

## **GOAL SETTING METHODOLOGY**

### **Step One: Base Goal**

In order to set a realistic goal, we researched and requested potential contracting opportunities by our sub grantees. The information indicated that there were twenty areas in which opportunities were available; Auto Parts (423120), Janitorial items (423850), Janitorial Materials and Supplies (561720) Fire extinguishers (423990), Office Supplies (424120), Tires (441300), Medical Equipment/Supplies (446199), Data Processing/Hosting (518210), Insurance (524210), Office Equipment Rental (532420), Legal Services (541110), CPA Services (541211), Payroll Services (541214), Computer Systems Design (541512), Consulting Services (541611), Advertising (541810), Temporary Help (561320), Services to Building (561790), Automotive Repair (811111), and Uniform Rental (812332).

Each of these areas was matched with an NAICS (North American Industry Classification System) Code per the NAICS website; <http://www.naics.com/search.htm> . We searched each NAICS code in Indiana's UCP Directory located at <https://entapps.indot.in.gov/DBELocator/> as described in the DBE Goal Setting Methodology Requirements. This yielded the number of Ready, Willing and Able Contractors that were available within the geographic area available.

We then searched each NAICS Code in US Census data in order to determine the total number of contractors available in each NAICS area.

This allowed us to calculate a simple ratio of Available M/W/DBE's agencies to total number of agencies, giving us a ratio for each NAICS area.

Each NAICS area market share figure was then weighted based on the proportions of projected amounts spent on those areas with the total projected amount to be spent on all areas using the procedure provided by the FTA in the document "Disadvantaged Business Enterprise Program Goal Setting Process", located at

<https://www.transportation.gov/osdbu/disadvantaged-business-enterprise/tips-goal-setting-disadvantaged-business-enterprise>

The FTA provided spreadsheets below were used to determine the FY 2019 – 2021 DBE Goal.

**Step 1.1 - Determine the weight of each type of work by NAICS Code:**

\* Enter all the FTA-assisted projects below. Project amounts should be assigned relevant NAICS Code(s).

	<b>NAICS</b>	<b>Project</b>	<b>Amount of</b>	<b>% of total</b>
<b>1</b>	423120	Auto Parts	\$1,201,985.18	0.0953
<b>2</b>	423850	Janitorial	\$152,841.08	0.0121
<b>3</b>	561720	Janitorial Materials and	\$195,547.00	0.0155
<b>4</b>	423990	Fire Extinguishers	\$16,542.29	0.0013
<b>5</b>	424120	Office Supplies	\$269,001.96	0.0213
<b>6</b>	441300	Tires	\$696,402.87	0.0552
<b>7</b>	446199	Medical	\$24,813.00	0.0020
<b>8</b>	518210	Data Processing/Hosting	\$74,778.53	0.0059
<b>9</b>	524210	Insurance	\$4,719,660.77	0.3742
<b>10</b>	532420	Office Equipment	\$97,901.73	0.0078
<b>11</b>	541110	Legal Services	\$40,516.70	0.0032
<b>12</b>	541211	CPA Services	\$393,762.11	0.0312
<b>13</b>	541214	Payroll Services	\$122,593.56	0.0097
<b>14</b>	541512	Computer System	\$330,157.65	0.0262
<b>15</b>	541611	Consulting Services	\$1,500,000.00	0.1189
<b>16</b>	541810	Advertising	\$172,741.97	0.0137
<b>17</b>	561320	Temporary Help	\$8,147.09	0.0006
<b>18</b>	561790	Services to Buildings	\$0.00	0.0000
<b>19</b>	811111	Automotive Repair	\$2,572,056.66	0.2039
<b>20</b>	812332	Uniform Rental	\$23,971.37	0.0019
	<b>Total FTA-Assisted Contract Funds</b>		<b>\$12,613,421</b>	<b>1</b>

**Step 1.2 - Determine the relative availability of DBE's by NAICS Code:**

\* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	<b>NAICS</b>	<b>Project</b>	<b>Number of</b>	<b>Number of all</b>	<b>Relative</b>	
<b>1</b>	423120	Auto Parts	5	301	0.0166	
<b>2</b>	423850	Janitorial	8	92	0.0870	
<b>3</b>	561720	Janitorial Materials and	14	1079	0.0130	
<b>4</b>	423990	Fire Extinguishers	20	138	0.1449	
<b>5</b>	424120	Office Supplies	8	76	0.1053	
<b>6</b>	441300	Tires	1	390	0.0026	
<b>7</b>	446199	Medical	0	196	0.0000	
<b>8</b>	518210	Data Processing/Hosting	5	160	0.0313	
<b>9</b>	524210	Insurance	4	3,029	0.0013	
<b>10</b>	532420	Office Equipment Rental	3	3	1.0000	
<b>11</b>	541110	Legal Services	3	2,555	0.0012	
<b>12</b>	541211	CPA Services	7	894	0.0078	
<b>13</b>	541214	Payroll Services	1	97	0.0103	
<b>14</b>	541512	Computer System	32	698	0.0458	
<b>15</b>	541611	Consulting Services	66	912	0.0724	
<b>16</b>	541810	Advertising	16	210	0.0762	
<b>17</b>	561320	Temporary Help	9	739	0.0122	
<b>18</b>	561790	Services to Buildings	22	193	0.1140	
<b>19</b>	811111	Automotive Repair	1	1,790	0.0006	
<b>20</b>	812332	Uniform Rental	2	47	0.0426	
	<b>Combined Totals</b>		<b>227</b>	<b>13,599</b>	0.0167	<b><i>Overall availability of DBEs</i></b>

