

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-001(A) |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

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| | |
| Title | Disadvantaged Business Enterprise (DBE)/Airport Concession Disadvantaged Business Enterprise (ACDBE) Application Processing Verification |
| Purpose | The purpose of this procedure is to ensure consistency in processing new DBE/ACDBE applications. |
| Process | <p>Below are the steps to fill out the New DBE/ACDBE Application Processing Verification form:</p> <p>Step 1: Review the tasks listed under “File Processed/Information Entered into Database”.</p> <p>a. Under “FILE”, check off the below task as completed and the date it was completed:</p> <ul style="list-style-type: none"> • E-mail confirmation of DBE application receipt to firm in file • Additional documents letter mailed within 30 days from receipt of DBE application and a copy is in the file • All required documents stated on the DBE application are in the file • Completed the <i>Personal Net Worth Worksheet</i> and is signed and in the file • Completed <i>Eligibility Worksheet</i> and is signed and in the file • On-site Confirmation sent to firm (e-mail/mail) and a copy is in the file • Ensured <i>Site Visit Questionnaire</i> is complete; signed by the on-site analyst and/or file analyst, photos attached and in the file |

- Completed *Case History Sheet* in the file by entering detailed steps taken in the application process
- b. Under “DATABASE”, check off the below task as completed and the date it was completed:
 - Confirmed that the information on the *Firm Information* screen is complete and accurate
 - Completed the *Business Profile* screen including:
 - Personal Net Worth
 - Three consecutive years of business income taxes
 - Confirmed the *Owner Listing* screen is complete and accurate
 - Completed *License Listing* screen (if applicable)
 - Confirmed that the *Firm Work Location* screen is complete and accurate
 - Completed the *NAICS Code Listing* screen
 - Completed the *Work Code Listing* screen
 - Completed *Truck Listing* screen (if applicable)
 - Completed the *Onsite Listing* screen
 - Completed *Firm Activity Log* screen by entering key application processing steps

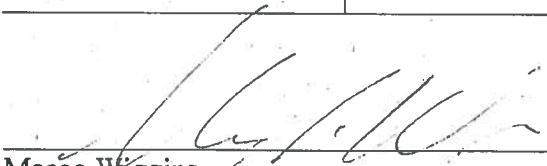
Step 2: Review the tasks listed under “File Finalized/Closed”

a. Check off the below tasks as completed and the date it was completed:

- Mailed approval or denial letter and ensured a copy is in the file
- Updated *Firm Activity Log* with date approval or denial letter mailed
- Certified or denied firm in the database
- Returned file to the file room

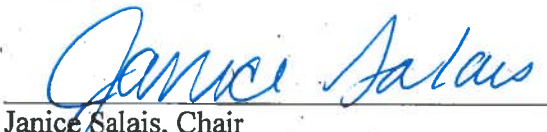
Step 3: Once the form is completed, the Certification analyst will sign and date the DBE/ACDBE Application Processing Verification form which is then filed

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| Impact | If new DBE/ACDBE applications are not thoroughly reviewed, the file can be considered out of compliance. If the CUCP database is not updated, reports will not contain accurate data. |
| Authority | 49 Code of Federal Regulation, Part 26 |



Maceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

**NEW DBE APPLICATION
PROCESSING VERIFICATION**

Firm Name: _____

Firm Number: _____

File Processed/Information Entered into Database

- | <u>FILE</u> (Check the circle as the tasks are completed) | <u>DATE</u> |
|--|-------------|
| <input type="radio"/> E-mail confirmation of DBE application receipt to firm in file | _____ |
| <input type="radio"/> Additional documents letter mailed within 30 days from receipt of DBE application and a copy is in the file | _____ |
| <input type="radio"/> All required documents stated on the DBE application are in the file | _____ |
| <input type="radio"/> Completed the <i>Personal Net Worth Worksheet</i> and is signed and in the file | _____ |
| <input type="radio"/> Completed <i>Eligibility Worksheet</i> and is signed and in the file | _____ |
| <input type="radio"/> On-site Confirmation sent to firm (e-mail/mail) and a copy is in the file | _____ |
| <input type="radio"/> Ensured <i>Site Visit Questionnaire</i> is complete; signed by on-site analyst and file analyst; pictures are attached; and is in the file | _____ |
| <input type="radio"/> Completed <i>Case History Sheet</i> in the file by entering detailed steps taken in the application process | _____ |

- | <u>DATABASE</u> (Check the circle as the tasks are completed) | <u>DATE</u> |
|---|-------------|
| <input type="radio"/> Confirmed that the information on the <i>Firm Information</i> screen is complete and accurate | _____ |
| <input type="radio"/> Completed <i>Business Profile</i> screen: PNW & 3-yrs. personal income taxes | _____ |
| <input type="radio"/> Confirmed that the <i>Owner Listing</i> screen is complete and accurate | _____ |
| <input type="radio"/> Completed <i>License Listing</i> screen (if applicable) | _____ |
| <input type="radio"/> Confirmed that the <i>Firm Work Location</i> screen is complete and accurate | _____ |
| <input type="radio"/> Completed the <i>NAICS Code Listing</i> screen | _____ |
| <input type="radio"/> Completed the <i>Work Code Listing</i> screen | _____ |
| <input type="radio"/> Completed <i>Truck Listing</i> screen (if applicable) | _____ |
| <input type="radio"/> Completed the <i>Onsite Listing</i> screen | _____ |
| <input type="radio"/> Completed <i>Firm Activity Log</i> screen by entering key application processing steps | _____ |

File Finalized/Closed DATE

- | | |
|---|-------|
| <input type="radio"/> Mailed approval or denial letter and ensured a copy is in the file | _____ |
| <input type="radio"/> Updated <i>Firm Activity Log</i> with date approval or denial letter mailed | _____ |
| <input type="radio"/> Certified or denied firm in the database | _____ |
| <input type="radio"/> Returned file to the file room | _____ |

Certification Analyst Name: _____

Date: _____

I verify I have taken each of the steps above: _____

(Certification Analyst Signature)

Once form is complete, signed and dated, place in the DBE file on top of the "Certificates" tab.

