

# PREPARING FOR DBE REEVALUATION: Personal Net Worth (PNW) and Personal Narrative (PN) Guidance

“DBE IFR” refers to the Disadvantaged Business Enterprise (DBE) Interim Final Rule (IFR), a regulatory update issued by the U.S. Department of Transportation (USDOT) that became effective on October 3, 2025.



## KEY HIGHLIGHTS OF THE DBE IFR

### **Purpose:**

Updates USDOT’s DBE (and ACDBE) programs to comply with constitutional requirements, specifically by removing race- and gender-based presumptions in determining social and economic disadvantage.

### **Elimination of Presumptions:**

Previously, DBE eligibility included rebuttable presumptions based on race or gender. The IFR removes these presumptions. Each business owner must now individually demonstrate social and economic disadvantage through evidence and narrative.

### **Reevaluation Requirement:**

All currently certified DBE firms are subject to reevaluation. They must provide updated documentation and personal narratives to maintain certification.

### **Suspension of Goals:**

DBE participation goals in contracts are on hold until the Unified Certification Program (UCP) completes all reevaluations. Likewise, previously counted participation will not be credited until that process is complete.



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### PRIVACY NOTICE

#### Purpose of Data Collection:

The information you provide in this personal narrative is collected by the North Carolina Department of Transportation (NCDOT) to re-evaluate your eligibility and compliance under the new DBE IFR.

#### How Your Data Will Be Used:

Your responses will be used solely for DBE reevaluation/recertification review, to include social and economic disadvantage analysis and DBE IFR program compliance. This information may be shared with authorized NCDOT personnel and federal oversight agencies such as the Federal Highway Administration and the USDOT for audit, reporting, and approval purposes.

#### Mandatory:

Providing this information is mandatory for DBE re-evaluation. Failure to provide complete and accurate information may result in delays or denial of certification.

#### Consequences of Withholding Information:

If you choose not to provide the requested information, NCDOT may be unable to move forward with processing for re-evaluation. This could affect your eligibility for participation in federally-funded transportation projects.

#### Access and Disclosure:

Your information is subject to North Carolina Public Records Law (N.C.G.S. Chapter 132). While most records are public, certain financial and personally identifiable information may be protected under state and federal confidentiality provisions. Authorized access includes: NCDOT OCR staff, with a need to know, federal oversight agencies, and auditors as required by law.

#### If you have questions about this notice or how your information will be used, contact:



dbeopportunity@ncdot.gov



984-236-1245



NCDOT Office of Civil Rights  
1511 Mail Service Center  
Raleigh, NC 27699-1511

### PRIVACY ACT STATEMENT

#### This collection is authorized by:

- ▶ 5 U.S.C. § 552a (Privacy Act of 1974, as amended)
- ▶ 42 U.S.C. 2000d et seq. (Title VI of the Civil Rights Act of 1964)
- ▶ 42 U.S.C. 12101 et seq. (Americans with Disabilities Act)
- ▶ 42 U.S.C. 6101 et seq. (Age Discrimination Act of 1975)
- ▶ 29 U.S.C. 794, 749d (Rehabilitation Act of 1973)
- ▶ 49 U.S.C. 47113 (Airport and Airway Improvement Act)
- ▶ 49 CFR Part 23 (Airport Concession Disadvantaged Business Enterprise (ACDBE) Program)
- ▶ 49 CFR Part 26 (DBE Program)
- ▶ Executive Order 13160 (Prohibiting Discrimination in Federally Conducted Education and Training Programs)

#### Purpose:

The USDOT will use the information collected to respond to DBE and ACDBE inquiries, reviews, appeals, and to administer certification and compliance processes under applicable regulations.

#### Routine Uses:

Information may be disclosed in accordance with DOT's System of Records Notice (SORN): DOT/ALL-24 – Departmental Office of Civil Rights System, 76 FR 71108 (Nov. 16, 2011). Routine uses include sharing with federal, state, and local agencies for program administration, compliance, and enforcement purposes, and as otherwise permitted by law.

