

Civil Rights Office

Setting the DBE Project Goal

When the Civil Rights Office sets a goal on a project many factors are taken into consideration. These include, but are not limited to:

- The scope of the project.
- The type of prime contractor that would most likely bid on the project.
- The location of the project.
- The duration and order required for completing the bid items.
- The DBEs available in the region for a particular work category.

The basic steps of Goal Setting

Using information provided by the project engineer, the Civil Rights Office reviews projects to determine the type of prime contractors most likely bid on the project. Bid items that fall within the prime contractor's capabilities would generally not be considered as subcontractable. For example; paving, aggregate, or rip-rap bid items would typically not be set as subcontractable on an earthwork-paving project. However, they might be set as subcontractable on an electrical-highway lighting project.

Once the possible subcontractable items are determined, the Civil Rights Office determines the subcontracts that could be set as DBE bid items. For this process, the officer reviews:

- Each bid item for the appropriate DBE work category.
- The current [DBE directory](#) (updated weekly).
- The availability of DBEs that have selected “yes” in the region. There must be at least three DBEs listed for the work category and region.
- The duration and order required for a specific item. Some bid items require tight schedules that are best handled by the prime contractor.
- Other factors that may vary from project to project

After reviewing all of the above, a goal is set on the project. DBE goals set on projects have two parts to them:

- DBE Utilization Goal shown as a percent, taken to only one decimal place
- DBE Work Categories

The first part, shown as a percent of the goal, is calculated from the overall dollar amount of prime's bid.

For example:

DBE Goal set for the project is 9.9%
Prime's bid on the project is \$1,220,000
Minimum dollar amount for DBE
subcontract(s) \$120,780

$$(\$1,220,000 \times 9.9\% = \$120,780)$$

The prime is required to meet (or exceed) the DBE goal on a project. As long as the DBE subcontractor is certified in the work category it is performing work in, the prime will receive DBE credit, regardless of the work categories designated on the DBE Subcontractable Items form (25A-324). For example, if a prime contractor subcontracts the guardrail portion of a project to a DBE certified in the guardrail work category, the prime will receive DBE credit, even if the guardrail work category is not specifically listed as subcontractable.

If a prime does not meet the DBE Goal, on a project they must be able to demonstrate good faith effort as outlined the [DBE Specification 120](#) . For more information about this process, please review the [DBE Good Faith Effort \(GFE\)](#) document.