

DBE FAQ Quick Guide

Inter-State Certification

- Now that I am certified in Indiana, am I automatically certified in other states?
 - **No.** This certification is not necessarily accepted by other states. However, you must be certified in your home state prior to seeking certification in other states. If you wish to be DBE certified in another state, you will need to contact that state's UCP to determine their application process.
 - In most states you will need to complete a paper application and submit all the documents submitted with your original application. Once your application is submitted, that state will then contact our office for a copy of your most recent on-site report.
 - Indiana currently has a DBE reciprocity agreement with the Commonwealth of Kentucky. DBEs in both states may participate in federal aid contracts with DBE goals in either state until expiration of the agreement July 1, 2019 without seeking certification in the non-home state.

M/WBE

- Now that my business is DBE certified, is it also automatically M/WBE certified?
 - **No.** The M/WBE program is for state dollar contracts and is administered by IDOA. The IDOA website can be accessed at <http://www.in.gov/idoa/2352.htm>. Also, you may also want to check with local municipalities as they may certify firms as MBE, WBE or VBE.
 - Some INDOT contracts have M/WBE goals attached if there is no federal funding. These are usually smaller contracts such as roadway maintenance.
 - Note, most municipalities do not have stand-alone certification. Indianapolis certifies for the city and the surrounding doughnut counties. Fort Wayne (which also accepts DBE and M/WBE certification) and Gary also have stand-alone certifications, but most municipalities will utilize IDOA's MWBE listing.
 - EOD has existing Memoranda of Understanding (MOU) agreements with both IDOA and The City of Indianapolis which ease the application process. If you would like to take advantage of these, please see our web page: <https://www.in.gov/indot/2748.htm>

When Do I Recertify?

- **Never.**

- There is no recertification with the DBE program. Your business will remain certified until it is either removed or withdraws from the program.
- The only filing requirement is the No Change Affidavit which must be filed annually in the anniversary month of your businesses certification. With that, you must include a copy of your business' most recent corporate tax filing. For an explanation of how to complete the No Change Affidavit, click here: <https://www.in.gov/indot/files/No%20Change%20Affidavit%20Instructions.pdf>.

What if Something Changes About My Business?

- The CFR governing the DBE program, specifically 49 CFR 26.83(i), requires you to notify the Economic Opportunity Division (EOD) of any material change in your business within 30 days of the change. These changes include, but are not limited to:
 - Ability to meet size standards
 - Disadvantaged status
 - Ownership
 - Control
 - Any material change to your original application.

For most of these items, you need to file an amendment. To see those instructions, click here: <https://www.in.gov/indot/2748.htm>. If you are unsure if the change to your business qualifies, please send us an email at DBECertification@indot.in.gov.

Endorsement

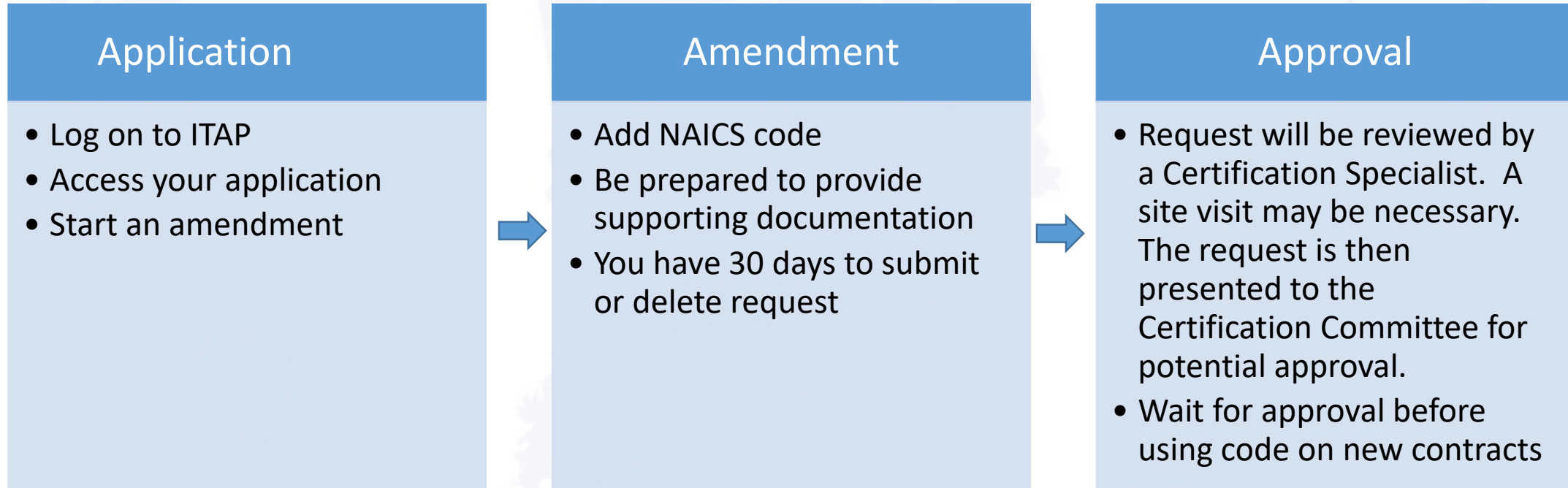
- Does DBE certification mean the state is endorsing my business?
 - **No.** DBE certification is not an endorsement of the capability or capacity of your firm to perform in the area(s) for which you have been certified. However, your business will be subject to a Commercially Useful Function (CUF) review if your company is selected to work on a federal aid contract. The next slide details CUF reviews.

