

# Newsletter

May 2026



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# SDDOT DBE PROGRAM UPDATE

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*By: Kyle Watkins, SDDOT DBE Program Coordinator*

## **Thank you PSI!**

The South Dakota Department of Transportation (SDDOT) extends its sincere appreciation to Project Solutions Inc. (PSI) for their many years of dedicated support to the Disadvantaged Business Enterprise (DBE) Program. PSI has played a vital role in outreach to prospective DBE firms, assisting businesses through the Business Development Program, and providing technical assistance. Their guidance has also been instrumental in helping SDDOT navigate the numerous changes to the DBE Program over the past two years.

## **Interim Final Rule**

On October 3, 2025, the United States Department of Transportation (USDOT) issued the Interim Final Rule for the DBE Program, removing both race- and sex-based presumptions in determining DBE/ACDBE eligibility. In response, PSI supported SDDOT by delivering technical assistance to DBEs through online workshops, individualized support, and guidance materials to help firms successfully complete reevaluation and certification.

## **Program Update**

As of May 13, 2026, SDDOT has certified seven (7) firms, with two (2) additional firms pending, while five (5) firms have chosen to defer reevaluation at this time. SDDOT is working to bring the DBE Directory back online and resume full operation of the program. Once complete, Kyle Watkins, SDDOT DBE Program Coordinator, will notify all DBEs that the program has resumed operations.

To fully restart the program, SDDOT must first obtain approval from USDOT following completion of the reevaluation process. SDDOT must then update its DBE Special Provision and DBE Program Plan to ensure alignment with the new federal requirements. The Program Plan outlines how SDDOT administers its DBE Program and must also receive USDOT approval. In addition, SDDOT will complete a new Goal Methodology to determine annual DBE participation targets for construction projects.

## **Supportive Services Concluding**

With PSI concluding its role as SDDOT's Supportive Services Consultant, several procedural changes will occur. Moving forward, Kyle Watkins will serve as the primary contact for application assistance, technical assistance, and all DBE-related inquiries. SDDOT will also retire the PSI-managed website ([www.sddbe.com](http://www.sddbe.com)). All DBE-related information and documents will be available on SDDOT's DBE webpage at: <https://dot.sd.gov/doing-business/contractors/disadvantaged-business-enterprise-dbe/>. The monthly newsletter previously distributed by PSI will be suspended; instead, SDDOT will notify DBEs directly regarding significant updates and program changes. SDDOT is also exploring the development of a webpage listing projects with DBE goals, including Office of State Engineer contracts, transit projects, airport projects, and highway projects.

## **Questions?**

For any questions or concerns, please contact:

Kyle Watkins

SDDOT DBE Program Coordinator

Email: [kyle.watkins@state.sd.us](mailto:kyle.watkins@state.sd.us)

Phone: 605-773-4906

## Upcoming Training & Events

- May 28** **The Basics in Contracts: Protect Your Business with Confidence**  
Webinar | Thursday, May 28, 2026 | 1:00 P.M. CT | Cost: \$10  
[Learn More>](#)
- May 28** **Mastering Job Costing: The Foundation of Profitable Construction Projects**  
Webinar | Thursday, May 28, 2026 | 1:00 P.M. CT | Cost: Free  
[Learn More>](#)
- June 17** **Boots to Business Reboot: Small Business Training**  
South Dakota Military Heritage Alliance | 1600 W Russell St, Sioux Falls SD 57104  
Wednesday, June 17, 2026 | 8:00 A.M. CT | Cost: Free  
[Learn More>](#)
- June 18** **When the Heat Is On: Managing Heat Stress in the Workplace**  
Webinar | Thursday, June 18, 2026 | 1:00 P.M. CT | Cost: Free  
[Learn More>](#)
- June 25** **Building Momentum: Women In Business - Chamberlain-Oacoma**  
Cedar Shore Resort | 1500 Shoreline Dr, Oacoma SD 57365  
Thursday, June 25, 2026 | 9:30 A.M. CT | Cost: \$49+  
[Learn More>](#)

## Did you know?

Supportive Services through the SDDOT DBE Program will be available through June 2026. This extended timeframe allows DBE firms additional opportunity to receive guidance and feedback to strengthen the personal narratives required for SDDOT's reevaluation process.

Firms needing assistance with developing or refining their personal narrative can contact Project Solutions at [dbe@projectsolutionsinc.com](mailto:dbe@projectsolutionsinc.com) to access one-on-one support while this service remains available.

For those unable to attend a live Personal Narrative Workshop or utilize one-on-one assistance, SDDOT has made a recording of the full workshop available on its website. This video, along with additional personal narrative and IFR resources, is designed to help firms effectively prepare their submissions.

Firms are strongly encouraged to review these materials prior to submitting their Personal Narrative.

Direct links are provided below:

[SDDOT Personal Narrative Workshop Video](#)

[SDDOT DBE Reevaluation Information](#) (accessible via the top dropdown menu on the page)

# South Dakota DBE Firms: Reevaluation & Program Transition

South Dakota-based DBE firms planning to participate in the updated SDDOT DBE Program are encouraged to submit their Personal Narrative (PN) and Personal Net Worth (PNW) Statement as soon as possible.

Timely submission helps ensure eligibility once full program operations resume and allows SDDOT to establish an accurate baseline of active DBE firms for future goal setting.