#### Disclosure:

Providing this information is mandatory for certification or re-certification under 49 CFR Parts 23 and 26. Failure to provide complete and accurate information may result in denial or removal from the DBE/ACDBE program.

#### Privacy Rights:

Under the Privacy Act, you have the right to:

- ▶ Access and review your records maintained by DOT.
- ▶ Request correction of inaccurate or incomplete information.



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### PLEASE NOTE THIS IMPORTANT INFORMATION

The purpose of the Personal Narrative is to provide a clear and detailed account of your individual experiences that demonstrate social and economic disadvantage. The narrative is a critical component of your application for DBE reevaluation under the USDOT's IFR.

Your statement should describe specific, verifiable events and circumstances that have negatively impacted your ability to access education, employment, or business opportunities. It should also explain how these disadvantages have resulted in economic harm compared to individuals who have not faced similar barriers.

Please write in your own words, using factual examples rather than general statements. Include dates, locations, and supporting documentation where possible. The goal is to help reviewers understand the systemic challenges you have encountered and how they have affected your business success.

## SECTION A – LEGAL DEFINITION & CORE RULE LANGUAGE

Economic harm may include direct or indirect loss. The following examples are illustrative and not exhaustive:

- ▶ Opportunity loss
- ▶ Prospective loss
- ▶ Professional harm
- ▶ Career-related harm
- ▶ Developmental harm (education or training related)
- ▶ Commercial opportunity loss
- ▶ Financial loss

**Non presumptive Disadvantage.** All applicants must demonstrate social and economic disadvantage (SED) based on their own experiences and circumstances within American society, and without regard to race or sex.

1. To satisfy the SED requirement and ensure all determinations of disadvantage are not based in whole or in part on race or sex, an owner must provide the certifier a Personal Narrative (PN) that establishes the existence of disadvantage by a preponderance of the evidence based on individualized proof regarding specific instances of economic hardship, systemic barriers, and denied opportunities that impeded the owner's progress or success in education, employment, or business, including obtaining financing on terms available to similarly situated, non disadvantaged persons.
2. The PN must state how and to what extent the impediments caused the owner economic harm, including a full description of type and magnitude, and must establish the owner is economically disadvantaged in fact relative to similarly situated non disadvantaged individuals.



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### SECTION B STEP BY STEP GUIDANCE - PERSONAL NARRATIVE

#### Prove Disadvantage:

- ▶ Avoid reference to race or gender
- ▶ Focus on documented experiences
- ▶ Standard: preponderance of the evidence

#### Include at Least One Example:

- ▶ Select from the list in Section C or provide your unique experience
- ▶ Example should demonstrate social and economic disadvantage and have occurred within the United States

#### Explain Societal Impact:

- ▶ Describe how these features operated in American society
- ▶ Show how they created barriers

#### Provide a Summary of the Incident or Impediment:

- ▶ Give specific examples of disadvantage
- ▶ Show a direct link to the challenge
- ▶ Describe magnitude and extent of economic harm compared to similarly situated non-disadvantaged individuals

#### Summary must include:

- ☑ Date of incident
- ☑ Outcome
- ☑ Instance of Hardship
- ☑ Individual Lived Experience
- ☑ Measured Economic Hardship
- ☑ Comparison to Similar Non-Disadvantaged Firm
- ☑ Denied Opportunities  
*Denied opportunities may include when the owner was not given access, inclusion, or fair consideration for something that could have helped them advance, even if they were qualified or met all criteria.*
- ☑ Witnesses (if applicable)

Documentation is not required but will support instances of disadvantage. Documentation may include correspondence, contracts, school records, employment records, financial records, or other materials substantiating the events described.

