

DISADVANTAGED BUSINESS ENTERPRISE (DBE)

“How to become DBE Certified”



What is a Disadvantaged Business Enterprise (DBE)?

- ▶ DBEs are for-profit small businesses where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations.
- ▶ African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.
- ▶ The Disadvantaged Business Enterprise (DBE) certification program is a Federal program. The purpose is to increase the participation of certified DBEs in projects funded by the U.S. Department of Transportation and other federal sectors.

Step 1: Qualify as a DBE

DBE Certification Criteria:

- ▶ Individual personal net worth cannot exceed \$1.32 million
 - ▶ [\(49 CFR Part 26 §26.67\)](#)
- ▶ The small business must meet the SBA size cutoff; annual gross income cannot exceed \$23.98 million
 - ▶ [\(49 CFR Part 26 §26.65\)](#)
- ▶ The small business must be 51% owned by a minority
 - ▶ [\(49 CFR Part 26 §26.69\)](#)
- ▶ The small business must be independent of any other company
 - ▶ [\(49 CFR Part 26 §26.71\)](#)

Step 2: Become Certified

How do I apply for DBE Certification?

- ▶ A firm must apply for DBE for certification through the Virginia Department of Small Business and Supplier Diversity.
- ▶ Go to: <https://www.sbsd.virginia.gov/certification/>
- ▶ Download the Uniform Certification Application form and the Personal Net Worth Statement form. If you are an out of state firm applying via the Interstate Process, then download the Interstate Certification Affidavit form. Complete the forms.
- ▶ Get the Application and the Personal Net Worth Statement notarized, and upload them in the online Application Portal with the supporting documentation listed on the Checklist at the back of the Application Form and Submit your application online.

Step 2: Become Certified

How long does the DBE application process take?

- ▶ It is likely to take 90 days after SBSD receives all the information and documentation. That includes the time for reviewing the file, making an onsite visit and for you to work through the orientation materials. Most delays are caused by incomplete information or missing documentation.

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101 N.14th St., 11th Floor
Richmond, Virginia 23219
1-800-223-0671 (Virginia Only)
804-786-6585



Step 3: Maintain Certification

- ▶ Once certified as a DBE, the small business must maintain certification yearly.
- ▶ To maintain the certification, a small business must submit a No Change Affidavit and Declaration every year on the anniversary of the date of your certification (note each state form may be different).
- ▶ The No Change Affidavit and Declaration affirms that there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantaged status, ownership or control or other material changes in the information provided in its application form. Please see the general links below for the No Change Affidavit and No Change Declaration.

What business and technical assistance is available to DBE-certified companies?

- ▶ Department of Small Business and Supplier Diversity (SBSD) publishes a monthly VSBSD Opportunities Bulletin.
- ▶ Virginia Department of Transportation (VDOT) also has a webpage listing Business Opportunities.
- ▶ SBSD has Regional Field Officers in their Service Division. They can help with marketing assistance, assistance with resolving business related issues, assessments to determine the strength and weaknesses of firms, preparation of bonding and loan applications, bid opportunity referrals, and help in the preparation of VDOT applications (prequalification and certification). They can also give assistance with technical construction related problems, in reviewing and analyzing highway projects and monitoring pre- and post-bid activities, and individualized and group training sessions (estimating, bidding, plan reading, and financial statements and marketing).

Should I apply for SWaM status first, and then the DBE Program?

- ▶ Not necessarily, and you need to not choose just one or the other. You are able to apply for both DBE and SWaM certification simultaneously. If you intend to apply for DBE Certification, apply for both DBE and SWaM at the same time. Although it is more demanding, by applying for both programs through SBSB simultaneously, you will only need to apply once, you will get both certifications if you are successful, and it will result in less duplicative paperwork.
- ▶ However, if you are pursuing an opportunity that includes a small business set-aside or a micro business set-aside, it may be more beneficial to apply for SWaM first. The processing timelines for each program are similar, however, the additional steps in the DBE certification process usually results in the overall timeline being longer for DBE.



Is there a SWaM & DBE Directory?

- ▶ The Small Business Supplier Diversity (SBSD) Agency provides an all-inclusive list of firms that have been certified by the Commonwealth of Virginia. The Directory now includes SWaM and DBE-certified firms. SWaM designations include Small, Women-owned, Minority-owned, Micro, Service Disabled Veteran-owned, and ESO businesses. DBE includes DBE and ACDBE businesses.
- ▶ You are able to search the Directory by filtering according to Certification Type, NIGP code, NAICS code, City, and/or Zip Code.
- ▶ You are also able to search by Company Name (legal business name), Certification Number, DBA (trade name), Contact Name (contact person shown on the Directory), Address, State, Phone, Email, or Website, or you may search all of these fields.
- ▶ To access the Certification Directory, visit:
<https://directory.sbsd.virginia.gov/#/>

Questions?

- ▶ Please contact Fredericksburg Regional Transit (FRED) DBE Liaison Officer:

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