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-001(B) |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

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| Title | B2GNow Online Application Processing Module |
| Purpose | The purpose of the review is to establish CUCP guidelines and create uniformity in file content utilizing the B2GNow online modules in order to ensure that all Certification files are maintained in a uniform fashion that is easily accessible to all, with all the required documentation for each firm applying for DBE/ACDBE certification and to ensure that CUCP certifying agencies are adhering to the requirements. |
| Description | <p>Below are the requirements for a complete online Certification File:</p> <ul style="list-style-type: none"> • New Applications <p style="padding-left: 40px;">New Applications will consist of the following:</p> <ul style="list-style-type: none"> ○ Section 1: Certification Information <ul style="list-style-type: none"> ▪ General Information ▪ Basic Contact Information ▪ Prior/Other Certifications and Applications ○ Section 2: General Information <ul style="list-style-type: none"> ▪ Business Profile ▪ Relationships and Dealings with Other Businesses ○ Section 3: Majority Owner Information ○ Section 4: Control <ul style="list-style-type: none"> ▪ Officers & Board of Directors ▪ Management Personnel ▪ Inventory ▪ Financial Information ▪ Licenses & Contracts ○ Document List <p style="padding-left: 40px;">5 Year Reviews and Annual Affidavit Applications will consist of the following:</p> |

- Section 1: General Information
- Section 2: Ownership and Control Information
- Section 3: DBE Business Financial Information
- Document List

The content of Document Lists for each application will vary depending on the business nature and structure.

Mandatory Documents may include:

- Affidavits
- Personal Net Worth Statements
- Federal and Personal Tax Returns
- Stock Certificates/Stock Transfer Ledger
- Statement of Domestic Stock
- Meeting Minutes
- Bylaws
- Articles of Incorporation
- Resumes
- Bank Information (Bank Letters)
- Ethnicity/ Citizenship (Birth Certificates and Passports)

Required Documents (depending on structure or if applicable)

- Business and Professional licenses, license renewal forms, and permits
- Contract/Invoices or PO's
- Fictitious Business Name Statement
- Income/ Balance Sheets
- Salaries and W2 Forms
- Shareholder Agreement(s)
- Documented proof of contributions used to acquire ownership for each owner
- Schedule of salaries (or other remuneration) paid to all officers, managers, owners, and/or directors of the firm
- Insurance agreements for each truck owned or operated by your firm
- Personal federal tax returns for the past 3 years, if applicable, for other disadvantaged owners of the firm
- Proof of warehouse/storage facility ownership or lease arrangements
- Statement of Qualification, if incorporated outside the State of California
- Title(s), registration certificate(s), and U.S. DOT numbers for each truck owned or operated by your firm
- DBE/ACDBE and SBA 8(a), SDB, MBE/WBE certifications, denials, and/or decertifications. Include any U.S. DOT appeal decisions on these actions.

- Descriptions of all real estate 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 two years
- List of all employees, job titles, and dates of employment
- List of equipment and/or vehicles owned and leased
- Signed loan and security agreements, and bonding forms
- SUPPLIERS - List of distribution equipment owned and/or leased
- SUPPLIERS - List of product lines carried
- Trust agreements held by any owner claiming disadvantaged status
- Third party agreements such as rentals, lease agreements and professional services agreements.
- Additional supporting documents not listed above

Each application submitted will be under the Certifications Tab and have documentation submitted with that application under the Application Docs Tab

- **Files, Communications, and App Q&A Tab**

Consist of the Following:

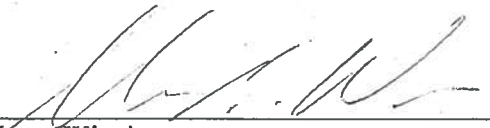
- Correspondence including all letters, communications, copies of emails, and any other form of communication between the certifying agency and the firm

- **Site Visits Tab**

Consists of the following:


- Onsite Visit Questionnaire/Photos

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| Impact | By establishing a uniform file structure, all CUCP agencies will adhere to the same file format and thus files would be verified to contain all the same information in the same format for audit. |
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Máceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020


CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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|-------------------------------------|----------------------------|
| <i>Operational Procedure</i> | Number: CUCP-002 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |


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| Title | Interstate DBE Application Review |
| Purpose | <p>An out-of-state firm may be certified as a Disadvantaged Business Enterprise (DBE) by the California Unified Certification Program (CUCP) if the firm is certified by its home state DBE Unified Certification Program. <u>The Code of Federal Regulations, Title 49, Part 26.81(d)</u> states that a Unified Certification Program (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 principle place of business.</p> |
| Description | <p>A firm requesting DBE certification is required to complete and submit a CUCP Interstate DBE application. The firm must also provide evidence of certification in its home state by submitting a copy of the certificate with the application, as well as <u>all</u> other documents required to process the application.</p> <p>If the firm is not certified by the state in which the firm maintains its principle place of business, refer the firm to its home state certifying agency. The out-of-state firm may re-apply after verified as certified in their home state. If the firm is certified in the state in which it maintains its principle place of business, proceed with processing the application.</p> <p>Processing:</p> <p>Step 1: Verify that the firm is certified by the home state UCP. You may check with the U.S. Department of Transportation's website in their home state to verify certification. Use the search feature provided on the home state's DBE website to search a firm by name or number, if available. The database will indicate the firm's certification status. Print out search results and place copy in the file.</p> |

