



**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

December 31, 2020

Docket Number 20-0118

Michelle Gray, President
Locums, Inc.



Dear Ms. Gray:

This is in response to your appeal of the denial by the Georgia Department of Transportation (GDOT) of the application of Locums, Inc., for DBE certification. GDOT based its denial on both ownership and control. This decision focuses on ownership.

Based on information provided in to GDOT the on-site review of the firm, the total initial capitalization of Locums was \$[REDACTED]. With respect to ownership, GDOT said that this sum was drawn from a joint bank account held by you and your husband, Ronald Gray. There is no evidence in the record that he has renounced his interest in the funds. As a result, no more than 50 percent of those funds could be attributed to you, falling short of the 51 percent ownership contribution required to meet DBE certification standards.

Your appeal notes that you and your husband customarily use joint accounts for purposes of managing your financial affairs. While this is a legitimate way of handling marital funds, applicants should be aware of its consequences under section 26.69(i) of the Department's DBE regulation with respect to contributions of capital.

The appeal also asserts that, monetary contributions aside, you have made a contribution of expertise to the company with respect to medical recruitment, payroll, accounting, and human resources. Under section 26.69(f)(1) of the regulation, an applicant must, to demonstrate a contribution of expertise, make six specific showings. A generalized assertion of professional competence does not satisfy this requirement.¹

For these reasons, we conclude that GDOT had substantial evidence to deny the firm's application on the basis of ownership. Therefore, we affirm GDOT's decision.

¹ See the discussion of this provision in the preamble to the Department's February 2, 1999, final rule. 64 FR 5118.

This decision is administratively final and not subject to petitions for review.

Sincerely,

Samuel F. Brooks
DBE Appeal Team Lead
Disadvantaged Business Enterprise Division

cc: Menelik R. Alleyne, Kimberly A. King