Commercially Useful Function (CUF) Reviews

- Will my company have a CUF review?
 - **Yes** – if performing on an INDOT project with federal aid.
 - DBE participation on a contract will only be counted toward a contract goal if the DBE is performing a commercially useful function.
 - A DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work.
 - To ensure that a DBE is performing a commercially useful function on a contract, INDOT evaluates the DBEs performance on the project. This typically entails watching the actual work taking place, interviewing employees, verifying equipment, inspecting delivery tickets and lease agreements, etc.
 - If for whatever reason it is determined that a DBE is not performing a commercially useful function, then the amount of DBE credit a prime contractor is awarded may be reduced accordingly.

NAICS Codes

- Am I barred from contracting for work which is not covered under my NAICS code assignment?
 - **No.** You may contract for any type of work you wish or are able to do. However, if the work you are performing is not related to your assigned NAICS codes, you will not be eligible for DBE credit in those areas. If your NAICS codes need updated:



DBE Credit

- How is DBE Credit Assigned?
- Hauling = 100% and matched \$ for \$ for leased non-DBE trucks up to the amount of the DBE spend.
- Construction Sub = 100%
- Engineering Sub = 100%
- General Sub = 100%
- Industrial Sub = 100%
- Medical Sub = 100%
- For further detail on Hauling, please see the DBE Hauling presentation:
<https://www.in.gov/indot/files/DBE%20Hauling%20Presentation%201.2018.pdf>
- Professional Sub = 100%
- Supplier – Manufacturer = 100%
- Supplier – Regular Dealer = 60%
- Supplier – Broker = Fees/Commissions
- If a DBE is acting as a Prime, they are not allowed to count their own participation toward the DBE goal.
- For further detail, please see the INDOT policy on supplier credit:
<https://www.in.gov/indot/files/DBE%20Classification%20Guidance%20Regular%20Dealer%20Supplier%20Broker%20Specialty%20Products.pdf>

Contracting Opportunities

- Does INDOT actively assist me in getting contracts?
 - **No.** INDOT only lists firms as being certified in our directory, which primes use to select DBE firms which may be able to assist them with a project or service. Keep in mind the program is not a “set aside.”

Each contract has a set goal percentage for DBE participation which the primes are expected to reach or make good faith efforts demonstrating why the goal cannot be met at the time of letting. Being DBE certified does not mean you will automatically receive contracts. You must still market yourself to prime contractors.

Certification means that you are *eligible* to participate on contracts with DBE goals within your approved NAICS codes. See the slides for Consultants and Contractors for guidance on finding potential opportunities at INDOT.

INDOT Prequalification

- Now that I am certified as a DBE, does that automatically mean I am INDOT Prequalified?
 - No. DBE certification is separate from INDOT's determination of contractor qualification pursuant to its Prequalification Program and does not guarantee INDOT prequalification status.

Consultants: With the exception of a few work types listed on INDOT's website, all consultants doing INDOT work, must be prequalified. This is a qualification based process and information can be found at: www.in.gov/indot/2732.htm.

Contractors: All prime contractors on both INDOT and LPA projects must be prequalified. Subcontractors on INDOT and LPA projects are limited to \$300,000 in unearned work before prequalification becomes a requirement. This is TOTAL unearned work, not INDOT only projects. This prequalification requires financial information and details can be found at: www.in.gov/indot/2740.htm.

Certified Payroll

- Am I required to have Certified Payrolls?
 - Yes (for work types subject to Davis Bacon)

Certified Payroll

- Required on all contracts with federal dollars regardless of business size or composition and may be required on state dollar contracts.
- Example:
(<https://www.dol.gov/whd/forms/wh347.pdf>)

Davis Bacon

- Prevailing wage for all employees required as found in contract documents.
- Payrolls must be submitted weekly to prime contractor.

Additionally for INDOT

- W-9 must be on file with our Prequalification Department.
- Must be listed in SiteManager.

Pay

- Will my company be paid immediately upon submission of an invoice on an INDOT contract?
 - No

INDOT

- INDOT generates a progress estimate every two weeks.
- Once the estimate is approved, INDOT pays the Prime in approximately 35 days.



Prime

- Once the Prime is paid, they have 10 days to pay their subs.



Sub

- If you feel you have not been paid in this time frame, you should:
- Contact the District EEO Officer in which the project is located:
<https://www.in.gov/indot/2752.htm>

On The Job Training

- Am I required to have an On-the-Job Training (“OJT”) program?
 - An OJT program is a required contractual obligation for *Prime* contractors on INDOT construction projects.
 - Its purpose is to ensure contractors provide training and improve the skills of minorities, women, and disadvantaged persons (as defined by federal poverty guidelines) so they have access and opportunity to skilled trade jobs and journey-level positions in highway construction classifications.
 - On an individual basis, INDOT also administers a federally funded OJT program to assist disadvantaged persons to obtain a CDL license in partnership with Vincennes University. It is not the same, and should not be confused with, the contractual obligation of a Prime to provide On-the-Job training.
 - If you have questions about either program, you may contact the OJT Lead, Katie Daniels kdaniels2@indot.in.gov.