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| | <p>Step 2: If a firm is certified in the home state, request a copy of the onsite report from the state in which they are certified as a DBE. This can be done by contacting the certifying agencies office via phone or email. In cases where the onsite interview has not been conducted within the past five years, a new onsite interview may be required.</p> <p>Step 3: Review and process the file as a new application.</p> <p>Step 4: If the firm is requesting NAICS and work codes that require a professional license (contractor, architect, etc.), the firm must be licensed in the State of California. Reference the <u>California State Contractors Licensing Board, California Board for Professional Engineers, Land Surveyors, & Geologist</u>, or other corresponding database to verify that the majority owner(s) are properly licensed in California.</p> <p>Step 5: Once all information has been received, complete DBE Eligibility Worksheet and complete information in CUCP database.</p> <p>Step 6: Follow procedures to certify or deny the firm.</p> |
| Impact | Failure to make a determination on an application from a DBE/ACDBE applicant firm owner shall result in non-compliance with 49 CFR, Part 26 and 23 regulations. |



Maceo Wiggins
CUCP Oversight Chair

Date: 7/27/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

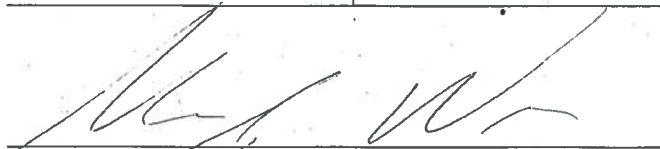
CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-003 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

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| Title | New DBE/ACDBE Application Receipt Notification Period |
| Purpose | To facilitate the timely review of a firm's application for Disadvantaged Business Enterprise (DBE)/Airport Concession Disadvantaged Business (ACDBE) certification. |
| Description | <p>Each Certifying Agency must advise each applicant within 30 days from receipt of the application whether the application is complete and suitable for evaluation, and if not, what additional information or action is required pursuant to 49 C.F.R. § 26.83(1).</p> <p>The date of receipt triggering the 30-day review period should be recorded as the date the Certifying Agency physically or electronically receives the certification application.</p> <p>The Certifying Agency records the date on which it reached that determination for tracking purposes and notify the applicant about the additional information or actions that are required to complete the application.</p> <p>Upon receipt of additional information, the UCP, within a reasonable amount of time, not to exceed 30 days, should again determine whether the application is complete, record the date, and so notify the applicant.</p> <p>It is the responsibility of each Certifying Agency to create a tracking system to ensure the 30-day requirement is being met.</p> <p>The Certifying Agency will review the DBE/ACDBE application for the required documents on the Uniform Certification Application Supporting Documents Checklist from the U.S. DOT uniform DBE/ACDBE Certification Application. Additionally, if</p> |

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| | necessary, the Certifying Agency shall require the DBE/ACDBE applicant firm owner to produce additional evidence to determine eligibility for DBE/ACDBE certification. |
| Impact | Failure to evaluate an application from a DBE/ACDBE applicant firm owner shall result in non-compliance with 49 CFR, Part 26 and 23 regulations. |



Maceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-004 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

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| Title | Ownership Validation |
| Purpose | <p>To ensure all applicants applying for DBE Certification submit documented proof of contributions, for each owner claiming disadvantaged status, used to acquire ownership interest in the firm and proof of transfer of ownership to each individual owner of the firm upon whose ownership and control is relied upon for certification is submitted.</p> <p>A DBE/ACDBE applicant firm is to be at least 51% owned by a socially and economically disadvantaged individual(s).</p> |
| Description | <p>Pursuant to 49 CFR, Part 26.69, when determining whether the socially and economically disadvantaged participants own the firm, the Certifying Agency 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.</p> <p>Prior to making a final determination, the Certifying Agency will consider whether or not the socially and economically disadvantaged individuals, including their contribution of capital or expertise to acquire their ownership interests, are real, substantial, and continuing. Additionally, if necessary, the Certifying Agency shall require the DBE/ACDBE applicant firm owner to produce additional evidence to assist with determining ownership.</p> |
| | |

Process

Upon receipt of the application, the Certification Analyst reviews it for required documents as listed below. The documents required from the firm will depend on the business structure (sole proprietor, corporation, partnership, limited liability company).

- Proof of initial capital investment (canceled checks, front and back; loan agreements; promissory notes, etc.; and a written description of the transaction).
- Financial Statements/Balance Sheets
- Loan Agreements
- Quarterly Wage and Withholding reports for the last four quarters (DE-9s).
- Dba filing (fictitious business name statement).
- All management service agreements, third party agreements, and/or franchise agreements.
- Complete copy of any existing trusts if stock certificates are held in trust.
- Personal Net Worth Statement(s)/Affidavit(s) for each socially and economically disadvantaged owner who individually owns or contributes to an ownership interest of 51 or more percent in the firm; and whose ownership and control are relied upon for DBE certification (see attached).
- Current Federal 1040 income tax forms with all schedules including Schedule C for the previous three years.

Partnerships

- Proof of initial capital investment for each partner (canceled checks, front and back; loan agreements; promissory notes, etc.; and a written description of the transaction).
- Partnership agreement (including amount of contribution made by each partner and profit and loss agreement).
- By-laws and all amendments.
- Minutes of partnership meetings for the last three years if applicable.
- Buy-out or profit-sharing agreement(s).
- Current Federal 1065 income tax forms with all schedules including Schedule K for the previous three years.

Corporations

- Statement by Domestic Stock Corporation. (Statement of Information)
- Articles of Incorporation, including date approved by the secretary of state and any approved amendments/changes.
- Corporate By-laws and all amendments.
- First organizational meeting minutes ratifying the by-laws and electing the officers and directors.
- Minutes of board meetings for the last three years.
- All issued and canceled stock certificates and the stock transfer ledger completely filled out.
- Proof of stock purchase for each stockholder, (canceled checks, front and back - loan agreements - promissory notes, etc.) And a written description of the transaction.
- Current Federal 1120 or 1120s tax form, with all schedules including compensation to officers for the previous three years.

