



# Compliance With FHWA 1273

March 21, 2016



# MDOT Equal Opportunity (EO or EEO) Contract Compliance Reviews

MDOT Office of Business Development (OBD) Business & Workforce Diversity Section representatives who conduct EO Compliance Reviews:

- Anita Costanzo, Compliance Analyst
- Rodney Wilson, Compliance Analyst
- Frank Adams, Compliance Specialist





## State Highway Agency Responsibilities

- 23 CFR 230.405(b)(1)

The SHA's, as contracting agencies, have a responsibility to assure compliance by contractors with the requirements of Federal-aid construction contracts, including the equal opportunity requirements, and to assist in and cooperate with FHWA programs to assure equal opportunity.



# OBD's Project Selection Criteria

**Three or more of the criteria for selection of a project.**

1. Contractors not reviewed by the Department within the last twelve (12) months.
2. Contractors not reviewed by the Office of Federal Contract Compliance Programs (OFCCP) within the last twelve (12) months.
3. Contractors with a history of less than favorable EO compliance.
4. New Contractors (Learning Process).





# OBD's Project Selection Criteria

5. Contractors with at least \$1.5 million in active or pending MDOT federal-aid contracts.
6. Contractors on unique projects, [Intelligent Transportation Systems, (ITS), bascule bridges, international bridges, etc.]
7. Projects in areas with significant minority and female labor forces
8. Contractors participating in the On-the-Job Training Program
9. Projects with "*Race Conscious*" Disadvantaged Business Enterprise (DBE) goals





# Compliance Review

- Scheduling notice addressed to the president of the company
- FHWA 1273 is attached to scheduling notices
- Questionnaire based on FHWA 1273, Section II. “NONDISCRIMINATION”
- A list of documents and information to be submitted to OBD prior to the review
- Full reviews include a meeting at the contractor’s office with their EEO Officer and other management and personnel the contractor and OBD representatives deem appropriate

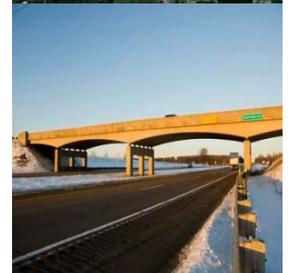




# Compliance Review

**Field Audits:** All reviews include project site visits.  
These visits include:

- Employee interviews
- Subcontractor employee interviews
- Poster display observations
- Observations of DBE subcontractor activity.





# Compliance Review

MDOT compliance reviews are primarily centered around how the contractor complies with the provisions of:

- Section II of FHWA 1273.
- Appendix A to Subpart A of 23 CFR Part 230—Special Provisions.
- The MDOT OJT Program Special Provision
- The MDOT OJT Program Manual
- The DBE participation and counting provisions, etc., of 49 CFR 26.





# Administering Equitable Employment Policies/Practices:

- Ensure FHWA 1273 is included in every subcontract of \$10,000 or more
- Appoint an effective EEO Officer
- Inform Employees about the EEO Officer
- Develop a written EEO Policy/Program
- It is a best practice to develop a written Non-Harassment Policy
- Ensure that all appropriate Posters are appropriately displayed at the job site and home offices
- Inform all personnel substantially involved with personnel actions of the company's EEO Policy and practices within their first 30 days of employment
- Advise & distribute the EEO Policy to Employees
- Conduct EEO meetings twice per year





# Administering Equitable Employment Policies/Practices:

- Use Recruiting sources likely to yield minorities and women
- Encourage Employee Referrals
- Include the required Equal Opportunity Employer (EOE) Clause in all Ads and Correspondence
- Annually Advise Employees/ Customers/Suppliers of Your Non-Discrimination Policy
- Certify all Subs, etc., have EEO Policy, an EEO Officer and Comply with EEO Provisions, etc.





