



DBE Compliance Requirements for CAs

April 13, 2022

Agenda

- DBE Goal Assurances
 - DBE Goals
- Forms and Processes
 - OJT for LPAs
 - Resources





DBE Goal Assurances

At Time of Bid Submittal

The DBE Goal Assurance [Form 3102C](#):

Is submitted by all prime contractors participating in the bid. On this form, the prime contractors identify that

- they will meet the assessed DBE Goal
- OR
- they will not meet the assessed DBE Goal and will provide GFE documentation

The prime contractor must submit this form fully completed in order to be deemed responsive





Good Faith Efforts (GFE)

A separate presentation
for in-depth GFE
information has been
created.

If you are interested in
receiving a PDF version of
this, please reach out and
let us know

CA Agency Responsibilities

The DBE Goal Assurance Form 3102C:

The agency ensures that the form is received from each bidder, and reviews it for completeness.

The agency submits the DBE Goal Assurance form, along with the DBE Affidavits and Online Bidders List, to BECO for concurrence with the agency's selected apparent low bidder (ALB) prior to contract award.

ROLES AND
RESPONSIBILITIES

DBE Goals





DBE Goal Assessment

- Every project with even one dollar of FHWA funds is assessed for a DBE Goal
- The agency submits a request to BECO prior to Federal Authorization for DBE Goal Assessment, including the Final Scope of Work and the TRACS Number
- The agency coordinates with the agency PM to complete the DBE Goal Setting Worksheet in the DBE Goal Setting Application

DBE Goal Assessment

continued

- The DBE Goal Assessment Email must be included in the Federal Authorization Package to ADOT

NOTE: Please ensure all agency staff who require use of the DBE Goal Setting Application have been granted access. If assistance is required, please see page 4 of the user Manual in the DBE Goal Setting Application, and allow 48 hours processing time.



Meeting the DBE Goal: Contractor

- The contractor must meet the assessed DBE Goal on the contract, or provide GFE
- The contractor is subject to sanctions if the assessed DBE Goal is not met at the end of the project and GFE not demonstrated in accordance with LPA EPRISE Section 26.0
- The contractor can appeal the decision to the ADOT State Engineer



Meeting the DBE Goal: Agency

- The agency monitors contractor's compliance in meeting the DBE Goal throughout the life of the contract
 - At the time of substantial completion, the agency determines if assessed DBE Goal was met
 - If DBE Goal was not met, the agency evaluates all provided GFE documentation
- The agency makes determination and notifies BECO for concurrence and forwards the Substantial Completion Letter to BECO
- The agency may impose sanctions in accordance with LPA EPRISE Section 26.0

Meeting the DBE Goal



Meet the DBE goal - don't get sanctioned



Forms & Processes

AZ UTRACS Registration

- All contractors and all subcontractors, including DBEs, must be registered in the AZ UTRACS Web Portal
- The agency provides assistance to contractors with AZ UTRACS registration, as necessary



AZ UTRACS Registration

[Start AZ UTRACS Registration](#)

AZ UTRACS Registration is a business registration required for all firms who wish to work on federally funded transportation projects in Arizona, including Prime Contractors and Prime Consultants, Subcontractors, Subconsultants, Disadvantaged Business Enterprises (DBEs), and Small Business Concerns (SBCs).

This registration satisfies a federal requirement ([49 CFR Part 26.11\(c\)](#)) that instructs ADOT to maintain a bidder's list to help the agency calculate its overall triennial DBE for FHWA, FTA and FAA funded contracts, as well calculate individual contract goals for FHWA funded contracts.

A benefit associated with completing this registration is that your firm is added to the AZ UTRACS Transportation Business Directory and a comprehensive firm profile is created, at no cost to your firm. This is used to advertise your firm's capabilities to the business community. This allows firms to find one another and partner to complete Arizona Transportation projects. The firm directory, where firm profiles are accessed, also helps firms find DBEs and SBCs needed to meet specific contract requirements.