If they exist, furnish copies of any agreements or board actions relating to:

- Stock Options; Stockholder Voting Rights; Ownership Agreements; Ownership of Voting Securities; Stockholder Agreements; Facts pertaining to value of shares; restrictions on the disposal of Loan Agreements.

Limited Liability Companies


- All applicable federal taxes
- Corporate or partnership documents filed with Secretary of State

Per §26.83 (1), 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. If the file is missing any of the applicable documents, the certifying agency will request the documents from the firm.

Once all the documentation is received, the eligibility worksheet is used to review the submitted documents to ensure the ownership is:

- Real -- To satisfy ownership, the disadvantaged persons must legally hold at least 51% of each and every class of ownership. Business is either a sole proprietorship owned by a disadvantaged individual, or a corporation, partnership, or LLC, in which disadvantaged individual(s) own(s) majority of the issued shares or own controlling interest as managing partner(s). Stock certificate, partnership agreement, or other Secretary of State filings and legally valid documents have been provided as proof.
- Substantial -- Investment was made to obtain majority ownership by disadvantaged individuals. Disadvantaged individual(s) invested personal property separate from community property, or have expertise indispensable to the business, and transfers or pro form changes have not been made without consideration or as gift, with the primary purpose to obtain certification.
- Disadvantaged owner(s) receive $\geq 51\%$ profit/loss from the company -- Disadvantaged individual (s) tax documents (Schedule K-1) and salary schedules (DE6) prove that earnings are commensurate with the shareholding/ownership interest. Where majority owners' salaries are lower than key personnel by choice, end of the year profits distributions to the owners are commensurate with ownership interest.
- Continuous and Direct Ownership §26.69 - Stock Options/Trusts (if applicable to the file) -- Where stocks of the firm are held in a trust, the disadvantage owner is the sole grantor, beneficiary and trustee, and exercises effective control over the management, policy-making, and daily operational activities of the firm.

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| Impact | Failure to provide additional evidence of Ownership from a DBE/ACDBE applicant firm owner shall result in non-compliance with 49 CFR, Part 26 and 23 regulations. |
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Maceo Wiggins
CUCP Oversight Chair

Date: 2/17/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/17/2020

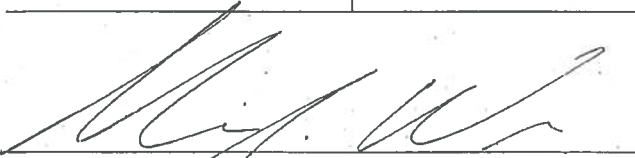
CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-005 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

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| Title | Group Membership Determination |
| Purpose | To establish a procedure for a Certifying Agency's request of additional information from a Disadvantaged Business Enterprise (DBE)/Airport Concession Disadvantaged Business (ACDBE) applicant firm owner as defined in 49 Code of Federal Regulations (CFR), Part 26.63 and 23.3. A DBE/ACDBE applicant firm at least 51% owned and controlled by a socially and economically disadvantaged individual(s) is considered to be a part of the Group Membership. |
| Description | Pursuant to 49 CFR, Part 26.63 and Part 23.3, if the Certifying Agency has reason to doubt whether an individual is a part of the Group Membership, the Certifying Agency shall require the individual(s) to demonstrate, by a preponderance of evidence, that he or she is socially and economically disadvantaged. Prior to making a final determination, the Certifying Agency will consider whether or not the individual(s) is a part of the Group Membership during review of the DBE/ACDBE applicant firm owner's application. Additionally, if necessary, the Certifying Agency shall require the DBE/ACDBE applicant firm owner to produce additional evidence to determine eligibility in the Group Membership. The Certifying Agency's final decision concerning a DBE/ACDBE applicant firm owner's eligibility of being a socially and economically disadvantaged individual will be subject to the certification appeal procedures as defined in 49 CFR, Part 26 and 23 regulations. |

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| Impact | Failure to provide additional evidence of Group Membership from a DBE/ACDBE applicant firm owner shall result in non-compliance with 49 CFR, Part 26 and 23 regulations. |
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Maceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



Janice Salais, Chair
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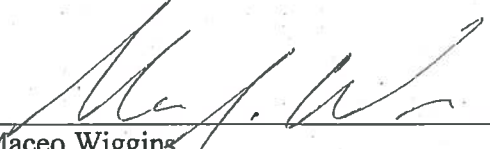
CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-006 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |


| Title | Business Size Standard Determination |
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| Purpose | To establish a procedure to ensure all applicable business and personal- Federal tax returns are obtained from the Disadvantaged Business Enterprise (DBE)/Airport Concession Disadvantaged Business Enterprise (ACDBE) applicant firm's owner and its affiliates. The designated Certifying Agency will carefully review all required Federal tax returns to determine if the DBE/ACDBE applicant firm owner meets the applicable business size standards cited in 49 Code of Federal Regulations (CFR), Part 26 and Part 23. |
| Description | <p>In accordance with 49 CFR Part 26.65 and Part 23.33, the Certifying Agency must obtain all business (e.g., 1120s) and personal (e.g., 1040s) - Federal tax returns from the DBE/ACDBE applicant firm owner and its affiliates to determine the DBE/ACDBE applicant firm's business size standards.</p> <p>Additionally, the Certifying Agency shall apply the current Small Business Administration (SBA) business size standards, cited in 13 CFR Part 121, to the DBE/ACDBE applicant firm's type of work performed in all U.S. Department of Transportation (DOT) - assisted contracts. Based on the DBE/ACDBE applicant firm owner's experience, a DBE/ACDBE applicant firm may qualify for several North American Industry Classification System (NAICS) codes and Work Codes issued by the California Department of Transportation (Caltrans).</p> <p>If the DBE/ACDBE applicant firm owner and its affiliates meet the DBE/ACDBE and SBA business size standards, then the Certifying Agency shall verify the DBE/ACDBE applicant firm's</p> |