# Administering Equitable Employment Policies/Practices:

- Keep Recruitment Records at Least 3 Years
- Develop Non-Discriminatory Job Application Form
- Keep Demographic Records of Job Applicants
- Compare Project Employment with Census Data
- MDOT Does Not Enforce US Dept. of Labor (OFCCP/Exec. Order 11246) Goals, but contractors and subcontractors are required to comply





# The EEO Officer

- Appointed in writing by President/CEO
- Adequately trained
- Adequate authority
- Contact information provided to all employees with duties explained
- Known to all management personnel
- Has the resources to ensure EEO inspections are conducted at all jobsites





# Distribution of EEO Policy

- All new supervisors trained in EEO within 30 days of hire
- EEO Officer should conduct meetings with supervisory and personnel office staff every six months
- Document meetings and attendance
- Review company EEO policy with all supervisors on each project and all staff with personnel responsibilities for each project





# Distribution of EEO Policy

- EEO Officer reviews minority and women recruiting procedures with all staff who have employee hiring responsibilities on the project
- Include EEO policy in company manuals, handbooks, etc.
- Post EEO policy on project site in a location readily accessible to all employees
- Document discussions with employees re: EEO policy
- Keep copies of EEO correspondence sent to unions, other contractors, employees, recruiting sources, etc.





# Recruitment

- Contractors and subcontractors **must** direct recruiting efforts to agencies, organizations, etc., that are likely to yield minorities and women.
- Notices to recruiting sources must be sent with sufficient details about job openings and adequate time for responses
- Maintain an up to date list of minority and women recruiting sources & contacts
- Document correspondence with recruiting sources and responses from these sources





# Recruitment

- The MDOT OJT Program Manual has a list of possible recruiting sources:

<http://michigan.gov/OJT>

**Contact** PaHoua Schroeder  
On-The-Job Training Coordinator  
Michigan Department of Transportation  
Office of Business Development  
Phone: 517-241-2981  
Fax: 517-335-0945  
Email: [SchroederP@michigan.gov](mailto:SchroederP@michigan.gov)





# Applicant Logs

As a contractor on a federal project, you are required by Executive Order 11246 #7.c. to verify demographic information.

Maintain an applicant flow log that includes:

- the date application was received,
- the name of the applicant,
- the position applied for,
- the race and sex of the applicant,
- the veterans status of the applicant,
- whether the applicant was selected or rejected,
- the date of hire, or
- if the applicant was not selected, the reason for non-selection
- Union referral information as applicable





# Unions As Referral Sources

- Only the IBEW has exclusive referral rights
- Where an applicant has been referred to the union for referral back to the contractor, the contractor should document this action and its results or any follow-up contacts made with the applicant or the union.





# Handling Discrimination & Harassment Complaints

- Enforce EEO/harassment policies
- Train management and staff
- Ensure complaints are reported to EEO Officer
- Take all complaints seriously
- Ensure the authority of EEO Officer to investigate complaints and receive cooperation from all involved
- Document, document, document





# Things to Remember

- Confidentiality is essential in regard to complaints
- Ensure there is no retaliation against complainants
- Allow complainants to seek avenues of appeal if they desire to (i.e., EEOC, Michigan Dept. of Civil Rights, etc.)
- Do thorough investigations
- Determine and ensure appropriate consequences
- Review policies regularly with staff





# Project Posters

The posters can be downloaded on MDOT's website:

[http://www.michigan.gov/mdot/0,4616,7-151-9622\\_11044\\_11367-222170--,00.html](http://www.michigan.gov/mdot/0,4616,7-151-9622_11044_11367-222170--,00.html)

- The Michigan Infrastructure & Transportation Association (MITA) also distributes laminated posters to its members





# US Census

A screenshot of the American FactFinder website. The browser address bar shows the URL: http://factfinder.census.gov/faces/nav/jsf/pages/index. The page header includes the United States Census Bureau logo and the 'AMERICAN FactFinder' title. Navigation tabs include MAIN, COMMUNITY FACTS, GUIDED SEARCH, ADVANCED SEARCH, and DOWNLOAD CENTER. The 'Community Facts' section is expanded, showing a search box with 'Atlanta, GA' entered and a 'GO' button. Below this, there are links for Guided Search, Advanced Search, and Download Center. The 'Popular Tables' section lists various data categories such as Population and Housing, Poverty and Income, and Age, Race, Sex and Education. A 'News and Notes' section at the bottom features a news item dated Jan 21, 2016, titled 'National and State Population Estimates with Components of Change: July 1, 2015...'. The page footer shows a zoom level of 100%.





# US Census



← → http://factfinder.census.gov/faces/nav/jsf/pages/search

File Edit View Favorites Tools Help

Convert Select

United States Census Bureau

AMERICAN FactFinder

Feedback FAQs Glossary Help

MAIN COMMUNITY FACTS GUIDED SEARCH **ADVANCED SEARCH** DOWNLOAD CENTER

**Search** - Use the options on the left (topics, geographies, ...) to narrow your search results

Your Selections  
"Your Selections" is empty  
load search | save search

Search using the options below:

- Topics (age, income, year, dataset, ...)
- Geographies (states, counties, places, ...)
- Race and Ethnic Groups (race, ancestry, tribe)
- Industry Codes (NAICS industry, ...)
- EEO Occupation Codes (executives, analysts, ...)

**To search for tables and other files in American FactFinder:**

- 1 Enter search terms and an optional geography and click GO  
  GO ?  
 topics  race/ancestry  industries  occupations
- 2 Next, select **Geographies** (states, counties, cities, towns, etc.)
  - these are added to "Your Selections"
  - the Search Results are updated
- 3 Select one or more Search Results and click View

http://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t# 100%



# US Census



http://factfinder.census.gov/aces/tableservices/jsf/pages/productview.xhtml?\_pt=table

Advanced Search - Search all data in American Factfinder

EEO-ALL08R EEO 3: Detailed Census Occupation by Sex, and Race/Ethnicity for Residence Geography, Total Population  
 Nonwhite: Civilian labor force 18 years and over  
 EEO 3 Tabulations 2008-2010 (10-year ACS data)

Table View

Geography: Wayne County, Michigan

The EEO 3 tabulation is sponsored by four Federal agencies consisting of the Equal Employment Opportunity Commission (EEOC), the Employment Litigation Section of the Civil Rights Division of the Department of Justice (DOJ), the Office of Federal Contract Compliance Programs (OFCCP), at the Department of Labor, and the Office of Personnel Management (OPM).

	Total race and ethnicity	Hispanic or Latino		Not Hispanic or Latino, one race						Not Hispanic or Latino, two or more races				Balance of not Hispanic or Latino
		White alone	All other	White alone	Black or African American alone	American Indian and Alaska Native alone	Asian alone	Native Hawaiian and Other Pacific Islander alone	White and Black	White and Asian	White and Hispanic or Latino	Black and Hispanic or Latino	Asian and Hispanic or Latino	
<b>Positive supervisors of construction trades and extraction workers (SOC 47-1011)</b>														
Total, both sexes	2,754	10	71	1,043	443	43	3	0	0	0	0	0	0	0
Male	1,024	3.8%	2.8%	18.9%	18.3%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Female	2,420	108	78	2,019	399	40	3	0	0	0	0	0	0	0
Hispanic or Latino	81.0%	3.8%	2.8%	14.0%	14.4%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Female	82	0	0	13	82	0	0	0	0	0	0	0	0	0
Hispanic or Latino	3.1%	0.0%	0.0%	1.3%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Construction laborer (SOC 47-4021)</b>														
Total, both sexes	4,890	213	202	3,289	810	30	0	0	0	10	38	0	0	0
Male	1,620	209	202	3,220	720	30	0	0	0	10	30	0	0	0
Female	3,270	4.4%	4.1%	18.4%	18.4%	0.8%	0.0%	0.0%	0.0%	0.2%	0.8%	0.0%	0.0%	0.0%
Hispanic or Latino	176	10	0	76	86	0	0	0	0	0	0	0	0	0
Female	2.6%	0.3%	0.0%	1.8%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Construction laborer (SOC 47-2041)</b>														
Total, both sexes	7,814	165	165	3,493	2,273	4	0	0	0	18	38	0	0	0
Male	1,660	8.4%	8.7%	11.8%	18.4%	0.1%	0.0%	0.0%	0.0%	0.2%	0.2%	0.0%	0.0%	0.0%
Female	6,154	345	345	3,320	2,269	4	0	0	0	18	38	0	0	0
Hispanic or Latino	34.4%	8.6%	11.2%	44.3%	27.1%	0.1%	0.0%	0.0%	0.0%	0.2%	0.2%	0.0%	0.0%	0.0%
Female	450	10	10	100	235	0	0	0	0	0	0	0	0	0
Hispanic or Latino	6.2%	0.9%	0.7%	3.0%	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: U.S. Census Bureau, 2008-2010 American Community Survey

Explanation of Symbols:  
 An entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error, a statistical test is not appropriate.  
 An entry in the standard error column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of margins cannot be calculated because one or both of the margin estimates falls in the lowest interval or upper interval of an open-ended distribution.  
 An entry in the median estimate column indicates that the median falls in the lowest interval of an open-ended distribution.  
 An entry in the median estimate column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.  
 An entry in the margin of error column indicates that the estimate is corrected, a special use for sampling, weighting is not appropriate.  
 An entry in the standard error margin of error column indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.  
 An (X) means that the estimate is not applicable or not available.

The U.S. Census Bureau collects race data in accordance with guidelines provided by the U.S. Office of Management and Budget (OMB). Except for the total, all race and ethnicity categories are mutually exclusive. "Black" refers to Black or African American; "Asian" refers to American Indian and Alaska Native; and "Hispanic or Latino" refers to Hispanic or Latino. The reference to "Hispanic or Latino" indicates that these counts are only tabulated for areas in the 1990s of "Hispanic." "Balance of not Hispanic or Latino" includes the balance of non-Hispanic individuals who reported multiple races or reported some other race alone. For more information on race and Hispanic origin, see the Subject Definitions at [http://www.census.gov/www/subject\\_definitions.html](http://www.census.gov/www/subject_definitions.html).

Race and Hispanic origin are separate concepts on the American Community Survey. "White alone Hispanic or Latino" includes respondents who reported Hispanic or Latino origin and reported race as "White" and no other race. "All other Hispanic or Latino" includes respondents who reported Hispanic or Latino origin and reported a race other than "White," either alone or in combination. To get a total for "Hispanic or Latino," add the two columns for "White alone Hispanic or Latino" and "All other Hispanic or Latino."

Occupation codes are a eight codes and are based on Standard Occupational Classification 2010.

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Accessibility | Information Quality | FOIA | Data Translation and Privacy Policy | U.S. Department of Commerce

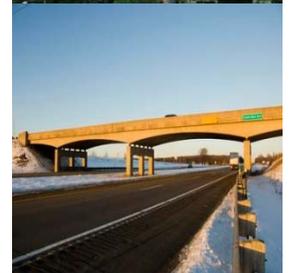


# Commercially Useful Function (CUF) Review & DBE Supplier Updates





49 CFR , Part 26.55



## 2015 MDOT DBE Program Procedures

*The 2015 DBE Program Procedures can be found at:*

[www.michigan.gov/mucp](http://www.michigan.gov/mucp)

*Click "Download Forms"*



# Updated 0178 (Blue Sheet)



MDOT 0178 (07/15) **DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION (DETAIL)** Page \_\_\_\_\_ of \_\_\_\_\_

Check if this is a post-award modification of the original DBE commitment

Check this box if this contract has no DBE participation goals (i.e., race-neutral)

DBE FIRM NAME

DBE CONTACT PERSON NAME

ADDRESS CITY STATE ZIP CODE

DBE PHONE NUMBER DBE EMAIL ADDRESS

LETTING DATE

LETTING ITEM NO.

CONTRACT ID

PRIME CONTRACTOR

DBE SUPPLY CREDIT TO BE COUNTED AS (check one): (Must include cost of delivery for Manufacturers and Regular Dealers)

BROKER (Count 100% of Broker fees/commissions)  Manufacturer (Count 100% of the value of goods supplied)

REGULAR DEALER (Count 60% of the value of goods supplied) OR  REGULAR DEALER / BULK ITEM

Name all suppliers DBE Supplier will be purchasing items from for this project (if applicable): \_\_\_\_\_

Method of Delivery to project site (if applicable): \_\_\_\_\_

Anticipated Date(s) of Transaction: \_\_\_\_\_

FOR DBE SUPPLY CREDIT - Form 0178 Must be accompanied by a completed MDOT Form 0193\*\* (Supplier Affidavit)

FULLY DESCRIBE THE TYPE OF WORK OR SERVICE THIS DBE WILL PROVIDE AND APPLICABLE WORK CODE(S) AND/OR NAICS CODE(S). FAILURE TO PROVIDE ALL RELEVANT INFORMATION WILL RESULT IN THE DELAY OF AWARD.

FOR DBE TRUCKING CREDIT (RJ) - Form 0178 Must be accompanied by a completed MDOT Form 4101\*\* (Trucking Worksheet)

MDOT WORK CODE(S) (if Applicable):	NAICS CODE(S):	DETAILED DESCRIPTION OF WORK BEING PERFORMED (if Applicable - MUST INCLUDE LOCATION(S) OF WORK BEING PERFORMED, MATERIAL TYPE/GRADE/CLASS, QUANTITIES AND PRICE):	DOLLAR AMOUNT FOR DBE CREDIT:

(ADD ADDITIONAL PAGES IF NECESSARY)

ACKNOWLEDGED BY TOTAL: \$ \_\_\_\_\_

By signing this commitment, we certify that the DBE firm is MDOT-certified as a DBE, and, if prequalification is required, is prequalified in the types of work to be performed. THIS IS NOT BINDING UNTIL SIGNED BY ALL PARTIES AND THE CONTRACT IS AWARDED BY CONTRACT SERVICES DIVISION.

DBE AUTHORIZED SIGNATURE TITLE DATE

PRIME CONTRACTOR AUTHORIZED SIGNATURE TITLE DATE

\*\* Additional forms for DBE Trucking (4101) and Supply (0193) must be submitted by the Prime Contractor to Contract Services Division in accordance with MDOT's DBE Program Procedures.



# Prime's Role

- Be as specific as possible on the DBE Participation Sheet (Form 0178 aka blue sheet) about what the DBE will be doing
  - **Example 1:**  
ITEM 550 - MISC CONCRETE CURB CAP  
200 FT X \$20 = \$4,000
  - **Example 2:**  
Supply and Deliver 1,500 tons of 21 AA Aggregate at \$\$\$ per ton, per ITEM 623, from (name of pit and location) to project site = \$\$\$ x 60% = DBE credit amount
- Make sure blue sheets are completed to avoid delays in pre-award approval

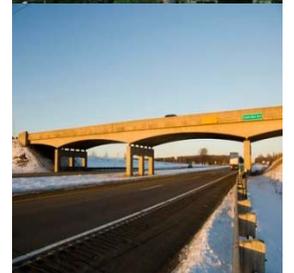




# Meeting the Commercially Useful Function (CUF) Standard

- The DBE executes the work, carries out the contract requirements
- The DBE negotiates price, determines quantities and quality and pays for materials that go with its contracted items.
- DBE purchases of materials from the prime or other non-DBE on the project can't be counted as a CUF
- Work subbed to non-DBE's (except for equal trucking match) can't be counted as participation
- Leasing or use of prime contractor's equipment is not to be counted
- The only exception would be for the lease of a crane (large specialized equipment)
- Lease agreements may be requested by MDOT, etc.





# A CUF Requires the DBE to

- Manage
- Supervise
- Perform
- Receive Payment (2124A or MERS)



# CUF Monitoring on the Project

- Agencies must document and certify DBE monitoring on projects
- A Bureau of Highways Instructional Memorandum was developed for the field staff





# Prime's Role in DBE Monitoring

- Only select DBE's that have the necessary certification and prequalification ([www.michigan.gov/mucp](http://www.michigan.gov/mucp))
- Inform the project office what DBE's will be on the project at the preconstruction meeting
- Provide subcontract and purchase order information to project office for each DBE prior to them starting work
- List all DBE's on bi-weekly payment forms (2124A or in MERS software)





Michigan Department  
of Transportation  
0196 (07/15)

## DISADVANTAGED BUSINESS ENTERPRISE (DBE) REMOVAL/SUBSTITUTION REQUEST

For projects with Race Conscious (RC) DBE Goals, this form **MUST** be approved by the MDOT Office of Business Development (OBD). Please fax to (517) 335-0945 or email at [MDOT-DBE@michigan.gov](mailto:MDOT-DBE@michigan.gov).

MDOT must be notified immediately of a DBE's inability to perform any or all of its work and the Primes intent to obtain a substitute subcontractor. Primes are required to make a good faith effort to replace a DBE that is unable to perform, with another DBE. If the DBE goal will not be met, a Good Faith Effort Application (MDOT Form 0188) and all supporting documents must be submitted within 14 calendar days to OBD.

The substitute subcontractor, if they are a DBE, must be included on the DBE Participation form (MDOT form 0178) and submitted to the Project Engineer and Contract Services Division (CSD) for approval prior to starting work. Include any trucking or supply forms (4101 & 0193) as necessary.

Pursuant to 49 CFR Part 26.53 (f), unless consent to replace a DBE is granted by MDOT, the prime contractor shall not be entitled to any payment for work performed or materials supplied.

DBE FIRM BEING REMOVED

DOLLAR VALUE COMMITTED TO THIS DBE \$

WORK PERFORMED TO DATE \$

REASON THIS DBE IS BEING REMOVED

WAS THE DBE FIRM GIVEN 5\*\* DAYS WRITTEN NOTICE BEFORE REMOVAL?  YES or  NO If yes, please attach written notice.

WILL THE DBE GOAL FOR THE PROJECT STILL BE MET?  YES or  NO  
If no, has form 0188 been submitted to OBD?  YES or  NO

SUBSTITUTION SUBCONTRACTOR FIRM NAME (if identified)  DBE or  Non-DBE

IF THE SUBSTITUTION FIRM IS A DBE, WAS FORM 0178 SUBMITTED TO CSD?  
 YES or  NO If yes, please attach.

FULLY DESCRIBE THE TYPE OF WORK THE SUBSTITUTE SUBCONTRACTOR WILL PERFORM

DBE credit may be claimed only for types of work in which the DBE firm is both certified and, if required, prequalified. DBE work classification eligibility can be confirmed using the Michigan Unified Certification Program (MUCP) Website at [www.michigan.gov/mucp](http://www.michigan.gov/mucp).

### ACKNOWLEDGED BY

By signing this replacement form, we certify that the information submitted is accurate and in accordance with the MDOT DBE Program Procedures.

AUTHORIZED SIGNATURE OF REMOVED DBE	TITLE	DATE
PRIME AUTHORIZED SIGNATURE	TITLE	DATE
PROJECT ENGINEER AUTHORIZED SIGNATURE	TITLE	DATE
OFFICE OF BUSINESS DEVELOPMENT AUTHORIZED SIGNATURE	TITLE	DATE

\*\*Per 49 CFR Part 26.53, if required in a particular case as a matter of public necessity (e.g., safety), MDOT may require a response period shorter than five days.



# Prime's Role for Substituting or Removing DBE's

- Primes must receive approval by the Project Engineer and OBD staff to substitute or remove a DBE using form 0196
- 49 CFR 26.53(f). This is described in the MDOT DBE Program Procedures at [www.michigan.gov](http://www.michigan.gov) under “Doing Business” “DBE Program”
- Primes must provide DBEs five days written notice of intent to substitute another DBE when the original DBE can not or will not perform with a cc to the project office and OBD ([MDOT-DBE@michigan.gov](mailto:MDOT-DBE@michigan.gov))
- All DBEs (replacements too) must be approved by both the Contracts Services Division and the OBD **prior** to starting work.
- A DBE participation form must be submitted when a DBE is added to a project.
- Per 49 CFR Part 26.53, if written approval by MDOT, using forms 0196 and 0178 (as applicable), is not granted, the prime contractor shall not be entitled to any payment or credit toward a contract goal for work or material committed or originally contracted to the DBE firm.





# DBE Trucking

- Must have work classification RJ Trucking
- Must have at least one of their own licensed, insured and operational trucks working on project
- 100% credit for trucks owned by DBE's
- An equal number of non-DBE trucks (not owned by the prime or firm the DBE trucker is hauling for) can be matched up to the same dollar amount
- Only the fee/commission can be credited for participation beyond the non-DBE match amount
- Maximize opportunities for the DBE's to run their trucks





# DBE Suppliers

- 2014 update of 49 CFR, Part 26.55 (e)(4) states MDOT must determine “whether a firm is acting as a regular dealer or a transaction expediter on a contract-by contract basis”. Therefore, we were required to remove the certification codes: Regular Dealer, Manufacturer and Broker.
- The DBE is not allowed to purchase materials from the prime or other affiliated contractor.
- The DBE is also not allowed to use the prime or other affiliated contractor to deliver materials.
- DBE suppliers must comply with requirements outlined in MDOT’s “Materials Quality Assurance Procedures Manual.” This manual is available at [www.michigan.gov/mdot](http://www.michigan.gov/mdot). Choose “Maps and Publications,” then “Manuals, Guides, Advisories & Memos.”





# DBE Suppliers

- Regular dealer: 60% of material costs for DBE credit
  - Regular dealer materials must come from DBE's store or warehouse
  - DBE regular dealer could also be one who has trucks and will independently purchase and deliver the bulk materials in its own vehicles on the project.
  - They can have additional leased trucks help deliver the products if they have long term leases.
  - The trucking costs are included in the cost paid to purchase the materials from the DBE – no double counting
- Manufacturer: 100% DBE credit if they will be producing products for the project with their own resources and facilities
- Broker: DBE will not be providing the materials from their own facility or purchasing and delivering the materials in their own vehicles. The only credit is their commission or fee for this service.
- Liquid asphalt supply : No changes. Any questions, contact Reidar Keating at 517-241-0052 or [keatingr@michigan.gov](mailto:keatingr@michigan.gov).





# Updated 0193 (Supplier Affidavit)

Michigan Department  
Of Transportation  
0193 (07/15)

**DISADVANTAGED BUSINESS ENTERPRISE (DBE)  
SUPPLIER PARTICIPATION AFFIDAVIT  
— TO BE COMPLETED BY THE PRIME CONTRACTOR —**

Page 1 of 2

By signing this document the successful bidder/prime affirms it has reviewed the DBE requirements under 49 CFR 26.65 found in the project proposal. The signature is also assurance from the successful bidder/prime that it believes the arrangements with the DBE(s) designated on this form and the corresponding DBE Participation Form(s) (MDOT form 0178) are in compliance with the DBE regulations.

Please contact the Office of Business Development (OBD) via email (mdot-cbe@michigan.gov) or by phone 1-866-DBE-1264, if you need additional information or have questions regarding the completion of this form or submittal of this information. Return completed form to: Contract Services Division for approval along with the DBE Participation Form(s) (MDOT form 0178).

CONTRACT ID	PRIME CONTRACTOR
DBE SUPPLIER(S)	

**COMPLETE THIS SECTION FOR LIQUID ASPHALT SUPPLY ONLY**

1. Has the DBE liquid asphalt supplier been pre-approved by MDOT?  No  Yes

2. Has your company already purchased any of the liquid asphalt cement for this project (as winter fill) from your designated DBE liquid asphalt supplier?  No  Yes, if yes, provide the following information:

AMOUNT/QUANTITY OF WINTER FILL SUPPLIED BY DBE TO DATE	DATE(S) OF TRANSACTION(S)	PRICE FOR THE QUANTITY OF WINTER FILL SUPPLIED BY DBE TO DATE
		\$ _____ X 60% = \$ _____

3. How much liquid asphalt remains to be purchased from the DBE for this project? \_\_\_\_\_ Tons

a. How much of this amount will be claimed for DBE credit?  
\_\_\_\_\_ tons at \$ \_\_\_\_\_ per ton\* = \$ \_\_\_\_\_, x 60% = \$ \_\_\_\_\_

b. How much of this amount will NOT be claimed for DBE credit?  
\_\_\_\_\_ tons at \$ \_\_\_\_\_ per ton\* = \$ \_\_\_\_\_, x 60% = \$ \_\_\_\_\_

\*NOTE: Price-per-ton MUST include the delivery charge.

Michigan Department  
Of Transportation  
0193 (07/15)

**DISADVANTAGED BUSINESS ENTERPRISE (DBE)  
SUPPLIER PARTICIPATION AFFIDAVIT  
— TO BE COMPLETED BY THE PRIME CONTRACTOR —**

Page 2 of 2

CONTRACT ID	PRIME CONTRACTOR
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As the successful bidder/prime (including our affiliates and subsidiaries), we attest to the following:

- We did not/will not negotiate with the DBE's suppliers/sources for the material supplied/being supplied by the DBE(s) on this project/contract.
- We did not/will not act as guarantor for the purchase of materials on behalf of the DBE supplier(s) on this project/contract.
- No sales of materials between the successful bidder and its affiliates or subsidiaries are included in the proposed DBE participation on this project specified in MDOT Form 0178.
- We will not lease any equipment to the DBE supplier(s) on this project/contract.
- The DBE(s) did not and will not use any of the successful bidder's equipment or the successful bidder's affiliates' or subsidiaries' equipment on this project/contract, unless an arrangement for specialized equipment has been approved by MDOT, in accordance with MDOT's Bureau of Highways Instructional Memorandum 2013-12.
- All payments to the DBE's suppliers/sources for this project/contract are made by the DBE(s) from the DBE's own independent bank accounts – not from an account of the successful bidder or its affiliates or subsidiaries.
- No payments to the DBE's suppliers/sources on this project/contract are made via any joint account held by the successful bidder (or any of its affiliates or subsidiaries) and the DBE(s).
- Prior to any joint check arrangement with the DBE supplier (for payment to the DBE's supplier/source), we will submit MDOT Form 0183 for MDOT approval.
- We will submit a purchase order to the DBE(s), for submission to MDOT.

**False statements on this form or fraudulent documentation provided could result in sanctions by federal authorities and/or MDOT.**

PRIME CONTRACTOR AUTHORIZED SIGNATURE	DATE

FOR MDOT INTERNAL USE ONLY	
MDOT REVIEWER APPROVAL SIGNATURE	DATE

[Clear Form](#)





# Project Monitoring and Enforcement Questions? Contact:

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