

ODOT Office of Civil Rights Disadvantaged Business Enterprise Advisory Committee

Barrier and Recommendation Paper

3/13/2023

Barrier: Difficulty obtaining task approvals	
<p>Barrier overview</p>	<p>There is inconsistency in the task approval process within ODOT. DBE firms experience a lack of a standardized process which creates varying levels of ease in obtaining approvals depending on subjective judgement or interpretation. Individual ODOT inspectors have final say without clear guidelines for their rejection or approval making. This creates a dependency by DBE firms on inspectors' individual, subjective assessments.</p> <p>This barrier has been identified in previous bodies of work, including the 2022 Disparity Study. Inconsistency in the task approval process is a system-wide issue that impacts both DBEs and non-DBEs.</p>
<p>Impact on DBE firms</p>	<p>With no recognized process for task approvals, DBE firms, particularly newly established ones who are less familiar with individual inspectors and a nuanced approvals process, are less likely to get timely approvals on project tasks. This applies to approval of both physical work and administrative paperwork.</p> <p>This barrier can result in approvals being delayed or withheld, impacting the timing of payments and causing cash flow problems for small firms. This barrier is closely related to inconsistency in prompt pay and can be the factor that determine whether a DBE firm survives.</p>
<p>Past or current ODOT actions to address this barrier</p>	<p>OECR is unaware of any past or current actions to address this barrier. OECR is confirming with ODOT's Construction Section if they have done any work to address this barrier.</p>
<p>Potential structural issues or conflicts</p>	<p>Simplifying the task approval process will require coordinating with the Construction Section as well as other departments associated with the task approval process and may be time intensive.</p>

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Agency partners in addressing barrier	<ul style="list-style-type: none"> • ODOT Construction Section • Other relevant departments 	
Recommendation	<ul style="list-style-type: none"> ▪ Create clear and measurable standards and share them with contractors. ▪ Incorporate training and accountability for inspectors. Identify specific pathways for holding inspectors accountable. ▪ Coordinate with ODOT Construction Section to include recommendation that subcontractors be included in inspector meetings with primes to avoid decision-making happening without subcontractor awareness or involvement. Implement a program or channel for DBEs to raise issues or concerns that they're experiencing. ▪ Address barrier as a systemic issue within the Construction Section that impacts all contractors and subcontractors. ▪ Consider a task approval department with dedicated capacity to maintain the task approval process and support DBEs through it. 	
Advisory Committee consent	[Yes/No]	
Actions	Near-term	<ul style="list-style-type: none"> ▪ Include DBE perspective and recommendations in the inspector certification trainings happening in early 2023. ▪ Collect data to quantify impact on DBE firms. ▪ Review if there's a possibility to implement a program similar to the Partial Payments Initiative.
	Longer-term	<ul style="list-style-type: none"> ▪ Formalize the task approvals process with guidance document that is shared with primes and subcontractors. ▪ Provide continuing education on process documentation and standards for all contractors and subcontractors.

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Cost considerations

New possible software or information technology costs associated with a new standardized, multi-department task approval process. Adding additional staff comes with cost impacts to the agency.

Outcomes of implementing recommendation

A transparent approvals process will result in greater awareness by DBE firms of the steps necessary in obtaining approvals; ultimately the result will be more timely payments for completed bid item tasks.