



**U.S. Department of  
Transportation**

Office of the Secretary  
Of Transportation

Departmental Office of Civil Rights  
1200 New Jersey Avenue, S.E., W76-401  
Washington, DC 20590

November 2, 2020

Docket Number 20-0101

Ms. Rasha Salman  
California Staffing Technology & Construction  
[REDACTED]

Dear Ms. Salman:

This is in response to your appeal of the California Unified Certification Program's decision, through its member Caltrans, to deny your firm's (CSTC, as above) application for ACDBE certification. Caltrans cited control deficiencies as a basis for its decision.

Caltrans' key point is that you, the disadvantaged owner, you do not control the company's Board of Directors. The evidence shows that you and your non-disadvantaged co-owner Ramez Kadhim constitute CSTC's board of directors.<sup>1</sup> The firm's bylaws provide that "[t]he business and affairs of the Corporation will be managed by or under the direction of the Board" and that a majority vote of the directors present is needed for an act of the board.<sup>2</sup>

As Caltrans states, the bylaws create the possibility of a deadlock, preventing you from controlling the board of directors, as 49 C.F.R. section 26.71(d)(2) requires.<sup>3</sup> The appeal does not contest this point. Consequently, we find that Caltrans had substantial evidence to support its conclusion, and we affirm it under section 26.89(f)(1). This decision is administratively final.

Sincerely,

Samuel F. Brooks  
DBE Team Lead  
Disadvantaged Business Enterprise Division

cc: Caltrans

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<sup>1</sup> See, e.g., CSTC's DBE application at 4(A)(2); Articles of Incorporation para. 12; Minutes of Organizational Meeting para. 11; Management item 1 in Caltrans' On-Site Review Report. See also sections 26.61(b) (applicant's burden of proof and 26.89(c) (appellant must cite certifier error, omission, or misapplication of rule).

<sup>2</sup> Paras. 32 and 33.

<sup>3</sup> To put it another way, Mr. Kadhim has veto power.