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| | average annual gross receipts over the prior three (3) years, as cited in 49 CFR, Part 26.65 and Part 23.33, does not exceed \$23.98 million for DBEs and \$56.42 million for ACDBEs. (Other size standards apply for ACDBEs that are banks/financial institutions, car rental companies, pay telephone firms, and automobile dealers). |
| Impact | Failure to review all business and personal- Federal tax returns from DBE/ACDBE applicant firms' owners and its affiliates will result in non-compliance with the 49 CFR, Part 26 and 23 regulations. |



Maceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



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CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



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| <i>Operational Procedure</i> | Number: CUCP-007 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

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| Title | Personal Net Worth (PNW) Statement Review |
| Purpose | The purpose of the review of Personal Net Worth Statement procedure is to ensure that PNW forms are thoroughly analyzed for errors and omissions; ensure that additional investigation is conducted into pertinent PNW errors and omissions for revisions; and ensure that CUCP certifying agencies are adhering to the PNW review standards. |
| Description | <p><u>49 CFR Part 26 Regulation</u></p> <p>26.67 (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.</p> <p>Below are the procedures to review the PNW Statement:</p> <ol style="list-style-type: none"> 1. Check all the required fields are completed, the PNW statement is signed and notarized (highlighted in yellow). 2. Compare the cash and cash equivalents in the PNW statement to the Schedule B of personal tax return (1040) of the interest income (highlighted in purple). 3. Clarify with the owner to check if the retirement amount minus tax and interest penalties if applicable. 4. Compare the Assets Held In Trust to Schedule E Part III of Income or Loss From Estates and Trusts (highlighted in pink). 5. Compare the properties listed in the PNW statement to Schedule E Part I of personal tax return (1040) (highlighted in orange). |

| | |
|---------------|--|
| | <ol style="list-style-type: none">6. Compare the market value of the properties listed in the PNW statement to the real estate website, e.g. Zillow.com.7. Check the Schedule E of personal tax return (1040) if the owner also owns another company. If so, make sure the value of the ownership interest is reported in the PNW statement (highlighted in green)8. Clarify with the owner to check if the unpaid taxes are currently due.9. Divide the total asset into two for martial assets except retirement amount as the retirement is under an individual name.10. Run a calculation tape to make sure the calculation is correct.11. Initial and date the calculation tape as proof of review of the PNW statement. |
| Impact | If the reviewer omits some of the substantial assets, the certifying agency may certify some of the firms which do not qualify for the DBE certification. |



Maceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020



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 |
|---|------|---------------------------------|----------------------------|-------------|
| | | | | |
| | | | | |
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| | | | | |

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).

SCHEDULE B
(Form 1040 or 1040-SR)

Interest and Ordinary Dividends

OMB No. 1545-0074

2019
Attachment
Sequence No. 08

Department of the Treasury
Internal Revenue Service (99)

► Go to www.irs.gov/ScheduleB for instructions and the latest information.
► Attach to Form 1040 or 1040-SR.

Name(s) shown on return Your social security number

| | | Amount |
|--|---|--------|
| Part I Interest (See instructions and the instructions for Forms 1040 and 1040-SR, line 2b.) Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form. | 1 | |
| | List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ► | |
| | | |
| | | |
| | | |
| | 2 | |
| | 3 | |
| | 4 | |

Note: If line 4 is over \$1,500, you must complete Part III.

| | | Amount |
|---|----------------------|--------|
| Part II Ordinary Dividends (See instructions and the instructions for Forms 1040 and 1040-SR, line 3b.) Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form. | 5 | |
| | List name of payer ► | |
| | | |
| | | |
| | | |
| | 6 | |

Note: If line 6 is over \$1,500, you must complete Part III.

| | | Yes | No |
|---|---|-----|----|
| Part III Foreign Accounts and Trusts Caution: If required, failure to file FinCEN Form 114 may result in substantial penalties. See instructions. | You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust. | | |
| | 7a | | |
| | At any time during 2019, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions | | |
| | b | | |
| If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements | | | |
| | 8 | | |
| If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ► | | | |
| During 2019, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions | | | |

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations - Note: If you report a loss, receive a distribution, dispose of stock, or receive a loan repayment from an S corporation, you must check the box in column (e) on line 28 and attach the required basis computation. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (f) on line 28 and attach Form 6198 (see instructions).

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section. Yes No

Table with 6 columns: (a) Name, (b) Enter P for partnership; S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if basis computation is required, (f) Check if any amount is not at risk. Rows A, B, C, D.

Table with 5 columns: (g) Passive loss allowed, (h) Passive income from Schedule K-1, (i) Nonpassive loss allowed, (j) Section 179 expense deduction from Form 4562, (k) Nonpassive income from Schedule K-1. Rows A, B, C, D, 29a Totals, b Totals, 30, 31, 32.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A, B.

Table with 4 columns: (c) Passive deduction or loss allowed, (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, (f) Other income from Schedule K-1. Rows A, B, 34a Totals, b Totals, 35, 36, 37.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c, (d) Taxable income (net loss) from Schedules Q, line 1b, (e) Income from Schedules Q, line 3b. Rows 38, 39.

Part V Summary

Table with 2 columns: Description, Amount. Rows 40, 41, 42, 43.

SCHEDULE E
(Form 1040 or 1040-SR)

Supplemental Income and Loss
(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

2019

Attachment
Sequence No. 13

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040-SR, 1040-NR, or 1041.

▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.

