



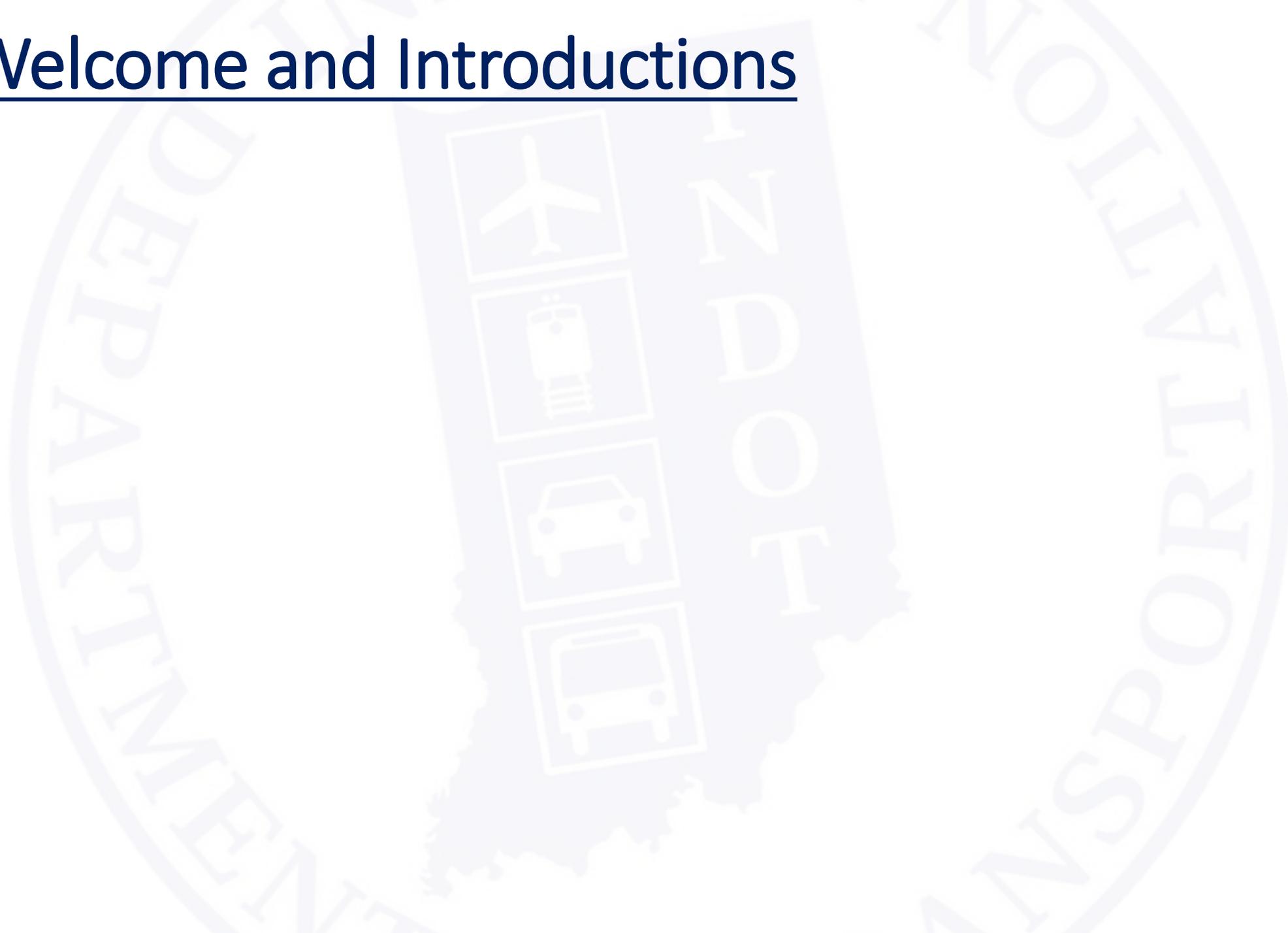
Contractor Compliance Outreach: Tips, Best Practices and Resources for a Successful Construction Season

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Welcome and Introductions



State M/W Certification vs. DBE Certification

- State Dollar only contracts typically contain goals for minority, women and veteran's participation.
 - Current construction contract goals: 7% minority, 5% women, 3% veteran.
 - Businesses cannot be double counted and must choose their category of use.
- DBE Certification is utilized for federal dollar transportation projects.
 - If one dollar of federal funds is utilized, an INDOT project must be reviewed to determine if a DBE goal is appropriate.
 - Federal contracts are subject to Davis Bacon wage rates and various federal regulations regarding contract compliance.
 - Federal contracts are also subject to Title VI and ADA requirements.