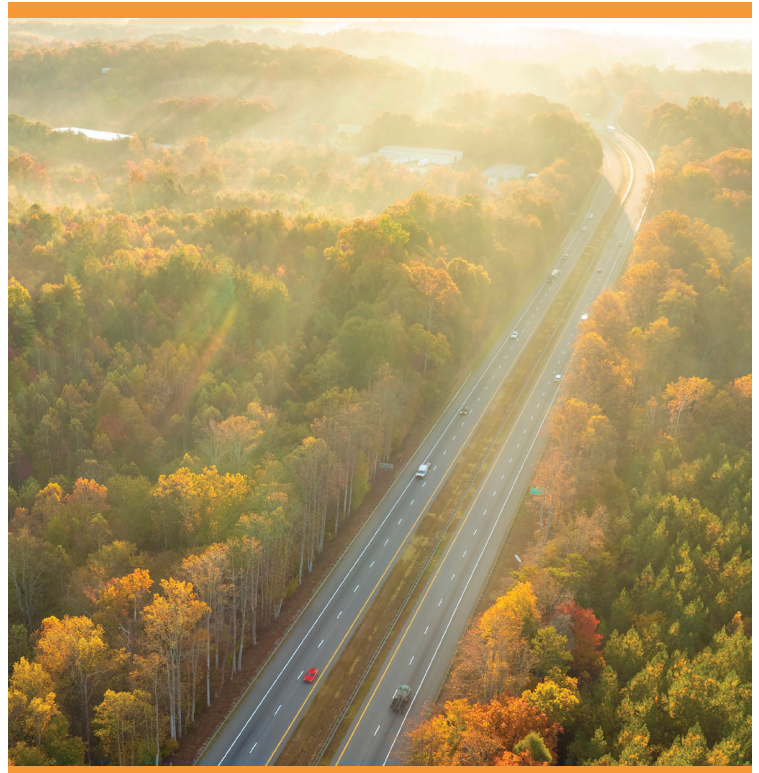
#### Structure of the Personal Narrative

##### Each instance described in the PN should address:

- When** – The timeframe in which the event occurred.
- Where** – The location, institution, or business context within American society.
- Who** – The individuals, groups, titles, or institutions involved (without reference to race/sex).
- What and Why** – A description of the event or circumstance and why it constituted disadvantage.
- How** – A detailed explanation of how the event impacted advancement, business growth, access to capital, or professional development.

#### Examples of Evidence of Barriers

- ▶ Bid Rejection Notices – proof of loss opportunities due to financial restraints
- ▶ Insurance/Bonding Denials – letter(s) from surety companies or issuers
- ▶ Agreements such as financial or leases with unfavorable terms



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### SECTION C – OBJECTIVE DISTINGUISHING FEATURES (Instances of Disadvantage)

#### Education – this may include:

- ▶ 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
- ▶ Social patterns or pressures that discouraged the pursuit of a professional or business education

#### Employment – this may include:

- ▶ Unequal treatment in hiring, promotions and other aspects of professional advancement, pay and fringe benefits, and other terms and conditions of employment
- ▶ Retaliatory behavior by an employer or labor union
- ▶ Social patterns or pressures that have channeled the individual into non-professional or non-business fields

#### Business History & Opportunities – this may include:

- ▶ Unequal access to credit or capital
- ▶ Acquisition of credit or capital under commercially unfavorable circumstances
- ▶ Unequal treatment in opportunities for government contracts

#### Disclaimer:

The examples provided in Section C are intended solely for illustrative purposes. Applicants are not required to use these examples and may submit information of their choice. This list is not exhaustive, so applicants should provide details that best describe their personal experience.

**Complete the required Personal Net Worth (PNW) statement - last updated by the US Department of Transportation on September 16, 2024. Also, include all supporting documents for each section of the PNW.**