**Step 1.3 - (Weight) x (Availability) = Weighted Base Figure**

	<b>NAIC</b>	<b>Project</b>	<b>Weight</b>	<b>x</b>	<b>Availabilit</b>	<b>Weighte</b>
<b>1</b>	42312	Auto Parts	0.0953	x	0.0166	0.0016
<b>2</b>	42385	Janitorial	0.0121	x	0.0870	0.0011
<b>3</b>	56172	Janitorial Materials	0.0155	x	0.0130	0.0002
<b>4</b>	42399	Fire Extinguishers	0.0013	x	0.1449	0.0002
<b>5</b>	42412	Office Supplies	0.0213	x	0.1053	0.0022
<b>6</b>	44130	Tires	0.0552	x	0.0000	0.0000
<b>7</b>	44619	Medical	0.0020	x	0.0000	0.0000
<b>8</b>	51821	Data	0.0059	x	0.0313	0.0002
<b>9</b>	52421	Insurance	0.3742	x	0.0000	0.0000
<b>10</b>	53242	Office Equipment	0.0078	x	1.0000	0.0078
<b>11</b>	54111	Legal Services	0.0032	x	0.0012	0.0000
<b>12</b>	54121	CPA Services	0.0312	x	0.0078	0.0002
<b>13</b>	54121	Payroll Services	0.0097	x	0.0103	0.0001
<b>14</b>	54151	Computer System	0.0262	x	0.0458	0.0012
<b>15</b>	54161	Consulting Services	0.1189	x	0.0724	0.0086
<b>16</b>	54181	Advertising	0.0137	x	0.0762	0.0010
<b>17</b>	56132	Temporary Help	0.0006	x	0.0122	0.0000
<b>18</b>	56179	Services to		x	0.1140	
<b>19</b>	81111	Automotive Repair	0.2039	x	0.0000	0.0000
<b>20</b>	81233	Uniform Rental	0.0019	x	0.0426	0.0001
<b>Total</b>						0.0245
<b>Expressed as a % (*100)</b>						2.45%
<b>Rounded, Weighted Base Figure:</b>						<b>2%</b>

## **Step Two: Adjustment of Base Figure**

Past participation in the previous three years was as follows:

2015 9.38%  
2016 10.39%  
2017 14.58%

The Median (10.39%) is selected to be averaged with calculated Base Figure per instructions in FTA Document "Disadvantaged Business Enterprise Program Goal Setting Process".

**$((10.39\% + 2\%) / 2) = 6.20\% = \text{Adjusted DBE Participation Goal}$**

## **Race-Conscious / Race Neutral Breakdown**

### *Past Median Race-Neutral Participation*

INDOT will meet its DBE goal of six point two percent (6.20%) through race-neutral measures solely. INDOT does not let contracts for the rural transit systems. The rural transit systems let and award all contracts regardless of contract type themselves. Based on past history, most (if not all) of the contracting opportunities for transit are through the procurement process. Most transit systems do not typically set DBE goals for contracts; therefore, most (if not all) DBE participation is by race-neutral measures. INDOT will strive to encourage all rural transit systems to continue to find additional opportunities for DBEs when contracting opportunities arise to achieve of DBE goal.

### *Race-Neutral Initiatives*

INDOT provides business development training for its certified and potential DBE firms in many ways. First, INDOT staff provides ongoing support and technical assistance to DBE firms throughout the year. In addition to on-demand phone and email support, INDOT provides DBE firms with information, as well as access to INDOT's DBE email listserv. Second, INDOT provides assistance to DBE firms through its Supportive Services Section. The Supportive Services Manager surveys DBE firms annually to determine common concerns, barriers to entry, and specific requests as the bases for specific program development targets. Then, through the financial support of USDOT, INDOT works with its professional consultant to create effective, relevant, and customer-driven DBE development programs.

## **Utilization of Certified DBEs**

All transit systems are required to ensure that solicitation of DBEs will be from the Directory published by the Indiana Department of Transportation – Economic Opportunity Division. INDOT is the official certifying agent for the State of Indiana. This directory lists the firm's name, address, phone number and the type of work the firm has been certified to perform as a DBE. This directory is updated at least monthly and is available via the internet at <https://www.in.gov/indot/2674.htm>