DBE Directory Instructions

Link

<https://entapps.indot.in.gov/DBELocator/>

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- How do I use the directory?
- Can I google the directory?
- How do I filter down DBE's?
- How do I export the directory to Excel?
- What do I do if the directory is down on letting day or the night before?
- Is the directory the same as prequalification?
- Do IDOA and INDOT use the same directory?

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Prequalification

- Prequalification is an ITAP driven process;
- All prime contractors must be prequalified;
- Any subcontractor with over \$300,000 worth of TOTAL work must be prequalified with INDOT;
- Hauling and suppliers are excluded from prequalification
- Prequalification website:
<https://www.in.gov/indot/3899.htm>



Letting Process

- Construction contract goals are set using an algorithm that is approved by FHWA
- If a contractor feels they cannot meet the DBE goal, provide content to INDOT Questions and Answers with specifics as to why the contractor believes they cannot meet the goal. Must be done at least a week prior to the letting.
- Race conscious vs. race neutral- what is the difference?
- If the contractor is identified as the lowest qualified bidder they need to submit their DBE quotes to dbequotes@indot.in.gov within 24 hours.
- The DBE directory must be utilized for federal dollar contracts.
- For the regular letting, the DBE directory locks at 4:00 p.m. the Friday before the letting.

Good Faith Efforts

- Utilized for review on every INDOT federal aid contract;
- LQB has five days to respond if they do not meet goal on its face;
- GFE is very fact specific and evaluated on a case by case basis;
- Common GFE situations discussion;
- Based on CFR located here: <https://ecfr.io/Title-49/pt49.1.26>
- If it goes to hearing, decision is not appealable to USDOT.

Counting DBE Credit

Categories of DBE Credit

- DBE participation credit is awarded based on how the DBE is participating on a given contract.
- Credit is given for all work performed by DBE's own forces – including cost of supplies and materials obtained by DBE.

Credit for Materials & Supplies Purchased from a DBE

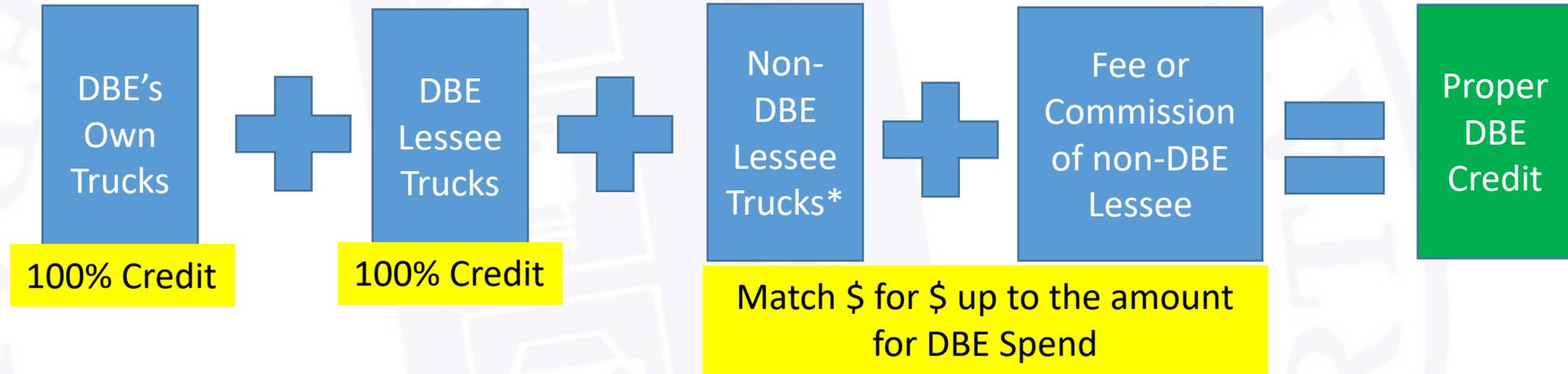
- Supplier-Manufacturer **100%**
- Supplier-Regular Dealer **60%**
- Supplier-Broker **Only fees or commissions**
Drop Shipped Items

A DBE manufacturer is a firm that operates or maintains a factory or establishment that produces the following, on the premises:

- materials
- supplies
- articles
- equipment

- See Policy Statement on Supplier Credit
<http://www.in.gov/indot/2753.htm>

DBE Hauling Credit-What Counts?



All calculations are completed BY ACTUAL DOLLAR AMOUNT, not by the number of trucks.

*Non-DBE Lessee Trucks Cannot Exceed the total Dollar Value of the total DBE fleet to be counted for DBE Credit.

