

## Caltrans DBE Recertification Checklist

### Interim Final Rule Compliance

This checklist is designed to help currently certified DBE firms prepare for mandatory recertification under the U.S. DOT Interim Final Rule (IFR). It reflects how Caltrans and the CUCP will evaluate eligibility using individualized disadvantage standards under 49 CFR Part 26.

This is not a marketing tool. It is a compliance readiness document.

#### STEP 1 — Understand What Has Changed

**Goal:** Ensure the firm understands the legal standard that will now be applied.

- I understand that race and gender no longer create a presumption of disadvantage.
- I understand that every owner claiming DBE eligibility must submit:
  - A **Personal Narrative (PN)**
  - A **Personal Net Worth (PNW)** statement
- I understand that eligibility must now be shown through individualized social and economic disadvantage.
- I understand that I will have 45 calendar days from the CUCP notice date to submit materials – until April 16, 2026.
- Late submission will be accepted but it will delay participation in the DBE Program.

This structure mirrors the initial readiness standard required by CUCP

#### STEP 2 — Draft the Personal Narrative (PN)

**Goal:** Demonstrate real disadvantages using evidence, not identity.

For each owner who qualifies with the firm, the narrative must include at least one barrier-impact chain:

- When and where the barrier occurred
- What the barrier was
- How it limited education, employment, capital, or business opportunity
- What economic or career harm resulted
- How long the impact lasted

Narratives must follow a **Barrier** → **Impact** → **Evidence** → **Outcome** logic, which CUCP reviewers will apply in decision trees

### **STEP 3 — Provide Peer Comparison**

**Goal:** Show how access was worse than that of similarly situated non-disadvantaged individuals.

- I can describe what is typical in my industry or region
- I can show how my access to credit, contracts, or advancement was more difficult, delayed, or costly
- I can tie those differences to real business or income outcomes

CUCP reviewers use comparative context to validate disadvantage, not sympathy

### **STEP 4 — Prepare the Personal Net Worth (PNW)**

**Goal:** Verify economic disadvantage with financial data.

I included:

- Cash and bank accounts
- Investments
- Secondary real estate
- Ownership in other businesses
- Trust interests
- Transfers in the last two years

I excluded:

- Primary residence equity
- Qualified retirement accounts

All values come from current, verifiable documents

I disclosed any transfers over \$20,000 in the past two years

My total PNW is below the USDOT cap (\$2,047,000 through May 9, 2027)

These are the exact financial standards CUCP must apply under federal regulation.

## **STEP 5 — Consistency and Eligibility Review**

**Goal:** Prevent internal contradictions that trigger denial.

- Ownership and control have not changed without disclosure
- Each qualifying owner has submitted both PN and PNW
- Each PN includes:
  - A specific instance
  - An impediment
  - A measurable harm
- No narrative relies on race or sex alone
- Financial records support the disadvantage claim
- All documents are internally consistent

This reflects CUCP's cross-document consistency testing

## **STEP 6 — Final Readiness**

**Goal:** Be ready when Caltrans issues the formal notice.

- All documents are organized
- I can explain my disadvantage clearly and factually
- I can submit within 30 days
- I understand denial triggers USDOT appeal rights under 49 CFR §26.89

This is the same readiness standard CUCP will assume when notices are issued

## **What Caltrans Will Do With This**

Once submitted:

1. Your file is reviewed by a trained CUCP analyst
2. If incomplete, you will be given a chance to cure
3. If denied, the file receives peer and management review
4. If still denied, you may appeal to the US DOT within 45-days, which has 180 days to respond

This checklist aligns with how Caltrans will process reevaluations, not how consultants market them.