

Disadvantaged Business Enterprise Utilization (DBE) and Certified Small Business Best Practices

Why Do Goal Programs Exist?

- This presentation is for M/WBE Business inclusion
- There is disparity in contracting to M/WBEs
- Public project funding is from taxpayers
- **These programs are not quotas**

Goal Setting

$$\frac{44 \text{ DBEs in heavy construction} + 14 \text{ DBEs in trucking}}{300 \text{ firms in heavy construction} + 150 \text{ firms in trucking}} = \frac{58}{450} = 12.8\%$$

- Methodology for all the entities is similar for determining the goal of the project.
- The goal is a percentage of dollars that should be awarded to the W/MBE.

How Has the Process Evolved

- Blast outreach to everyone on the directory
- Good Faith Efforts GFE definition
- Best Value versus Hard Bid evaluations
- Commitment number and bidders used for the commitment
- Not just the GC that needs to meet the goals

Instead of:

“Why you didn’t meet the goal”

Try:

“How can I do better?”



Outreach Best Practices

- Vendor Lists versus Vendor Relationships
- Get PMs and Estimators involved in relationships not just the DEI professional or office manager
- Make project information available and easily accessible
- Involvement in Organizations representing M/WBE community
- Host Meet and Greets for M/WBEs
- Mentor M/WBEs

Bidding Best Practices

- Enforce goals on Subcontractors – require GFE documentation
- Outreach only on scopes needed
- Dismantle bid shopping practices
- Have conversations with the W/MBEs during bidding and give feedback to unsuccessful bidders if requested
- Be intentional in contractor selection
- Inform/Utilize M/WBEs on goal projects and private projects
- Implement company wide inclusion goals

Project Management Best Practices

- Assist with paperwork requirements
- Make prompt payment arrangements if possible
- Timely submit pay applications to speed up process
- Pay your contractor – without negotiating who gets paid
- Best Practices for Change Order
- Work with subs on schedule changes out of their control
- Utilize all subs throughout the project - even if the goal is met
- Pay out retainage

Result of Good Equity and Inclusion

- Risk Management
- More subcontractors will bid on your projects
- Best Value reviews your company's overall track record
- Employee Retention
- Your reputation in the industry does matter

Question and Answer



Barb Lau

Executive Director



awcmn@awcmn.org

(651) 489-2221

www.awcmn.org