Name(s) shown on return

Your social security number

Part I **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use Schedule C (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2019 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file required Forms 1099? Yes No

| | | | | | | |
|-----------|---|--|------------------|-------------------|-----|--------------------------|
| 1a | Physical address of each property (street, city, state, ZIP code) | | | | | |
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |
| 1b | Type of Property (from list below) | 2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions. | Fair Rental Days | Personal Use Days | QJV | |
| A | | | A | | | <input type="checkbox"/> |
| B | | | B | | | <input type="checkbox"/> |
| C | | | C | | | <input type="checkbox"/> |

Type of Property:

- 1 Single Family Residence
- 2 Multi-Family Residence
- 3 Vacation/Short-Term Rental
- 4 Commercial
- 5 Land
- 6 Royalties
- 7 Self-Rental
- 8 Other (describe)

| Income: | Properties: | A | B | C |
|---|-------------|-----|-----|-----|
| 3 Rents received | 3 | | | |
| 4 Royalties received | 4 | | | |
| Expenses: | | | | |
| 5 Advertising | 5 | | | |
| 6 Auto and travel (see instructions) | 6 | | | |
| 7 Cleaning and maintenance | 7 | | | |
| 8 Commissions. | 8 | | | |
| 9 Insurance | 9 | | | |
| 10 Legal and other professional fees | 10 | | | |
| 11 Management fees | 11 | | | |
| 12 Mortgage interest paid to banks, etc. (see instructions) | 12 | | | |
| 13 Other interest. | 13 | | | |
| 14 Repairs. | 14 | | | |
| 15 Supplies | 15 | | | |
| 16 Taxes | 16 | | | |
| 17 Utilities | 17 | | | |
| 18 Depreciation expense or depletion | 18 | | | |
| 19 Other (list) ▶ | 19 | | | |
| 20 Total expenses. Add lines 5 through 19 | 20 | | | |
| 21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198 | 21 | | | |
| 22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions) | 22 | () | () | () |
| 23a Total of all amounts reported on line 3 for all rental properties | 23a | | | |
| b Total of all amounts reported on line 4 for all royalty properties | 23b | | | |
| c Total of all amounts reported on line 12 for all properties | 23c | | | |
| d Total of all amounts reported on line 18 for all properties | 23d | | | |
| e Total of all amounts reported on line 20 for all properties | 23e | | | |
| 24 Income. Add positive amounts shown on line 21. Do not include any losses | 24 | | | |
| 25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here | 25 | () | | |
| 26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040 or 1040-SR), line 5, or Form 1040-NR, line 18. Otherwise, include this amount in the total on line 41 on page 2 | 26 | | | |

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



| | |
|-------------------------------------|----------------------------|
| <i>Operational Procedure</i> | Number: CUCP-008 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

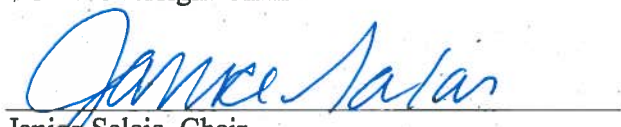
| | |
|--------------------|--|
| Title | New DBE-ACDBE Application Determination Period |
| Purpose | To ensure the timely processing of a firm's application for Disadvantaged Business Enterprise (DBE)/Airport Concession Disadvantaged Business (ACDBE) certification. |
| Description | <p>Pursuant to 49 CFR, Part 26.83 (k), the Certifying Agency must make a decision on applications for certification within 90 days of receiving all information required under this part. It is the responsibility of the Certifying Agency to create a tracking system to ensure the 90-day requirement is being met.</p> <p>The Certifying Agency will review the DBE/ACDBE application and ensure the firm submitted the required documents on the Uniform Certification Application Supporting Documents Checklist from the U.S. DOT uniform DBE/ACDBE Certification Application.</p> <p>The 90-day deadline does not prevent the certifying agency from requesting, for in-state applications, additional information from the applicant at a later time, as may be required to clarify information or to answer reasonable questions that may arise during the review process. 49 C.F.R. § 26.83(c)(4).</p> <p>However, requests for such supplemental information should not result in resetting the UCP's 90-day deadline as long as the UCP receives the information within a reasonable time.</p> <p>Should the applicant not respond to such reasonable requests for additional information in a timeframe that affects the UCP's ability to complete its review by the 90-day deadline, the Certifying Agency documents the reasons for delay and includes</p> |

| | |
|---------------|--|
| | <p>the documentation in the applicant's file. Once the applicant has submitted enough data to make an informed decision, the Certifying Agency should do so as soon possible.</p> <p>Additionally, the Certifying Agency will perform an on-site review as defined by 49 CFR, Part 26.109 (c). The Certifying Agency's final decision concerning a DBE/ACDBE applicant firm owner's eligibility of being a socially and economically disadvantaged individual will be subject to the certification appeal procedures as defined in 49 CFR, Part 26 and 23 regulations.</p> |
| Impact | <p>Failure to make a determination on an application from a DBE/ACDBE applicant firm owner shall result in non-compliance with 49 CFR, Part 26 and 23 regulations.</p> |



Maceo Wiggins
CUCP Oversight Chair

Date: 2/27/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

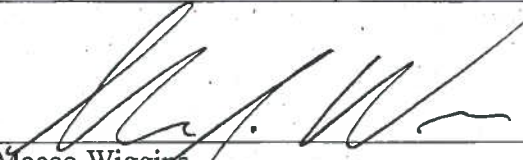
CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



| | |
|-------------------------------------|----------------------------|
| <i>Operational Procedure</i> | Number: CUCP-009 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

