operating SunLine's fleet of twenty-six hydrogen fuel cell buses, obtaining these replacement buses as soon as possible would serve to minimize daily service disruptions for customers. For this reason, the award of the lease agreement was exercised under the CEO/General Manager's authority under Chapter 2, section 1.2.2 of the procurement policy by consulting with the Chairperson of the Board. However, this action still needs to be presented to the Board for ratification.

Financial Impact

The total financial impact during the one (1) year period is \$480,996. Based on the anticipated delivery date of the buses, the total Fiscal Year (FY) 2024 financial impact is estimated to be \$360,747. The FY 2024 Board-approved budget currently includes sufficient appropriations and funding to absorb this expense. However, staff will continue to monitor expenses and will bring forward any increase to the FY 2024 budget for Board approval if necessary.

The estimated FY 2025 impact is \$120,249. This expense and associated funding will be budgeted during the FY 2024-25 budgeting process.

SunLine Transit Agency

DATE: September 27, 2023 **ACTION**

TO: Finance/Audit Committee
Board of Directors

FROM: Luis Garcia, Controller/Assistant Chief Financial Officer

RE: Budget Approval – Operations and Maintenance Generator Project

Recommendation

Recommend that the Board of Directors approve a capital budget allocation of \$350,000 from the remaining FY19 Local Transportation Funds (LTF) for a project related to backup generator power for the operations and maintenance facilities.

Background

Currently, the Agency owns two (2) backup generators at its main facility in Thousand Palms. One (1) generator serves as a backup to the administration building and the transit hub and includes an automatic transfer switch when power is lost. The other generator serves as a backup to the maintenance building and requires manual interaction when power is lost. It is staff's intent to connect the operations building via an automatic transfer switch to this generator and convert the manual switch to an automatic transfer switch for the maintenance building.

In order to determine the capability of existing equipment, staff entered into an agreement with Dahl, Taylor & Associates, Inc. for engineering services. The engineers have determined that the existing generator has the capability to support the automatic transfer of backup generator power to the operations and maintenance buildings.

The current generator configuration is inefficient and leaves the operations building without any power in the event of a power outage. This proposed project reduces the operational impact of power outages and would add resiliency to the Agency's emergency procedures. The long-term solution would include the programming of new funds to replace the generator with a new unit. However, the investment made to connect the operations building to the current generator would assist in reducing the installation costs of a new generator.

Financial Impact

The financial impact of this project is estimated to be \$350,000 which would be programmed from remaining LTF funding. The funds were originally programmed for the operations building project in FY19. Once the solicitation process is complete, staff will bring forward the award of the contract to the Board for approval in accordance with the Agency's procurement policy.

SunLine Transit Agency

DATE: September 27, 2023 **INFORMATION**

TO: Board of Directors

FROM: Mona Babauta, CEO/General Manager

RE: General Manager's Report for September 2023

Tropical Storm Hillary Impacts

First, I would like to express my deepest gratitude to all SunLine employees for their support of our transit operation and customers as Tropical Storm Hillary impacted the Coachella Valley approximately one (1) month ago. Due to severe weather conditions, including significant flooding and high winds, as well as several road closures throughout the SunLine service area, staff continued to maximize service levels to the greatest extent possible. Ultimately, staff was forced to suspend all service at approximately 5:00 pm on August 20, 2023 for the safety and welfare of our customers and employees. As roads began to reopen, and following careful field inspections by our Safety Officers and Field Supervisors, staff began to restore transit service on August 22, 2023. ADA paratransit service still operated, however, where deemed safe to do so, for life sustaining services such as dialysis or other critical medical services. Other than flooding along Harry Oliver Trail which impacted ingress/egress to the main facility in Thousand Palms, no significant damage was found at any SunLine facilities, and none of our riding customers or employees sustained any injuries.

The community was informed of service disruptions and changes via media blasts and rider alerts on our website and via our MyStop app.

California Highway Patrol (CHP) Audit

SunLine's annual terminal inspection by the CHP occurred last month between August 21st and 25th. The safety and reliability of our motor vehicles and related equipment, as well as staff's effective management of all safety procedures and processes, were carefully evaluated. During this week-long period, the CHP inspector reviewed written and electronic records, including SunLine's Preventative Maintenance Program, vehicle maintenance records, Vehicle Condition Reports, bus operator log books, DMV pull-notices for safety sensitive employees, Verification of Transit Training (VTT), and training records that reflect staff's proficiency in driving/utilizing regulated equipment. The CHP inspector inspected 20 buses for safety compliance while onsite, as well as assessed SunLine's Controlled Substance and Alcohol Testing (CSAT) Program. All drug and alcohol results and other records pertaining to controlled substance and alcohol use and required testing were inspected during the visit. Staff is thrilled to announce that we completed this rigorous inspection process with no deficiencies.

