

QUESTION & ANSWER

Why would you want to be certified?

Certification is a way for your business to participate in projects funded with U.S.DOT funds. Certification gives groups that have historically been under-represented in the contracting industry a chance to participate on federally-assisted projects. Whether doing business with the Montana Department of Transportation, transit agencies, airports, cities or counties, being a certified DBE may provide greater opportunity for business.

What are the DBE program objectives?

The DBE program objectives are:

- To ensure nondiscrimination in the award and administration of federally-assisted contracts with the Montana Department of Transportation, transit agencies, airports, cities, and others who receive U.S.DOT funds.
- To create a level playing field on which DBEs can compete fairly for federally-assisted contracts.
- To ensure the DBE program is narrowly tailored in accordance with [49 CFR Part 26](#).
- To ensure that only firms that fully meet this part's eligibility standards are permitted to participate as DBEs.
- To assist the development of firms so they can compete successfully in the marketplace outside the DBE program.

What qualifies you to become a DBE?

Ownership- Your business must be 51% owned by a socially and economically disadvantaged individual(s).

"Disadvantaged"- You may be eligible if you are a member of a group of persons the Department considers as disadvantaged. The Department presumes certain groups are disadvantaged, including women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian-Pacific Americans, or other minorities found to be disadvantaged by the U.S. Small Business

Administration (SBA). Persons who are not members of one of the above groups and own and control their business may also be eligible if they establish their "social" and "economic" disadvantage. A determination of whether an individual with a disability meets DBE eligibility criteria is made on a case-by-case basis. More information on how a social and economic disadvantage is determined can be found in [Appendix E](#) to [49 CFR Part 26](#).

Business Size Determination- A firm (including its affiliates) must be a small business as defined by SBA standards. It must not have annual gross receipts over \$23,980,000 in the previous three fiscal years. Under MAP-21, this threshold will be adjusted annually for inflation by the Secretary.

Personal Net Worth- Only disadvantaged persons having a personal net worth of less than \$1.32 million can be considered as a potential qualified DBE. Items excluded from a person's net worth calculation include an individual's ownership interest in the applicant firm, and his or her equity in their primary residence.

Independence- 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.

Control- A disadvantaged owner seeking certification must possess the power to direct or cause the direction of the management and policies of the firm. The owner must also 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.

Burden of Proof Allocation- Applicants carry the initial burden of proof regarding their eligibility and must demonstrate that they meet all requirements concerning group membership or individual disadvantage, business size, ownership, and control.

What is the certification process?

Firms requesting DBE certification must submit a complete application with supporting documentation to the Montana Department of Transportation. After all requested materials have been provided, an on-site review of the firm will be performed by a DBE Program Specialist from MDT. Finally, a DBE Certification Committee reviews the application and supporting documentation to determine eligibility.

Please review all documents for completeness before submission. The primary cause of delayed certification is lack of documentation supporting the certification submitted. Please use the check list provided and check all necessary documents prior to submission.

Out-of-state firms must be DBE-certified in their home state before seeking certification in the State of Montana.

Once the application and supporting documentation is complete, you can mail to the following address:

Montana Department of Transportation
Civil Rights Bureau
2701 Prospect
PO Box 201001
Helena MT 59620-1001

Does the State of Montana have reciprocity?

Montana does not have a reciprocity agreement with any other state at this time. However, if you are certified in your home state we do encourage you to apply for **Interstate Certification** in Montana. Montana chooses to review all out-of-state applications as provided in [49 CFR Part 26.85 \(c\)](#).

In order to apply for DBE certification, out-of-state DBE firms must provide copies of all of the following documents as applicable.

- You must provide to MDT a complete copy of the application form, all supporting documents, and any other information you have submitted to your home state UCP or any other state related to your firm's certification. This includes affidavits of no change [49 CFR Part 26.83\(j\)](#) and any notices of changes [49 CFR Part 26.83\(i\)](#) that you have submitted to your home state UCP, as well as any correspondence you have had with your home state UCP or any other recipient concerning your application or status as a DBE firm.
- You must also provide to MDT any notices or correspondence from states other than your home state UCP 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 there, you must inform MDT of this fact and provide all documentation concerning this action to MDT.
- If you have filed a certification appeal with DOT [49 CFR Part 26.89](#), you must inform MDT of the fact and provide your letter of appeal and DOT's response to the other state.
- You must submit [an affidavit](#) sworn to by all of 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.

What is the annual certification review process?

As a certified DBE, you are required to submit an annual update [“No Change” Affidavit](#) and a copy of your personal and corporate federal tax returns attesting to your continued status as a socially and economically disadvantaged individual. It is a declaration that there have been no changes in circumstances affecting your firm’s ability to meet the size, disadvantaged status, ownership, or control requirement of [49 CFR Part 26](#). It also declares that you are socially disadvantaged because you have been subjected to racial or ethnic prejudice or cultural bias, or have suffered the effects of discrimination because of your identity as a member of one or more of the groups identified in [49 CFR Part 26](#). You further declare that your personal net worth does not exceed 1.32 million, and you are economically disadvantaged because your ability to compete in the free enterprise system has been impaired. In addition, you declare that your firm continues to meet the Small Business Administration business size criteria and that the average annual gross receipts over the previous three fiscal years do not exceed 23.98 million.

If there has been any change in any of the above areas, Montana Department of Transportation may request further documentation that may include a new [Personal Net Worth Statement](#) and/ or a [DBE Change Report form](#).

This documentation is due annually on your firm’s certification date. You can email non-sensitive documentation to mdtdbeprogram@mt.gov or to securely transfer the documents mail to the following address:

Montana Department of Transportation
Civil Rights Bureau
2701 Prospect
PO Box 201001
Helena MT 59620-1001

Does a firm’s DBE certification guarantee it will be awarded contracts?

No, it does not guarantee contracts to a firm. The DBE program is designed to assist the development of disadvantaged small businesses, and guarantees fair opportunities to compete for business with the Montana Department of Transportation, transit agencies, airports, cities, and others who receive U.S.DOT funds. DBE firms are held to the same standards as non-DBE firms or agencies.

Does MDT maintain a directory of current certified DBE's?

Yes, a directory of current certified DBE's is listed on Montana Department of Transportation website.

Only DBE's listed in the directory are eligible to participate. The directory lists names, addresses, phone numbers contact person and the work type classification (s) of certified DBEs. The work types listed are not intended to limit your firm to only the work types listed. The directory of certified firms and their work types can be found [here](#).