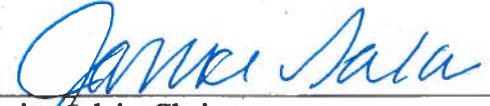
| | |
|--------------------|---|
| Title | DBE Annual Update Document Maintenance |
| Purpose | A comprehensive solution for tracking and ensuring that annual updates are collected from DBEs and maintained in the certification files; and ensuring that CUCP certifying agencies are compliant. |
| Description | <p>(1) CUCP Certifying Agency must keep a running tally of certified firms and their anniversary dates by use of an established calendaring system. 30 days prior to a firm's certification anniversary date, a First Notice of a firm's Annual Update or 5-Year Annual Update will be sent with suspension language, allowing 30 days for a response from the certified firm.</p> <p>(2) If the AUA or 5-Year is returned completed, then all firm documents received by certifying agencies must be stored under lock and key for hard copies and secured networks for digital submissions. If a firm's materials are returned incomplete, the firm will be sent an AUA or 5-Year incomplete Notice with Suspension language and 15 days to respond. If there is no response from the firm, then a Suspension Notice is sent with Decertification language allowing the firm 15 days to respond.</p> <p>(3) If a certified firm continues to be nonresponsive, a Proposal to Remove letter for Noncooperation will be sent allowing the firm 15 days to respond before the firm is removed for Non-Cooperation.</p> |

| | |
|---------------|---|
| | (4) If the submission from the certified firm continues to be incomplete, it will be sent another Suspension Notice with decertification language and an opportunity to respond in 15 days. After the third incomplete submission from a firm, a Proposal to Remove letter for Noncooperation will be sent allowing the firm 15 days to respond before the firm is removed for Non-Cooperation. |
| Impact | To reduce the likelihood of missing documents and correspondence in CUCP certification files. |



Maceo Wiggins
CUCP Oversight Chair

Date: 2/28/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

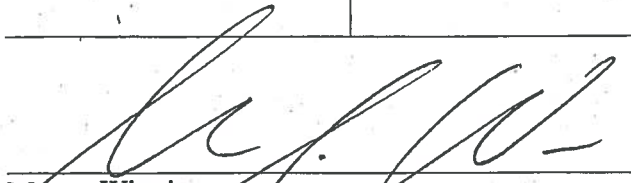
CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)




| | |
|-------------------------------------|----------------------------|
| <i>Operational Procedure</i> | Number: CUCP-010 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |

| | |
|--------------------|---|
| Title | Removing Existing Certification |
| Purpose | <p>This section will outline the steps to be taken by a certifying agency to remove a firm's certification due to the following reasons:</p> <ol style="list-style-type: none"> 1. Gross income exceeds the DBE size standard of \$23.98M or ACDBE size standard of \$56.42M. 2. Majority owner's Personal Net Worth exceeds \$1.32M. 3. Firm failed to respond to the Annual Update Notices. 4. Firm has new owners that do not qualify as socially or economically disadvantaged individual(s). 5. Majority owner requests to discontinue its DBE/ACDBE certification. |
| Description | <p>For each of the abovementioned reasons, the standard steps to follow will be outlined including the issuance of required letters to the affected firm.</p> <p>In each of the abovementioned reasons, the owner of the certified firm in question can request for a Reconsideration Hearing following the issuance of the Proposal to Removal (PTR) letter.</p> <p>A reconsideration request can wither be an in-person hearing or a written reconsideration. In either case, the CUCP contact person will arrange a reconsideration hearing and requests for representatives from two (2) certifying agencies, not from the involved home agency, to act as impartial parties to the firm's reconsideration. Refer to the procedures on Reconsideration Hearing.</p> |

| | |
|---------------|--|
| Impact | This section will present the steps that all CUCP certifying agencies must follow to properly document the steps to be taken in removing a firm's certification. |
|---------------|--|


Maceo Wiggins
CUCP Oversight Chair

Date: 2/20/2020


Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

Exceeds the Income Size Standard of \$23.98M for DBE or for ACDBE-\$56.42M

This situation is discoverable through the Annual Update document review.

1. Certification analyst reviews the latest business tax returns submitted by the firm, with the completed Annual Update Declaration.
2. The analyst must verify if there are any affiliate companies related to the firm. If there are affiliate(s), analyst should have the current tax return of the affiliate(s).
3. Certification analyst proceeds to calculate the current 3-year average income. The total income should include all affiliates' gross income.
4. If the current average income exceeds the income size standard, proceed to draft the Proposal to Remove (PTR) letter. The firm is given fifteen (15) calendar days to respond. If no response after 15 days, proceed to remove the firm's certification and issue a Removal Letter, and the firm's certification is removed.

Majority owner's Personal Net Worth (PNW) exceeds \$1.32M

This situation is discoverable through the Annual Update document review or the 5th Year Review.

1. Certification analyst reviews the Annual Update Declaration (Years 1 thru 4) and find if the owner has checked the box stating that his/her Personal Net Worth (PNW) have exceeded the income size standard.

2. If owner indicates that they have exceeded the PNW, the certification analyst will verify this by requesting the owner to complete a new PNW statement (statement must be notarized). Upon receipt of the completed PNW statement, the analyst will make an independent calculation of the PNW.
5. If the current, verified PNW exceeds the PNW size standard, proceed to draft the PTR letter. The firm is given fifteen (15) calendar days to respond. If no response after 15 days, proceed to remove the firm's certification and issue a Removal Letter, and the firm's certification is removed.

Firm failed to respond to the Annual Update Notices

This situation happens when a firm does not respond to annual update notices that include completing the Annual Update Declaration and submitting the required tax returns and other documents, as requested by the certifying agency.

1. Detailed steps are presented on the procedures for sending annual update notices. The certifying agency issues these notices to all certified firms one (1) month prior to a firm's certification anniversary month. These notices should be sent annual to all certified firms to verify that they still meet the certification standards.
2. The first notice is sent to the firm and given 30 days to respond to submit all requirements.
3. If the firm does not response to the first notice, a Final Notice is issued and the firm is given fifteen (15) days to respond.
4. If no response to the Final Notice, the agency will issue a Proposal to Remove (PTR) letter, as the ultimate notice, and the firm is given 15 days to respond.
5. If there is not response to the PTR, a Removal letter is issued and the firm's certification is removed.