ADOT f t in o .. YouTube

subscribe for updates

About Motor Vehicles Projects Business Planning News Traffic Maps Contact

Home » Business » Business Engagement and Compliance » LPA/Subrecipient DBE Compliance » Contract Forms / Specs

Contract Forms / Specs

Overview DBE Goal Requests **Contract Forms / Specs** Reporting Guides / Resources

- Professional Services Contract (with DBE Goal)
- Professional Services Contract (without DBE Goal)
- Construction Contract (with DBE Goal)
- Construction Contract (without DBE Goal)
- FHWA Reporting and LPA Contract Management System
- Procedure Manuals
- Commercially Useful Function (CUF)

[ADOT LPA Contract Management System](#)

FHWA Checklists

- [LPA FHWA Checklist Construction](#) (Rev. 10/02/2019)
- [FHWA Compliance Checklist for Professional Services 2017](#) (Rev. 1/09/2017)
- [FHWA Compliance Checklist MPOs and COGs 2017](#)

Good Faith Effort

- [Good Faith Efforts Guidance Appendix A](#)
- [FHWA Video - Evaluating Good Faith Efforts](#)
- [ADOT GFE Guide \(Form 103c\)](#) (Rev. 8/2/2017)

Compliance Reporting

- [FHWA Monthly Report Template](#) (Rev. 8/15/18)

Business

- ADOT Broadband Office
- ADOT Business Coach On Demand
- Business Engagement and Compliance
 - About Us
 - Bidding Opportunities
 - Business Registration and Certification
 - DBE Goals and Reports
 - DBE Supportive Services
 - DBE Contract Compliance
 - LPA/Subrecipient
 - Overview
 - DBE Goal Requests
 - Contract Forms / Specs**
 - Reporting
 - Guides / Resources
 - On-the-Job Training/Contract Compliance
 - On-the-Job Training/Supportive Services
 - DBE Disparity Study
 - Disadvantaged Business Enterprise Program
 - DBE Labor and Compliance Reporting
 - Contact Us
- Civil Rights/External EEO Complaints
- Engineering and Construction
- Contracts and Specifications
- Project Management Services
- Highway Maintenance

Forms for All DBE Compliance Requirements

The most up-to-date forms for DBE Compliance Requirements can be found on ADOT's [LPA Website](#)

DBE Document Submittal: Prime Contractor

At the time of bid submittal:
The DBE Goal Assurance Form

By 4:00 pm on the 5th calendar day:

- Online Bidders List
- DBE Intended Participation Affidavit (Individual Form 3105C)
(submit one form for each DBE)
- DBE Intended Participation Affidavit (Summary Form 3106C)

NOTE: All bidders are encouraged to submit affidavits.

Bidders will identify all DBE firms at all tiers intended to be used on the project corresponding to the DBE Intended Participation Affidavits submitted for each DBE firm

DBE Document Submittal: Agency

The agency receives the DBE Goal Assurance form at the time of bid submittal

By 4:00 pm on the 5th calendar day:

- The agency collects the Online Bidders List Email Confirmation Notices from all bidders
- The agency receives the DBE Intended Participation Affidavit and DBE Intended Participation Summary Affidavit
- The agency reviews the forms for accuracy and completeness after the 5th calendar day

DBE Document Submittal: Agency

(continued)

- The agency reviews apparent low bidder's (ALB) Online Bidders List Notice and DBE Affidavits (submittal) after 4:00 pm on the 5th calendar day after bid opening.
- If the ALB is non-responsive, the agency reviews the subsequent low bidder's submittal and continues down the list of bidders until a responsive bidder is identified. If no responsive bidder is identified, the agency will consider rejection of all bidders and re-advertising the project.
- After review, the agency compiles the ALB's DBE Goal Assurance Form, Online Bidders List Notice and DBE Affidavits into one attachment and emails within 7 business days of review to BECO at LPAContractorCompliance@azdot.gov

DBE Document Submittal: Agency

Example of an Email to BECO for Bid Verification Concurrence:

Subject: Bid Verification Request for Project TRACS NO: "....."

Email Body: "Agency Name" received "#" bids for "TRACS NO": ".....", "Contractor", "Contractor", "Contractor"

Please see comments below:

All Bidders submitted the DBE Assurance Form

All Bidders submitted the Bidders List Email Confirmation

"Contractor" is the Apparent Low Bidder

The DBE Goal for this project assessed at "...%".

"Contractor" met/exceeded the goal, utilizing "DBE Names", committing to "...%" DBE utilization

"DBE Names" is/are listed in AZ UTRACS and are certified as DBE to perform the work on this project

Attached to this email are the following documents:

- Intended Participation Affidavit – Summary: "Contractor Name"

- Intended Participation Affidavit(s): "DBE Names"

- Bidders List email confirmation: "Contractor Name"

"Agency Name" is seeking your concurrence and will await your approval.

Executed Contract

The agency ensures that the executed contract between the contractor and the agency includes the following documents:

- LPA EPRISE Contract Language
(with or without DBE Goal)
- DBE Assurance and DBE Affidavits
(Individual and Summary)
- TSR Request Form and COP Form
- LPA Prompt Pay and Payment Reporting Provisions
 - EEO Compliance Report



A close-up photograph of a hand holding a US dollar bill, with another hand reaching up to take it. The background is dark and out of focus.

Prompt Payment Requirements

- The contractor must pay its subcontractors, DBEs and non-DBEs, within 7 calendar days from receiving Agency payment
- The agency makes payments to contractor on or before 14 days after the estimate of the work is approved

Prompt Payment Requirements

(continued)

- The agency monitors LPA DBE System each month and ensures the contractor is complying with the prompt payment requirements
- The agency reviews the contractor's documentation in making compliance determinations and, with BECO's support, considers sanctions
- The agency notifies the contractor of sanctions imposed





Prompt Payment Requirements

(continued)

Sanctions for Prompt Payment Non-Compliance

- If payments are not made promptly, sanctions will apply in accordance with Prompt Pay and Payment Reporting Provisions
- The contractor makes reasonable efforts to resolve payment disputes and pay subcontractors timely and documents efforts in the LPA DBE System

Payment Reporting Requirements

- The DBE Program mandates that the agency actively monitors payments
 - The agency reports payments to contractors in the DBE System by the 7th of each month for the previous month's payment activities



Payment Reporting Requirements

(continued)

Payments must be reported by contractors and subcontractors with lower-tiers in the LPA DBE System:

- The contractor enters subcontractor payment information into the system no later than the last day of the month for the prior month's payment activities
- If no payment was made, the contractor enters a zero-dollar value as payment
- The contractor must use the comments section in the LPA DBE System to explain why subcontractor invoices weren't fully paid; or, to identify any other issues concerning prompt payment

Payment Reporting Requirements

(continued)

- The agency monitors contracts monthly to ensure compliance with payment reporting
- The agency notifies contractor of sanctions imposed
 - If payments are not reported monthly, sanctions will apply in accordance with Prompt Pay and Payment Reporting Provisions for Inadequate Reporting



Payment Reporting Requirements

(continued)

Subcontractor Payment Verification

- Subcontractors verify payment within 15 days of electronic notice of reported payment
- The contractor actively monitors the LPA DBE System for payment confirmations
- The agency monitors contracts monthly to ensure compliance with payment reporting provisions
- If subcontractors do not verify payments within 45 days of contractor reporting payment, the Agency confirms payment in the LPA DBE System and accepts it as promptly paid unless a dispute arises



Termination/ Substitution/ Reduction of Work

A separate presentation
for in-depth TSR
information has been
created.

If you are interested in
receiving a PDF version of
this, please reach out and
let us know

Commercially Useful Function (CUF)

Contractor:

- The contractor ensures DBEs on the project are performing a CUF in accordance with LPA EPRISE Section 18.06
- The contractor receives credit only when a DBE performs a Commercially Useful Function

Note:

CUF decisions may be appealed by contractor or DBE to BECO

Commercially Useful Function (CUF)

Agency:

- The agency conducts project site visits to confirm all DBEs on the project are performing a CUF
- The agency conducts CUF reviews using the CUF checklist and certifies with signature that a CUF is being performed
- The agency notifies contractor, in writing, within seven calendar days of the review if it determines that the DBE is not performing a CUF

Note:

CUF decisions may be appealed by contractor or DBE to BECO

Certification of Final DBE Payments (COP)

- The contractor submits Form 3110C to the agency for all DBEs no later than 30 days after the DBE completes work

Note: The Contractor is not released from the obligations of the contract

- The agency reviews the COP form and verifies it against the DBE Affidavit amounts and the payment information in LPA DBE System
- If dollar amounts (on COP and in the LPA DBE System) match, the agency approves Certification of Final Payment form and sends it to BECO for concurrence
- If dollar amounts do not match, the agency coordinates with contractor for reconciliation
- The agency sends a copy of COP(s) to BECO for concurrence and loads them into the LPA DBE System under the “Docs” tab

Certification of Final DBE Payments (COP)

The \$ amount on the COP must match the final \$ amount in the DBE system

ADOT
CERTIFICATION OF FINAL DISADVANTAGED BUSINESS ENTERPRISE (DBE) PAYMENTS

Construction Contracts
(Submit one form for each DBE involved in the contract)

The undersigned Contractor on TRACS No. SZ123401C hereby, certifies that full payment was made, to the firm indicated for material and/or work performed under this project's contract as follows:

DBE FIRM A2 UTRACS Registration# 12345
Name of DBE Firm: DBE Firm was paid the amount of \$2,500.00

This certificate is made under Federal and State Laws concerning false statement. Supporting documentation submitted in accordance with the DBE system is subject to audit and should be retained for a minimum of three years from project acceptance date. In the event the DBE was not paid in accordance with affidavits submitted by the prime contractor, all documentation supporting the contractor's position should be submitted.

I DECLARE UNDER PENALTY OF PERJURY IN THE SECOND DEGREE, AND ANY OTHER APPLICABLE STATE OR FEDERAL LAWS, THAT THE STATEMENTS MADE ON THIS DOCUMENT ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Contractor Company Name: Contractor ABC
Check One: ☐ Prime Contractor ☒ Subcontractor
Name: John Smith Title: Title
Signature: _____
Date: 11/11/2018

The undersigned subcontractor/supplier/manufacturer for the above named project hereby certifies that payments were received and/or justification by the contractor is correct.

I DECLARE UNDER PENALTY OF PERJURY IN THE SECOND DEGREE, AND ANY OTHER APPLICABLE STATE OR FEDERAL LAWS, THAT THE STATEMENTS MADE ON THIS DOCUMENT ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

DBE Firm Name: DBE Abcdefg
Check One: ☒ Subcontractor/Supplier/Manufacturer ☐ Lower tier Subcontractor/Supplier/Manufacturer
Name: John Smith Title: Title
Signature: John Smith
Date: 11/11/2018

UTRACS
Compliance Audit Summary - November 2018 and Totals to November 2018

November 2018		Totals to November 2018	
Payments	Percent	Payments	
Contract Award Value & Goal			
Paid to Prime	\$13,707.85	\$26,978	\$24,278
For Credit Payments - Prime + Subs	\$13,707.85	\$24,278	\$24,278
For Credit Payments - Prime	\$13,707.85	\$24,278	\$24,278
For Credit Payments - Subs	\$0.00	\$0.00	\$0
For Credit to DBE Goal	\$13,707.85	100.00%	\$24,278

Mark Unconfirmed Sub Entries as Confirmed \$2,500.00
Extend Reporting Deadline By Two Weeks From Today

Prime Contractor - November 2018

Prime Contractor	Cert	Inc. In Goal for Period	This Period	Prime's Share This Period	Total to Nov 2018	Prime's Share Total to Nov 2018	Contract Period
	See (C)	DBE	\$13,707.85	\$13,707.85	\$24,278.34	\$24,278.34	

Click prime name to view payment history for this contract. Click contact person's name to send them a message.

Subcontractors - November 2018

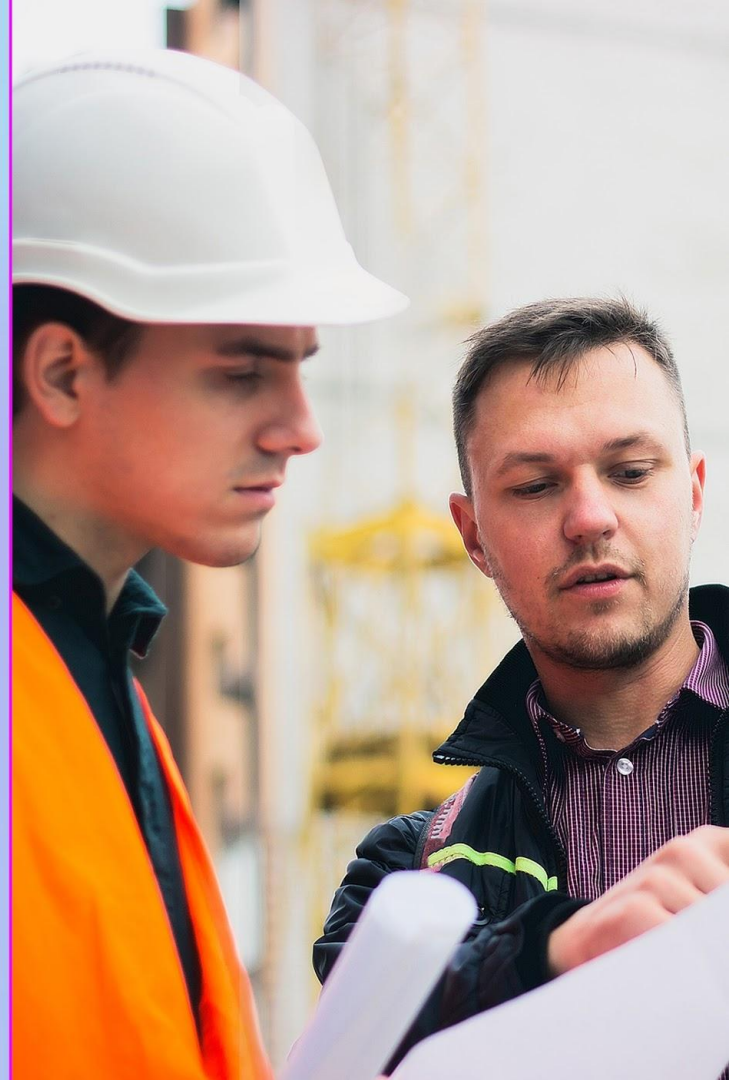
Subcontractor	Cert	Type	Inc. In Goal for Period	This Period	Confirmed By Sub	Total Payments to June 2017
	See	Sub		Not included in audit	ADD to audit	\$0.00
DBE Abcdefg [info] John Smith john@abcdefg.com P 402-123-4567		Sub	100%	DBE	Not included in audit	\$2,500.00

Click subcontractor name to view payment history for this contract. Click contact person's name to send them a message.

POST AWARD

ADOT

OJT for LPAs



OJT for LPAs

To date, there is no definite plan to implement OJT for the CAs.

The LPA DBE System and DOORS (ADOT's DBE System) will first have to merge. DOORS has designated OJT tabs for tracking trainees, OJT hours etc.

You will be the first to know when talks of the implementation pick up again.



Resources

LPA Website:

<https://azdot.gov/business/business-engagement-and-compliance/lpa-subrecipients>

Email for Bid Verifications, COPs and other time-sensitive items:

lpacontractorcompliance@azdot.gov

Direct Contact for LPA Program
Manager:

Melanie Peterson at
mpeterson2@azdot.gov

