



Disadvantaged Business Enterprise (DBE)

What is a Disadvantaged Business Enterprise?

The firm's management and daily operations must be controlled by the historically socially and economically disadvantaged owners. (49 CFR 26.5)

- Must be Certified through COBID
- ODOT Office of Civil Rights monitors and reports DBE program compliance
- A Disadvantage Business Enterprise (DBE) is a business owned by historically, socially and economically disadvantaged individuals.
- DBE Program is a federal requirement

Policy Statement

ODOT's Director's Office sets DBE Policy with intent to ensure:

- Non-discrimination on the basis of race, color, sex, disability or national origin
- Narrowly tailored program
- Level playing field for DBEs to compete
- Only eligible firms participate
- Help remove contracting barriers
- Assist in development of firms to compete outside the DBE program

The DBE program is given the same priority as compliance with all other equal obligations incurred by ODOT under USDOT agreements.

Program Goals

Overall Annual Goal

The current state-wide annual goal is 15.37%

(Race Neutral (RN) 10.64%, Race Conscious (RC) 4.73%)

- Triennial Goal—a goal is presented to FHWA for approval every three years
- All performance by DBEs on any contracts that have federal funds is counted towards the overall goal
- The overall goal that is proposed to FHWA follows recommendations made after completion of Disparity Studies or Disparity Study Updates

Program Goals

Disparity Study 2016 and 2019 Update

- ODOT's ability to use RC and RN measures to meet DBE program requirements relies upon proof of presence or absence of discrimination. A disparity study provides this information
- ODOT contracted with Keen Independent Research LLC to provide a 2016 Disparity Study
- An update to the Disparity Study was completed in 2019. Results of the update help set the Triennial goal for FFY 2020, 2021, 2022
- Full study and update and additional information on OCR webpage

Program Goals

Overall Goal Performance

FY	ODOT Goal FFY	DBE Utilization	Overage/ Shortfall on goal
2017	11.60% (RN 5.0%, RC 6.6%)	12.3% (RN 4.7%, RC 7.6%)	0.7%
2018	11.60% (RN 5.0%, RC 6.6%)	8.94% (RN 2.86%, RC 6.08%)	-2.66%
2019	11.60% (RN 5.0%, RC 6.6%)	11.64% (RN 2.25%, RC 9.39%)	.04%

Contract Goals

Any contract that includes \$1 or more of FHWA funding will be assessed for a goal assignment

- **Race Conscious**: If a goal is assigned to that contract the DBE performance used to meet the goal as a condition of award is “race conscious”
- **Race Neutral**: Any performance by a DBE beyond the original commitment on a contract or a DBE that was never committed to the project is “race neutral”

DBE Commitment

DBE Certification & Utilization vs. Committed DBE Breakdown & Certification

FORM 1 - (734-2785)

- Prime submits at the time of **bid**
- Evaluated by OCR for responsiveness
 - Firms are current DBE certified firms
 - Dollar amount meets or exceeds the assigned contract goal
 - General work type is provided and is part of the project
- **If goal is not met, good faith efforts are evaluated** (must be provided at time of bid)

FORM 2 - (734-2531)

- Prime submits within 10 days of contract **award** notification letter
- Form for each DBE committed to meet goal
- Evaluated by OCR for compliance:
 - Prime and DBE both must sign
 - Complete bid item, work description, quantity, and pricing fields
 - Total committed to each DBE must be at least the amount committed at time of bid
- **The committed amount becomes a requirement of the contract**

Program Commitments

- DBE requirements are in the Special Provisions
- Project management staff monitors DBE program compliance throughout project
- OCR Field Coordinator provides project compliance review and technical assistance



Contact Us

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OCR Website:

<https://www.oregon.gov/odot/business/ocr/pages/index.aspx>

OCR Forms Page:

<https://www.oregon.gov/ODOT/Business/OCR/Pages/Forms.aspx>