

# Goal Adjustment

Setting DBE goals varies greatly from project to project. Sometimes important details of a project are not available at the time the goal is calculated. For that reason, the Civil Rights Division welcomes public questions and comments on DBE project goals.

## What if a goal can't be met?

Before a project is awarded the low bidder is required to meet (or exceed) the goal percentage set on a project, or submit an acceptance of Good Faith Efforts (GFEs) when the goal percentage is not met.

A bidder may meet the DBE project goal by utilizing DBE(s) as subcontractors or by having DBE(s) supply creditable materials or goods. The DBE must be certified in the DBE category for the work to be performed, or items to be supplied in order to receive credit toward meeting the DBE project goal for award.

Should a low bidder not meet the DBE utilization goal on a project, the bidder must be able to demonstrate an acceptable GFE as outlined in the Special Provisions, DBE Programs and the DBE Program Manual.

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[http://ok.gov/odot/Doing\\_Business/Civil\\_Rights/index.html](http://ok.gov/odot/Doing_Business/Civil_Rights/index.html)

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Demystifying

## Project Goal Setting for DBE Participation



# DBE Goal Setting

## Why are project goals set?

The Disadvantaged Business Enterprise (DBE) program is mandated by Congress. DBE goal setting requirements, detailed in 49 CFR Part 26, are passed down to the State as part of the DBE program and required as a condition of funding agreement. If the State does not meet the DBE requirements, the State will be ineligible to receive USDOT assisted funding.

## Who Sets the Goal?

The Civil Rights Division

## How are Project Goals Set?

Setting goals is a process of reviewing projects and forecasting bid items that are likely to be subcontracted out and the availability of DBEs. The basic steps of goals setting are outlined in this brochure.

## What is a Goal?

Project goals establish the amount of DBE participation that is believed can be reasonably achieved and is one of the ways ODOT meets Federal DBE requirements. DBE goals are based on specific project criteria and on the annual overall agency DBE goal.

# DBE Goal Setting Process

When the DBE Office sets a goal on a project many factors are taken into consideration:

- ⇒ Scope of the project
- ⇒ The type of contractor who would most likely bid as prime on the project
- ⇒ Location of the project
- ⇒ Subcontracting opportunity items on the Engineer's Estimate
- ⇒ Available DBEs for the type and area of work
- ⇒ Other factors that may vary from project to project

# Project Review

## Project Scope

The scope of the project and overall dollar value of the primary bid items are considered to determine the type of contractor likely to bid as a prime.

## Work Categories

The work items that are considered subcontractable are then classified into the appropriate DBE work category, which can be found in the online **DBE Certified Directory Database** at: [http://ok.gov/odot/Doing\\_Business/Civil\\_Rights/index.html](http://ok.gov/odot/Doing_Business/Civil_Rights/index.html)

## Project Location

Individual work items, or groupings of like work items with relatively low dollar values are generally not considered subcontractable on projects in remote locations with high mobilization costs.

## Project Timing to DBE Availability

Available DBEs for the type of work identified as subcontracting opportunities are taken into consideration. The DBEs have been identified as ready, willing, and able to perform work during the certification process.

## Goal Calculation

The DBE goal is then calculated as a percentage of the total estimated dollar value of the DBE subcontractable bid items over the total basic bid amount. This percentage is considered the maximum justifiable DBE goal.