## Submission Information

Submit documents to:

Kyle Watkins, SDDOT DBE Program Coordinator

[Kyle.Watkins@state.sd.us](mailto:Kyle.Watkins@state.sd.us) | 605.773.4906

Firms may also request access to a secure SharePoint folder for uploading documents

## Important Notes

Under current Interim Final Rule (IFR) requirements, all South Dakota DBE firms are temporarily listed as inactive until reevaluation is complete:

- Firms that do not submit required documents will remain inactive and will not count toward DBE goals
- Firms not wishing to proceed should notify SDDOT
- Firms may apply later, but will remain inactive until reevaluation is completed



# Complying with Federal and State Contract Requirements

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*By: Supportive Services Team - Project Solutions, Inc.*



Winning a federal or state contract can be a meaningful opportunity for a small business. Public-sector work often offers steady projects, long-term partnerships, and increased credibility. Along with those benefits, however, comes a set of requirements that are typically more detailed than what many businesses encounter in private-sector work.

Rules related to documentation, reporting, labor standards, and performance can feel complex, particularly given the level of detail involved. The good news is that compliance does not have to be complicated. With the right approach, it becomes a manageable part of daily operations rather than an ongoing concern.

## **What “Compliance” Really Means**

At its most basic level, compliance means following the requirements outlined in your contract and meeting the expectations of the agency you are working with. These rules exist to ensure public funds are used responsibly and that contractors perform their work fairly and consistently.

Requirements may differ depending on whether a contract is federally or state funded, which agency is involved, and the type of work being performed. Even businesses with significant experience in public contracting often find that each contract brings its own set of expectations. Reviewing each contract individually—rather than relying on assumptions from past work—is an important step.



## **Take Time to Understand the Contract**

Many compliance issues start with misunderstandings about the contract itself. Government contracts often include multiple sections, attachments, and references to additional regulations that apply to your work.

Before getting started, it's important to read the full contract carefully. Pay particular attention to reporting requirements, invoicing instructions, recordkeeping expectations, insurance coverage, and deadlines. If something is unclear, asking questions early can help avoid problems later. Contracting officers are accustomed to clarification requests and generally prefer them at the beginning of a project rather than after an issue arises.

## **Make Compliance Part of Everyday Work**

Compliance is easier to manage when it fits naturally into your existing business processes. Rather than treating it as something separate, look for practical ways to build it into how you already operate.

Many businesses find it helpful to designate one person to track compliance requirements, even if that responsibility is only part of their role. Keeping records organized, saving copies of required documents, and maintaining clear invoice and payroll records can make a significant difference. Because agencies may request documentation well after a project is completed, good recordkeeping is essential.

These systems do not need to be complicated. Simple habits and clear organization often provide the structure needed to stay on track.

## **Stay Informed and Communicate Early**

Contract requirements can change over time. Agencies may issue updates, contract modifications, or new guidance during the life of a project. Reviewing communications carefully and staying alert to changes helps ensure that requirements continue to be met.

Communication also plays a key role in compliance. If challenges arise—such as schedule changes, staffing issues, or reporting delays, it's best to raise them as soon as possible. Open, timely communication helps maintain trust and allows agencies to work with you to address concerns before they become larger issues.

It's also important to recognize when additional support may be helpful. Accountants, consultants, legal advisors, and organizations familiar with government contracting can provide valuable guidance, especially when requirements become more complex.

## Why Strong Compliance Matters

Businesses that approach compliance thoughtfully often see clear benefits over time. Strong documentation practices, accurate reporting, and consistent communication can help reduce disruptions, support smoother reviews, and strengthen relationships with contracting agencies.

A solid compliance record also supports future opportunities. Agencies value contractors they can rely on, and good compliance practices help demonstrate professionalism, reliability, and attention to detail.

Federal and state contract requirements may be detailed, but they don't have to be overwhelming. By taking the time to understand your contract, staying organized, and communicating clearly, compliance becomes part of how the business operates. Whether your company is pursuing its first public contract or managing several at once, a steady, practical approach to compliance helps position your business for continued success.



# Supportive Services Update:

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## Conclusion of DBE Supportive Services Program

The South Dakota Department of Transportation (SDDOT) DBE Program is sharing an important update regarding the future of its Supportive Services.

Due to the discontinuation of funding from the U.S. Department of Transportation (USDOT), the DBE Supportive Services program—including all services delivered by Project Solutions Inc. (PSI)—will formally conclude on **June 30, 2026**.

For more than 20 years, PSI has served as the Supportive Services provider for the SDDOT DBE Program, offering a wide range of resources designed to help Disadvantaged Business Enterprises (DBEs) grow, compete, and succeed in the transportation industry. This transition marks the close of a long-standing partnership and a significant shift in how support services will be delivered moving forward.

## What This Means for DBE Firms

As part of this transition, several changes will take effect:

- **SDDBE.com will no longer be updated.**

Any existing information on the site will remain available for a limited time, but no new content or updates will be posted.

- **Official program information will move exclusively to SDDOT.**

DBE firms are encouraged to rely on the SDDOT DBE website as the primary and most up-to-date source for program guidance, requirements, and opportunities.

## Services Concluding June 30, 2026

With the end of the Supportive Services program, the following PSI-provided services will no longer be available:

- Business development program support
- Training workshops and educational sessions
- DBE application assistance
- Monthly newsletter communications
- General business support and technical assistance

While these services have played a key role in supporting DBE firms, SDDOT remains committed to ensuring firms continue to have access to essential program information and resources.

## Ongoing Support and Contact Information

DBE firms with questions or in need of assistance related to certification, compliance, or program participation are encouraged to reach out directly to SDDOT:

### Kyle Watkins

SDDOT DBE Program Coordinator

[kyle.watkins@state.sd.us](mailto:kyle.watkins@state.sd.us)

605-773-4906

Project Solutions Inc. extends its sincere gratitude to SDDOT and the DBE community for the opportunity to serve as the Supportive Services provider for more than two decades. It has been a privilege to support the growth, development, and success of DBE firms across South Dakota.

As this chapter comes to a close, PSI recognizes the resilience and achievements of the DBE community and looks forward to seeing its continued success in the years ahead.