Let’s Plan for the Future!

Economic Opportunity Division
Indiana Department of Transportation
Economic Opportunity Division

http://www.in.gov/indot/2392.htm

- DBE and ACDBE Certification
- DBE Supportive Services
- EEO Contract Compliance
- Annual DBE Goal and Contract Goals
- Non-Discrimination, Environmental Justice and Americans with Disabilities Compliance
INDOT is responsible for all Departments of Transportation Disadvantaged Business Enterprise (DBE) Certification Decisions for the State of Indiana. This includes:

- Federal Highway Administration (FHWA)
- Federal Aviation Administration (FAA)
- Federal Transit Administration (FTA)
What is a Disadvantaged Business Enterprise?

- A Disadvantaged Business Enterprise (DBE) is a for-profit small business concern that is:
  - at least 51% owned by one or more individuals who are both socially and economically disadvantaged; and
  - whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged owners.
What is Social and Economic Disadvantage?

- Social –
  - Citizen or lawfully admitted permanent resident
  - Groups with presumed social and economic disadvantage:
    - Black Americans
    - Hispanic Americans
    - Native Americans
    - Asian-Pacific Americans
    - Subcontinent Asian Americans
    - Women
    - Others must prove social and economic disadvantage
What is Social and Economic Disadvantage? (cont.)

- **Economic** —

  - Owner’s personal net worth cannot exceed $1,320,000.00, excluding the value of their primary residence and assets of the firm applying for DBE certification.
  
  - Firm’s average annual gross receipts may not exceed Small Business Administration size standards, and in any case may not exceed a $22.41 million average over the previous three fiscal years.
What are the objectives of the DBE Program?

- Help remove barriers facing small and disadvantaged businesses to achieve greater participation in U.S. DOT federal aid contracts
- Ensure that only firms that fully meet the eligibility standards set forth in federal regulations are permitted to participate in the program
- Assist in the training and development of DBE firms to achieve successful competition in the marketplace
DBE Program Benefits

What are the benefits of being a certified DBE?

- DBE certification benefits firms that wish to work on an INDOT or LPA contract as a **subcontractor or subconsultant** OR for the airport as an **airport concessionaire**.
- DBEs are used by prime contractors to satisfy INDOT contract DBE goals. (Concessionaires satisfy FAA goals.)
- DBEs may participate in a variety of supportive services such as training and technical assistance.
- DBEs receive numerous special mailings containing information on contracting and other opportunities.
- INDOT's DBE Certified Directory is used by many firms to locate subcontractors for their projects.
- Website to the DBE Public Search:
  - [http://www.in.gov/indot/2392.htm](http://www.in.gov/indot/2392.htm)
DBE Subcontractors

- Top subcontracting services that DBEs provide on INDOT construction contracts in order of frequency:
  - Signs & Signals
  - Hauling
  - Guardrail
  - Landscaping & Erosion Control
  - Pavement Markers
  - Field Offices
  - Site Preparation
  - Electrical
DBE Subconsultants

- Top subconsulting services on INDOT/LPA professional services (design/engineering) contracts:
  - Environmental
  - Geotechnical Services
  - Appraising/Buying Services
  - Surveying
  - Title Services
  - Wetland Mitigation
  - Air Quality Analysis/Permits
  - Traffic Signal Design
  - Traffic Data Collection
  - Right of Way Plan Development
  - Archaeological Investigations
  - Construction/Bridge Inspection
Prequalification is a Must!

- Firms that contract with INDOT may want to become Prequalified to indicate qualifications and competence
  - Business organization
  - Personnel
  - Experience
  - Equipment
  - Financial Condition
  - Quality of Financial Information
Prequalification is a Must!

- Most subcontractors/subconsultants must be prequalified with INDOT to participate on INDOT contracts over $300,000.

- Prequalification requirements for contractors: http://www.in.gov/indot/2740.htm

- Prequalification requirements for professional services: http://www.in.gov/indot/2732.htm
How can I apply for DBE certification?

- INDOT, Economic Opportunity Division, reviews DBE certification applications for all DBE applicants in the State of Indiana.

- Application and other forms found online at [http://www.in.gov/indot/2748.htm](http://www.in.gov/indot/2748.htm)

- Applications and Personal Financial Statements must be printed, signed, notarized and mailed to INDOT.
ACDBE PROGRAM

- Mirrors Purpose of DBE
- Administered by FAA
- Counted toward FAA annual goals.
Airport Concession

Definition of Concession

- A for-profit business
- Located on an airport and engaged in the sale of consumer goods or services to the public

Location Exceptions include:

- Suppliers providing goods to a retail concession
- Management contractor operating airport parking facility
Airport Concession

- A concession may be operated under various types of agreements such as:
  - Leases
  - Subleases
  - Permits
  - Contracts or Subcontracts
ACDBE

Definition of ACDBE:

- Concession
- Meets DBE qualifications
- Gross Receipt SBE size standards are greater:
  - Airport Concessionaires - $47,784,000
  - Banks & Financial - $750,000,000
  - Car Rentals – $63.71 million
  - Personal Net Worth: $1,320,000

(ACDBEs have up to a $3 million exclusion)
ACDBE

Definition of ACDBE (continued)

Personal Net Worth Exclusions:

- Ownership interest in the ACDBE applying for ACDBE certification
- Equity in his or her primary place of residence

Resource Assets:

- Assets necessary to obtain financing or a franchise agreement for the initiation or expansion of the ACDBE firm to a maximum of $3 Million
ACDBE

- Holding Companies

  Holding companies cannot be certified as ACDBEs or DBEs because they don’t perform activities necessary to be considered under the regulations.
How do I apply for ACDBE Certification?

- Use same application and other forms as DBE Certification found on:
  - http://www.in.gov/indot/2748.htm
  - Section 2(B)(7) of the form that applicant is applying for ACDBE Certification.
ACDBE CERTIFICATION

- 4(C) of the form requires applicant to provide on separate page information concerning:
  - address/location
  - ownership/lease status
  - current value of property or lease
  - fees/lease payments paid to the airport.
- Onsite Reviews are required but may be conducted at principal place of business, if airport location has not yet been established.
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<th>Name</th>
<th>Title</th>
<th>Email</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derrick Casson</td>
<td>Manager</td>
<td><a href="mailto:dcasson@indot.in.gov">dcasson@indot.in.gov</a></td>
<td>(317) 233-4664</td>
</tr>
<tr>
<td>Charlotte Leavell</td>
<td>DBE Sr. Specialist</td>
<td><a href="mailto:cleavell@indot.in.gov">cleavell@indot.in.gov</a></td>
<td>(317) 232-5090</td>
</tr>
<tr>
<td>Michael Rowe</td>
<td>DBE Specialist</td>
<td><a href="mailto:mrowe@indot.in.gov">mrowe@indot.in.gov</a></td>
<td>(317) 234-7944</td>
</tr>
<tr>
<td>Lakisha Williams</td>
<td>DBE Specialist</td>
<td><a href="mailto:lwilliams@indot.in.gov">lwilliams@indot.in.gov</a></td>
<td>(317) 232-5089</td>
</tr>
<tr>
<td>Kim Sons</td>
<td>DBE Coordinator</td>
<td><a href="mailto:ksons@indot.in.gov">ksons@indot.in.gov</a></td>
<td>(317) 234-8087</td>
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Office Fax Number (317) 233-0891