Federal Transit Administration (FTA) Triennial Review

Every three (3) years, the FTA conducts a thorough review of all transit agencies that receive Section 5307 apportionments, and SunLine's Triennial Review occurred between September 11th and 14th. The Agency's management and administrative processes were thoroughly evaluated in twenty three review areas including Financial Management and Capacity, Technical Capacity (in utilizing federal funds to effectively deliver projects and/or operate a transit system), Procurement, Maintenance, Transit Asset Management, Americans with Disabilities Act (ADA), Title VI (non-discrimination in service provision), Drug and Alcohol Program, and the Public Transportation Agency Safety Plan (PTASP) Rule. A final report from the FTA is expected by the end of October 2023.

American Public Transportation Agency (APTA) Award

On October 10, 2023, SunLine will be presented with the 2023 Outstanding Public Transportation System award within the category of agencies with 3 million or fewer passenger trips annually. The Agency's winning application highlighted our leadership in hydrogen technology, workforce development, and our ongoing pursuits in operational innovation and environmental sustainability.

The California Association for Coordinated Transportation (CalACT) Fall Conference

SunLine will be the host agency for CalACT's 2023 Fall Conference, which will be held at the Renaissance Esmeralda Resort and Spa in the City of Indian Wells. Additionally, staff will be hosting technical tours at our Thousand Palms facility to showcase our work on hydrogen technology.

SunLine Service Disruptions

SunLine passengers have, unfortunately, been having to face various service disruptions due to both fleet and operator availability over the past year. These disruptions have been greater in the past couple of months due to hydrogen fueling challenges. Technicians and engineers from the Original Equipment Manufacturer (OEM), Nel Hydrogen, have been onsite every day to resolve these issues as quickly as possible. To ensure that our customers are aware of disruptions in the most timely manner possible, rider alerts are posted Sunday evenings for the following week on our website (www.sunline.org) and on the MyStop app.

Community Engagement Events

Back to School Supply Drive in Cathedral City – August 3rd

On Thursday, August 3rd the SunLine Team attended a back-to-school supply event in Cathedral City, hosted by the Cathedral City Police Department, from 10 am to 2 pm at the Cathedral City Community Amphitheater. Staff had a total of 52 interactions, and spoke to many families regarding our local fixed route, 10 Commuter Link, and SunRide

services. Information regarding SunLine's Youth Sustainability Committee was also distributed.

All Valley Mayors and Tribal Chairpersons Luncheon – September 6th

On Wednesday, September 6th I attended the 8th Annual All Valley Mayors and Tribal Chairpersons Luncheon hosted by the Greater Coachella Valley Chamber of Commerce.

September Service Change Outreach – August 31st and September 5th

SunLine implemented service changes on September 3, 2023, and an overview may be found on our website: www.sunline.org. Staff from all departments conducted outreach efforts at major timepoints the week prior to and following the service change to educate riders about the changes taking place. The only major change was to the 10 Commuter Link schedule. The last ride heading back from San Bernardino now leaves an hour later to accommodate the Cal State University of San Bernardino class schedule.

In addition, to improve first and last mile connections to/from fixed transit routes for citizens of the City of Coachella, the SunRide geofence around the city was expanded on September 5, 2023. More information on the seven (7) SunRide geofences may be found on our website: <https://sunline.org/services/sunride>

Community Roundup with Gene Nichols

On August 31, 2023, I was interviewed by Gene Nichols, who hosts the weekly radio show, Community Roundup. The interview aired on September 10th at 6:00 a.m. on six (6) radio stations: KPSI Mix 100.5 FM & www.mix1005.fm, KDGL Eagle 106.9 FM & www.theeagle1069.com, KDES The Bull 98.5 FM & www.985thebull.com, KCLB The Rock 93.7 FM & www.937kclb.com, KKUU U-92.7 FM & www.u927.com, KDES-HD2 MOD 107.3 FM & www.1073modfm.com

28th Annual Valley-wide Employment Expo

SunLine staff represented the Agency at the event on September 20, 2023, at the Fantasy Springs Resort Casino. More than ninety employers were in attendance, and event coordinators estimated that over 1,000 job seekers attended.

Human Resources Update

Since the end of July 2023, SunLine has hired 35 new employees, five (5) of which are internal promotions. As of September 25, 2023, out of a total of 343 budgeted positions, we have 33 vacancies; 10 of which are motor coach operator (MCO) positions.

Position	Union Position	July/August Hires		September Hires		Total
		Internal	External	Internal	External	
Motor Coach Operator	Yes	1		2	18	11
Paratransit	Yes				3	3

Position	Union Position	July/August Hires		September Hires		Total
		Internal	External	Internal	External	
Operator						
Field Supervisor	Yes		1			1
Fixed Route Lead Controller	Yes	1				1
Senior Supervisor	Yes	1				1
Utility Worker	Yes				2	2
Administrative Staff-Represented	Yes		1			1
Administrative Staff-Unrepresented*	No		3		2	5
TOTAL HIRES		3	5	2	25	35

*New CEO/General Manager position filled on August 7, 2023.