Firm has new owners that do not qualify as socially or economically disadvantaged individual(s)

This situation is discoverable when a certified firm responds to an annual update notice and indicates on the declaration form that there has been a change(s) to the firm's ownership. This can also be confirmed from the tax returns that are submitted for the annual update notices.

1. The certification analyst discovers from the Annual Update Declaration that was a change in ownership.
2. The analyst requests for copies of all corporate documents and the endorsed state registration forms that relate to this ownership change.
3. The analyst must also request proof of gender and ethnicity of the new owner(s), reasons for the ownership change, proof of capital contribution, and the Personal Net Worth statement for the new majority owner.

4. Upon review of the submitted documents, the analyst must schedule a site visit with the current and previous owner(s) to establish the real ownership and control within the firm.
5. If the new owner(s) are not socially or economically disadvantaged, the analyst will issue a Proposal to Remove (PTR) citing this reason for removal.
6. If there is not response to the PTR, a Removal letter is issued and the firm's certification is removed.

Majority owner requests to discontinue its DBE/ACDBE certification

The reasons for this request can be that the owner is retiring and will be closing the business, or that the majority owner was deceased and is being replaced by a non-socially and/or economically owner(s).

1. The certification analyst receives written request from the majority owner of a certified firm to discontinue their certification.
2. The analyst issues a Removal letter based on the reasons cited by the owner or their representatives, and the certification is removed.

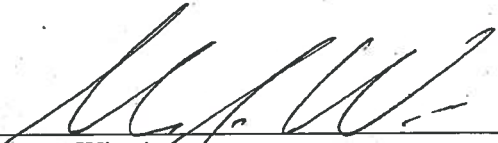
CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



| | |
|-------------------------------------|----------------------------|
| <i>Operational Procedure</i> | Number: CUCP-011 |
| | Effective Date: 02/12/2020 |
| | Supersedes: N/A |


| | |
|--------------------|---|
| Title | Request for Release of Confidential Disadvantaged Business Enterprise (DBE) Information |
| Purpose | The purpose of this procedure is to ensure that the California Unified Certification Program (CUCP) certifying agencies are consistent with request for release of confidential DBE information. |
| Description | <p><u>Request for Release of Confidential Information</u></p> <p>The attached two forms have been developed:</p> <ol style="list-style-type: none"> 1) CUCP Request for Release of Confidential Information <p>This form is used if a CUCP certifying agency needs to request information on a DBE that was certified by a different CUCP certifying agency. Only the requesting certifying agency can have access to the requested information.</p> 2) DBEs Request for Release of Confidential Information <p>This form is used if a third party requests a DBEs confidential information contained in his/her DBE certification file. Confidential information cannot be released without the signed consent of the majority owner of the DBE firm.</p> |

| | |
|---------------|--|
| Impact | If the above-mentioned forms are not used or used inappropriately, a breach of confidentiality may occur which could result in a lawsuit and monetary damages. |
|---------------|--|



Maceo Wiggins
CUCP Oversight Committee

Date: 2/28/2020



Janice Salais, Chair
Executive Committee
California Unified Certification Program

Date: 2/27/2020

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



REQUEST FOR RELEASE OF CONFIDENTIAL INFORMATION

(To be Used by CUCP Certifying Agencies Only)

I understand the California Unified Certification Program (CUCP) has an obligation to keep DBE certified firms and DBE applicant records confidential. I, [NAME AND TITLE], authorize [NAME OF CERTIFYING AGENCY] to share the following specific information with:

I. Who will the information be shared with?

Name/Title:
Certifying Agency:
Address:
Phone Number:

II. The information is being shared: in person by phone by fax by mail by e-mail

III. What information will be shared *(be as specifically as possible):*

IV. Why is the information being shared *(list as specifically as possible)*

I understand the following: "49 Code of Federal Regulations, Part 26.109 (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. (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)."

I understand this release is valid when I sign it and that the certifying agency representative receiving the information, whether it be files and/or documents, will not share with any party outside of certifying members of the CUCP or any other individual within their department/agency orally or in writing.

FROM: [NAME]

Signature: _____ Date: _____

TO: [NAME]

Signature: _____ Date: _____

CALIFORNIA UNIFIED CERTIFICATION PROGRAM (CUCP)



READ FIRST: You are receiving this form from the California Unified Certification Program (CUCP), Disadvantaged Business Enterprise (DBE)/Airport Concession DBE (ACDBE) Certification Programs because an agency or person is requesting confidential information. The information below provides the explanation of who, why and how your private information is going to be used.

REQUEST FOR RELEASE OF CONFIDENTIAL INFORMATION *(To be Used by DBE Certified Firms or DBE Applicants)*

I understand the CUCP has an obligation to keep my personal information, identifying information, and my records confidential. I also understand I can choose to allow the CUCP to release some of my personal information to certain individuals or agencies.

I, _____, authorize the CUCP to share the following specific information with:

| | | |
|---|---|--|
| Who I want to have my information: | Name: Title: Specific Agency: Office Address: Phone Number: | |
|---|---|--|

The information may be shared: in person by phone by fax by mail by e-mail

| | |
|---|--|
| What info about me will be shared: | <i>(List as specifically as possible, for example: name, dates of service, and any documents).</i> |
| Why I want my info shared (purpose): | <i>(List as specifically as possible, for example: to receive benefits).</i> |

I understand the following: “49 Code of Federal Regulations, Part 26.109 (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. (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).”

I understand this release is valid when I sign it and that I may withdraw my consent to this release at any time either orally or in writing.

Signed by:

Date: