

**MISSOURI  
DEPARTMENT OF TRANSPORTATION  
(MODOT)**

**DISADVANTAGE BUSINESS ENTERPRISE  
(DBE )  
ENGINEERING POLICY GUIDELINES (EPG)**

**WORKSHOP**

**2010/2011**



**DBE/EPG WORKSHOP OVERVIEW**

- **MINIMUM DBE PROGRAM REQUIREMENTS**
- **UNIFIED CERTIFICATION PROGRAM (UCP)**
- **DBE GOAL SETTING**
- **DBE SUBCONTRACT**
- **COMMERCIAL USEFUL FUNCTION (CUF)  
REVIEWS**
- **TRUCKER INTERVIEW**
- **RED FLAGS**
- **DBE DIRECTORY**
- **LINKS/FORMS**

## **DBE/EPG WORKSHOP OVERVIEW**

### **DBE CERTIFICATION MINIMUM REQUIREMENTS**

- **Must be 51% owned by a socially and economically disadvantaged individual(s) who also controls the firm and has a Personal Net Worth of less than \$750,000.**
- **Must be a U.S. Citizen or lawfully admitted permanent resident of the U.S.**
- **Meet the Small Business Administration's (SBA's) size standard and does not exceed \$22.41 million in gross annual receipts.**
- **The firm must be a for-profit business.**

**Certification Regulations 49 CFR Part 26.61 – 26.73**

## **DBE/EPG WORKSHOP OVERVIEW**

**January 2005, the USDOT approved the Unified Certification Program (UCP). The UCP was established by the Missouri Regional Certification Committee (MRCC).**

### **MRCC MEMBERS**

- **City of St. Louis - Lambert Airport Authority**
- **Metro St. Louis**
- **City of Kansas City**
- **Kansas City Area Transportation Authority (KCATA)**
- **Mid American Regional Council (MARC)**
- **East West Gateway Council of Governments (St. Louis)**

## **DBE/EPG WORKSHOP OVERVIEW**

### **DBE GOAL SETTING**

**Overall DBE Goal:**

- **Required to submit overall DBE goal request to FHWA for approval.**
  
- **FFY 2011 overall DBE goal is 13.50%  
Based on availability and past utilization.**

## **DBE/EPG WORKSHOP OVERVIEW**

### **DBE GOAL SETTING CONT.**

**External Civil Rights reviews all federal-aid projects and determines an appropriate DBE goal for that projects.**

**The following are considered when establishing project goals:**

- **Location**
- **Dollar amount**
- **Types of work/Subcontracting opportunities**
- **Availability of DBE firms (ready, willing and able) for the type of work involved in the project**
- **Past utilization/history**

# DBE/EPG WORKSHOP OVERVIEW

## EPG POLICY GUIDELINE SECTION 146



ENGINEERING  
Policy Guide

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Category: 146 Disadvantaged Business Enterprise (DBE)

Disadvantaged Business Enterprise (DBE) Program is a required federal program administered by MoDOT's External Civil Rights Division. Projects with federal funding will normally contain a DBE goal that is set to assist in achieving a statewide goal. This article guides the Resident Engineer's office in administration of the DBE Program on the project level. For any questions or additional information regarding this article, contact MoDOT's External Civil Rights Division.

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DBE trucking companies are commonly used for participation on projects

**146.1 DBE Compliance**

# DBE/EPG WORKSHOP OVERVIEW

## DBE SUBCONTRACT

- **VERIFY C-220 FOR DBE CONTRACTS WITH DBE IDENTIFICATION SUBMITTAL IN THE CONTRACT**
- **CHECK LINE ITEM BIDS VS THE ACTUAL COMMITMENT**
- **JUSTIFICATION OF PARTIAL CONTRACTS**

## **DBE/EPG WORKSHOP OVERVIEW**

### **Commercial Useful Function (CUF)**

- The execution of the work of the Contract by a DBE carrying out its responsibilities by actually performing, managing, and supervising the work involved using its own employees and equipment.
- The DBE shall be responsible, with respect to materials and supplies used on the Contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself.

## **DBE/EPG WORKSHOP OVERVIEW**

### **CUF JOB SITE REVIEW QUESTIONS**

- **MANAGEMENT**
- **EQUIPMENT**
- **WORKFORCE**
- **MATERIALS**
- **PERFORMANCE**
- **SUPPLIERS AND BROKERS**

**MoDOT Disadvantaged Business Enterprise  
(DBE) Job-Site Review  
Commercially Useful Function (CUF) Determination**

Project Name and Number: \_\_\_\_\_

Prime Contractor: \_\_\_\_\_

DBE Firm's Name: \_\_\_\_\_

DBE Firm Type of Operation: \_\_\_\_\_

Contractor: \_\_\_\_\_ Trucker: \_\_\_\_\_ Supplier: \_\_\_\_\_ Broker: \_\_\_\_\_

Date Contract/Subcontract/Agreement Approved: \_\_\_\_\_

Start Date(s) of DBE's Work: \_\_\_\_\_ Date DBE to Complete Work: \_\_\_\_\_

Date of Review: \_\_\_\_\_

Describe the type of work observed: \_\_\_\_\_

Check off each item used in the conducting of this review. The documents checked need not be attached to the review report but should be filed with the report for easy reference if needed. If the answer is "no" to any of the following questions provided, an explanation should be in the general notes at the end of the report.

Name of the DBE representative: \_\_\_\_\_

DBE representative reports to: \_\_\_\_\_

## **A. On site DBE Contractor**

### **I. Management**

a. Is there a signed contract between the Prime Contractor and DBE Subcontractor? Yes \_\_\_\_\_ No \_\_\_\_\_

b. Has the on-site representative been identified as an employee of the DBE? Yes \_\_\_\_\_ No \_\_\_\_\_

c. Has this individual ever shown up on any other contractor's payroll?

Yes \_\_\_\_\_ No \_\_\_\_\_

d. Does the DBE on-site representative effectively manage the jobsite without interference from any other non-DBE contractors?

Yes \_\_\_\_\_ No \_\_\_\_\_

e. Who does the DBE on-site representative contact for hiring, firing, or modifying the contract?

\_\_\_\_\_  
\_\_\_\_\_

## **Cont.**

f. Has the DBE owner been present on the jobsite?

Yes \_\_\_\_\_ No \_\_\_\_\_

g. Does the DBE appear to have control over methods of work on its contract items? Yes \_\_\_\_\_ No \_\_\_\_\_

h. Is the DBE maintaining its own payroll? Yes \_\_\_\_\_ No \_\_\_\_\_

i. Who prepares the DBE's certified payroll?  
\_\_\_\_\_

j. Is the DBE actually scheduling work activities, material deliveries and other related actions required for prosecution of the work?

Yes \_\_\_\_\_ No \_\_\_\_\_

k. Did the DBE sublet any items or portions of the work to any other firm? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, what percent was sublet?  
\_\_\_\_\_

Name of the firm: \_\_\_\_\_

## **2. Equipment**

a. List the major self-propelled equipment used by the DBE:  
\_\_\_\_\_

b. Does the equipment have the DBE's markings or emblems?

Yes \_\_\_\_\_ No \_\_\_\_\_

If another firm's markings are discernable, note the name:  
\_\_\_\_\_

c. Is the DBE's equipment Owned \_\_\_\_\_? Leased from:  
\_\_\_\_\_

d. If leased, is there a formal agreement identifying the terms and parties?

Yes \_\_\_\_\_ No \_\_\_\_\_

e. Is the equipment under the direct supervision of the DBE?

Yes \_\_\_\_\_ No \_\_\_\_\_

f. Is the operator of the leased equipment the DBE's employee?

Yes \_\_\_\_\_ No \_\_\_\_\_

If not, whose employee is it? \_\_\_\_\_

### **3. Workforce**

a. List the names of DBE's crew as observed during the operation described above:

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b. Has any of this crew shown up on any other payroll on this project?

Yes \_\_\_\_\_ No \_\_\_\_\_

### **4. Materials**

a. Is the DBE performing both furnish and install?

Yes \_\_\_\_\_ No \_\_\_\_\_

b. Is the quality of the materials controlled by the DBE?

Yes \_\_\_\_\_ No \_\_\_\_\_

c. Who makes arrangements for delivery of materials?

\_\_\_\_\_

d. Material invoices made out to:

\_\_\_\_\_

e. Who scheduled delivery of materials?

\_\_\_\_\_

f. In whose name are materials shipped?

\_\_\_\_\_

g. Does the prime contractor direct who the DBE is to obtain the material from? Yes \_\_\_\_\_ No \_\_\_\_\_

h. Whose employees unload the delivery trucks?

\_\_\_\_\_

i. If two party checks are used, who are the parties identified as payable to? \_\_\_\_\_

(ECR Only) \_\_\_\_\_

## **5. Performance**

- a. Does the DBE appear to have control over methods of work on its contract items? Yes \_\_\_\_\_ No \_\_\_\_\_
- b. Has any other contractor performed any amount of work specified in the DBE contract? Yes \_\_\_\_\_ No \_\_\_\_\_

## **B. Suppliers and Brokers**

- a. Does the regular dealer have an established storage facility and inventory? Yes \_\_\_\_\_ No \_\_\_\_\_
- b. Does the dealer have a business that sells to the public on a routine basis in the product being supplied? Yes \_\_\_\_\_ No \_\_\_\_\_

## **Cont.**

- c. Does the business stock the product for the use on the project as a normal stock item? Yes \_\_\_\_\_ No \_\_\_\_\_
- d. Is the quality of the materials controlled by the DBE?  
Yes \_\_\_\_\_ No \_\_\_\_\_
- e. In whose name are the materials shipped?  
\_\_\_\_\_
- f. Who is delivering and unloading the material?  
\_\_\_\_\_
- g. Does the distribution equipment used in delivering the product belong to the DBE? Yes \_\_\_\_\_ No \_\_\_\_\_ Is it owned or leased? Yes \_\_\_\_\_ No \_\_\_\_\_
- h. Is the primary function of the business to manufacture construction products?  
Yes \_\_\_\_\_ No \_\_\_\_\_
- i. Does the business stock the product altered for this project as a normal stock item? Yes \_\_\_\_\_ No \_\_\_\_\_

## Commercially Useful Function

### Determination

Does the DBE subcontractor appear to have control over methods of work on its contract items? Yes \_\_\_ No \_\_\_

Based upon this review, do you believe this DBE contractor is an independent business, is executing a distinct element of work, and is actually performing, managing, and supervising the work specified in the DBE's contract? Yes \_\_\_ No \_\_\_

If a CUF is not being performed by the DBE subcontractor, what action was taken to correct the deficiency?

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Did the action taken, described in above, correct the deficiency?

Yes \_\_\_\_\_ No \_\_\_\_\_

## TRUCKERS INTERVIEW FORM

Project Engineer/Manager: \_\_\_\_\_

Resident Office: \_\_\_\_\_

VIN No: \_\_\_\_\_ F.A.P. No: \_\_\_\_\_

### DRIVER INFORMATION:

Employee's Name: \_\_\_\_\_ Rate of Pay: \_\_\_\_\_

Employer: \_\_\_\_\_ Who are you paid by? \_\_\_\_\_

Who owns the truck identified below? \_\_\_\_\_

### EQUIPMENT DESCRIPTION INFORMATION:

Type of Vehicle: \_\_\_\_\_ Tag No.: \_\_\_\_\_

Name Displayed: \_\_\_\_\_

Description: \_\_\_\_\_

Vehicle Identification Number: \_\_\_\_\_

Cont.

**QUESTIONNAIRE:**

1. Was vehicle registration verified? \_\_\_\_ Yes \_\_\_\_ No (If No, explain)\_\_\_\_\_
2. Who is listed on the registration form as the owner?\_\_\_\_\_
3. If not owner/operator, by what authorization is the trucker on the project? If none, has the Resident Office been Notified?\_\_\_\_\_

Is the hauling operation being conducted from a non-commercial location to the job site, or from one commercial location to another?  
\_\_\_\_\_

Project Personnel \_\_\_\_\_ Title \_\_\_\_\_  
Date \_\_\_\_\_

**DBE/EPG WORKSHOP OVERVIEW**

CUF REVIEW



**EXAMPLES**

**PLEASE REFER TO HANDOUT**

# DBE/EPG WORKSHOP OVERVIEW

MRCC DBE Lookup

Missouri Department of Transportation (MoDOT)  
Missouri Regional Certification Committee (MRCC)  
Disadvantage Business Enterprise (DBE)

DBE Name:	<input type="text"/>	Agency:	<input type="text" value="Select"/>	
CEO Name:	<input type="text"/>	County:	<input type="text" value="Select"/>	District: <input type="text" value="Select"/>
Address:	<input type="text"/>			
City:	<input type="text"/>			
State:	<input type="text"/>	Zip Code:	<input type="text"/>	
Phone:	<input type="text"/>	Fax:	<input type="text"/>	
Email:	<input type="text"/>			
		DBE Status:	<input type="text" value="Certified"/>	ACDBE: <input type="text" value="Select"/>
		NAICS Code:	<input type="text"/>	
		Description (Keywords):	<input type="text"/>	

*Click on search button for a complete listing - do not enter any criteria*

# CONTACT INFORMATION

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