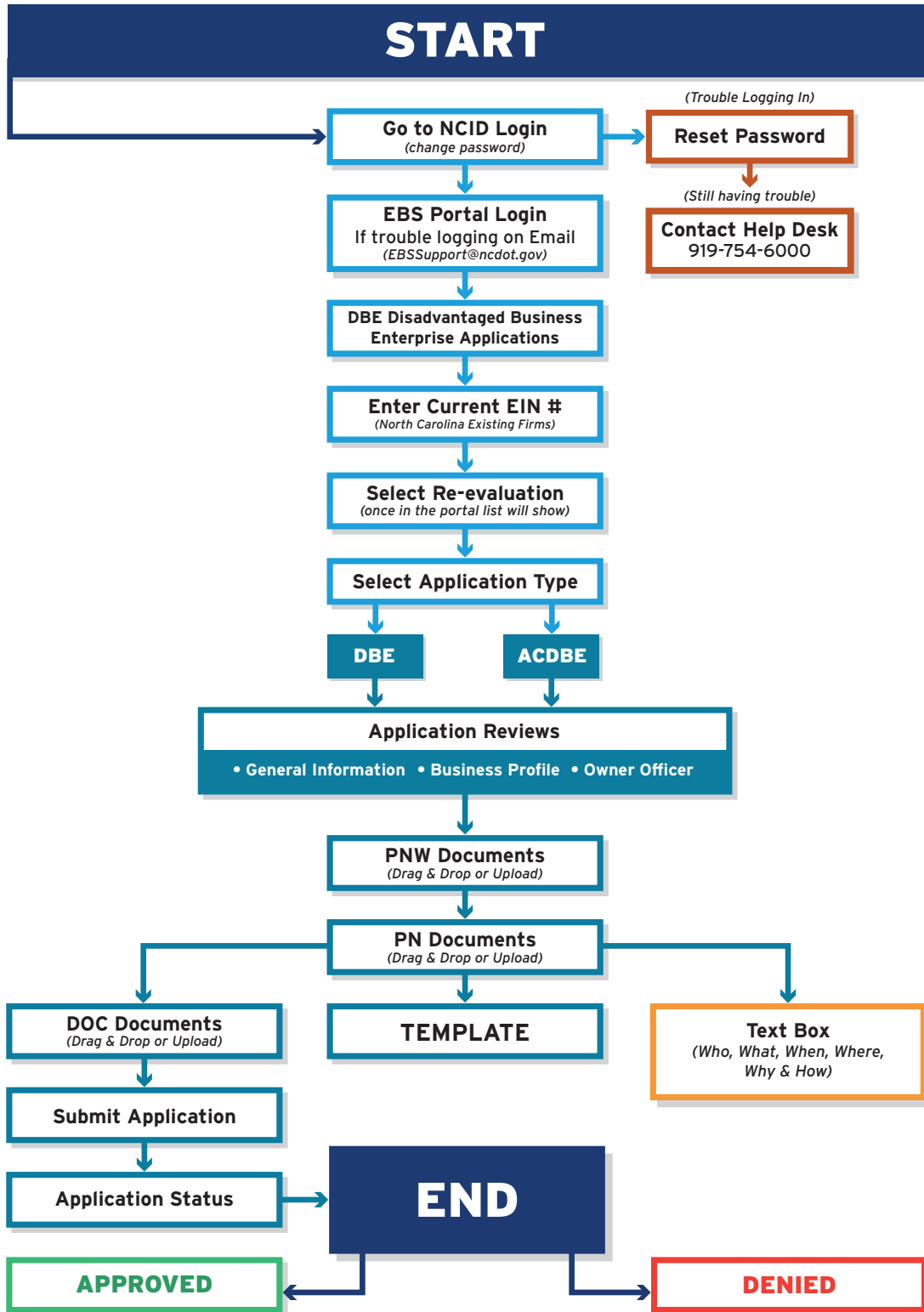
### SECTION D – EXAMPLES OF SUPPORTING DOCUMENTATION FOR PNW

- ▶ Personal Tax Returns (include all schedules and worksheets)
- ▶ 3 year federal and state business tax returns (include all schedules)
- ▶ Loan Documents
- ▶ Retirement Account Statements
- ▶ Recent Mortgage Statements Reflecting Balance
- ▶ County Appraisal Valuation
- ▶ Rental Agreements (if income-producing)
- ▶ Car Loan Statements
- ▶ Credit Card Statements
- ▶ Promissory Notes

**All documents must be complete, signed where required, and dated. Incomplete submissions will delay review and may result in a request for additional information.**



# PERSONAL NARRATIVE & PERSONAL NET WORTH Submission Flowchart



The firm will be labeled in the directory so prime contractors can easily identify its status (Active).

Firm will receive communication of decision