On the Job Training Program

- Required on every federal aid contract for prime contractors
- Must have an active federal aid contract to be in the OJT program
- An annual goal is calculated year
- Annual enrollment into an approved DOL program is required for hours to count
- **OJT Forms and Information:**
<https://www.in.gov/indot/3633.htm>



Preconstruction Meeting

- Bulletin Board
 - Jobsite Posters Required:
<https://www.fhwa.dot.gov/programadmin/contracts/poster.cfm>
 - Checklist- See Handout
- What Does EOD Need At the Precon
 - List of Subcontractors/Suppliers
(Check In Spec- Diane will follow up)
 - Schedule
 - Leases
 - Apprenticeship Ratio
 - Primes need to check subcontractor documentation

Site Exchange

- Used for subcontractor approval
- If any contractor is using an unapproved subcontractor on a job site they will not be paid
- Processing time needs to be built into any request for subcontractor approval
- Best practice is a minimum of one full business day for approval



Subcontractor Pitfalls

- Contractor Work Types
 - Subcontractors are verified by work type by the prequalification division when submitted for approval
- Use of E-Verify
 - Must be used on every federal aid contract for anyone with five or more employees
 - Add link on website- Kent
- Percent of Work Self Performed
 - See INDOT Spec 108.01
- Verbal Approvals
 - Exception for emergencies not the norm
 - Prime must send an email requesting the verbal approval to project staff, EEO representative and AE
 - No work will be paid for until subcontract or lease is submitted through site exchange and approved by the EEO
- FHWA 1273
 - Must be incorporated into every subcontract.

Suppliers

- Policy on DBE Supplier Crediting:
<https://www.in.gov/indot/files/DBE%20Classification%20Guidance%20Regular%20Dealer%20Supplier%20Broker%20Specialty%20Products.pdf>
- Notify the PE/PS pursuant to the specification that a supplier will be delivering supplies
- 24 hours notice required by INDOT specifications



Haulers

- Signage
 - Should say who the truck is leased to and their DOT number
- Leases
 - Submit to PE/PS and EEO prior to being on the job site via email
 - Required for every hauler working on the job under a lease
- Tickets
 - Should reflect the actual hauler NOT who the leased the truck so that materials can be traced back if issues occur

- Hauling Chart Classifications:

<https://www.in.gov/indot/files/DBE%20Hauling%20Presentation%201.2018.pdf>

DBE Lease and Rental of Equipment

- DBE rental of equipment where the DBE utilizes its employee as an operator will result in full DBE credit.



Ongoing Contractor Compliance Obligations

- Certified Payroll
 - Any inquiries about submittals should be made to the PE/PS
 - See handout for content requirements
- [Instructions For Completing Payroll Form, WH-347 | U.S. Department of Labor](#)
- <https://www.dol.gov/whd/forms/wh347.pdf>
- Contact your local EEO for any Davis Bacon issues



Change in Utilization

- Flow chart for Process:

<https://www.in.gov/indot/files/DBE%20Change%20In%20Utilization%20Flow%20Chart%20With%20DBEChange%20Email.pdf>

- If a change in utilization is not completed for a DBE listed on the Affirmative Action Certification, INDOT will not pay for the work.
- Must be completed as soon as known and before substantial completion.



Subcontractor Payment Tracking

- A prime must pay a subcontractor, supplier or hauler within ten days of being paid
- The prime must report these payments by the 10th of the next month in the SPT system
- Beginning in July 2020, all subcontractors will be required to verify their own payments in the SPT system- more info and training to come.



Commerically Useful Function

- To be utilized for any DBE working on the job, not just those listed on the affirmative action certification
- Prime contractor must give 24 hours notice to the PE/PS so that a CUF can be conducted
- Common CUF issues that occur in your district



Joint Checks

- Must be initiated by the DBE
- Must be approved by INDOT prior to its use
- INDOT Joint Check Request:
- <https://www.in.gov/indot/files/DBE%20Program%20Joint%20Check%20Procedures%20and%20Request%20Form.pdf>



DBE-3 (Contract Close Out Documentation)

- When you receive the IC-642 from district final records staff look to receive the DBE-3.
- Report all race conscious and race neutral credit on the DBE-3.



Important Contact Information

EEO Questions (Examples include: Subcontractor Approvals, CUF, Change in Utilization, Davis Bacon)- Contact the EEO in the district where the contract is located.

DBE Certification- Derrick Casson

DBE-3 Contract Close Out- Deneane Goodson or Kent Borggren

OJT Program- Katie Daniels or Kent Borggren

Prequalification- Chris Serak or Jose Murillo

Prompt Payment- Katie Daniels or Kent Borggren

EOD Staff Contact Link: <https://www.in.gov/indot/2752.htm>