



Disadvantaged Business Enterprise (DBE) Program
Goal on Federally-Assisted Opportunities
with
Federal Transit Administration

Federal Fiscal Years 2020, 2021 & 2022

Prepared by: Jenny Allen, Civil Rights Division



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION 6
Texas, Oklahoma,
Arkansas, Louisiana, and
New Mexico

819 Taylor Street, Room 14A02
Fort Worth, TX 76102

December 16, 2020

Jenny Allen, Civil Rights Division Manager, DBELO
Oklahoma Department of Transportation, Recipient ID: 1565
200 NE 21ST
OKLAHOMA CITY, OK 73105

Re: Revised FY 2020-2022 Triennial DBE Goal

Dear Jenny Allen, Civil Rights Division Manager, DBELO,

The Federal Transit Administration (FTA) has received and reviewed Oklahoma Department of Transportation's revised Disadvantaged Business Enterprise (DBE) triennial goal setting methodology for Federal Fiscal Years (FFY) 2020-2022. This DBE goal is effective October 1, 2019 through September 30, 2022. This submission is required by the Department of Transportation DBE regulations found at 49 C.F.R. Part 26. Your proposed overall goal is 3.0%, with a proposed race-conscious/race-neutral split of 0.70% RC / 2.3% RN.

Our review considered all elements required by the Department of Transportation regulations found at 49 C.F.R. § 26.45, including the descriptions of the evidence and methods used to calculate, adjust and establish the overall goal. The review assessment attached to this letter identifies the specific areas reviewed, any concerns, and relevant reviewer comments. You must address and correct any identified concerns to assure you are implementing the goal in accordance with the regulations. Your goal status is now *Concur*, and your next triennial goal is due to FTA on **August 1, 2022**. FTA will verify corrections have been made and implemented at the next oversight opportunity.

You are expected to make a good faith effort to meet your goal each year during the three-year period for which it is in effect. You must document your DBE attainment on FTA-funded contracts and purchases by submitting a semi-annual report via TrAMS on June 1 and December 1 of each year. If you fall short of your overall DBE goal in any given year, you must develop a shortfall analysis and corrective action plan following the guidance in 49 C.F.R. § 26.47(c). Transit vehicles must be purchased from a DBE-certified transit vehicle manufacturer (TVM) and reported to FTA within 30 days of purchase. The current list of DBE-certified TVMs and the online reporting tool can be found on the DBE portion of FTA's website at www.transit.dot.gov. Finally, any mid-cycle adjustment to your goal to reflect changed circumstances must be submitted to FTA.

FTA is committed to providing technical assistance to help correct your DBE goal and to implement your program consistent with the regulations and guidance. In order to preserve paper, we are issuing this letter electronically via email and it is attached to your profile in

TrAMS. Please do not hesitate to contact me directly at 817-978-0567 or at marisa.appleton@dot.gov if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Marisa Appleton". The signature is fluid and cursive, with a large initial "M" and a stylized "A".

Marisa Appleton/s/
Civil Rights Officer, Region 6

cc: Monica McCallum, FTA Civil Rights, Director of Regional Operations

Introduction

This report details the Oklahoma Department of Transportation's (ODOT) process for setting the Federal Fiscal Years (FFYs) 2020, 2021 and 2022 overall goal for Disadvantaged Business Enterprise (DBE) participation on Transit related opportunities.

The goal setting methodology complies with the DBE rule set forth in the Code of Federal Regulations (CFR), 49 Part 26.45. This submission includes a description of the methodology used to establish the goal, including the base figure and the evidence by which it was calculated, evidence relied upon for any adjustments to the base figure, and a projection of the portions of the overall goal expected to be met through Race Conscious (RC) and Race Neutral (RN) measures, respectively.

For questions or comments contact:

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Description of Methodology

Proposed DBE Goal for Federal Fiscal Years 2020, 2021 & 2022

The Oklahoma Department of Transportation (ODOT) proposes the following goal for participation by DBEs on transit related opportunities for FFYs 2020, 2021 & 2022:

Race Conscious (RC) -	0.70%
Race Neutral (RN) -	<u>2.30%</u>
Total DBE Goal -	3.00%

Step One Base Figure Section 26.45(c)

In determining the available pool, the relative availability (percentage) of DBEs in Oklahoma and surrounding states that apply for grants was determined. In simplest terms, this percentage, or baseline ratio, can be calculated as follows:

$$\frac{\text{Ready, Willing and Able DBEs}}{\text{All Sub recipients Ready, Willing and Able (DBEs and non-DBEs)}}$$

Data collected for this methodology was based off the previous FFYs (October 1, 2015 – September 30, 2018). ODOT used DBE Method 2 to determine our goal. Since this methodology report is based on transit opportunities, ODOT utilized the list of sub recipients that received FTA grant funds specifically for administrative, capital purchases and operating expenses. Information on the sub recipients is tracked and monitored by ODOT’s Office of Mobility & Public Transit Division through an online database management system called Making Your Life Easier Online (MYLEO.net). The total amount of federal funds *available* was \$78,451,622.00. A total of \$66,212,814.00 was distributed to in-state sub recipients while \$642,000.00 was distributed to out-of-state sub recipients. In-state sub recipients refer to transit entities and out-of-state sub-recipient funding was distributed to procurement consultants.

A total amount of \$30,586,755.75 of FTA assisted contract funds was distributed by project. The table below illustrates the project categories as well as the North American Industry Classification System (NAICS) codes that correspond within the ODOT’s certified Directory.

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)		ACCESS EQUIPMENT	\$0.00	0.0000
2)		ALTERNATIVE FUEL EQUIPMENT	\$0.00	0.0000
3)		COMMUNICATION EQUIPMENT	\$0.00	0.0000
4)		EQUIPMENT	\$0.00	0.0000
5)		MISCELLANEOUS	\$0.00	0.0000
6)		VEHICLE	\$0.00	0.0000
7)		ADMIN SUPPORT EQUIPMENT	\$3,347.90	0.0001
8)		ADVERTISING	\$172,734.18	0.0056
9)	334516;339112;446110;541380;561210;612511;621512;621999	ALCOHOL/DRUG TESTING	\$3,189.21	0.0001
10)	531120;541211;541000	AUDIT	\$309,732.33	0.0101
11)	541110	LEGAL SERVICES	\$66,448.28	0.0022
12)		OFFICE FURNISHINGS	\$5,319.40	0.0002
13)	522320	SUBSCRIPTIONS & MEMBERSHIP FEES	\$246,226.39	0.0081
14)	541519;541611;541618;541690;561920;611410;611430;611699	TRAINING PROGRAMS	\$157,468.35	0.0051
15)		TRAVEL, ADMIN	\$205,698.24	0.0067
16)	236115; 236116; 236118; 236210; 236220; 238210; 238220; 238320; 238990;423610;423730;423850;444190;541350;561210;561320;561612;561710;561720;561730; 561790; 562111	BUILDING MAINTENANCE AND REPAIRS	\$246,219.45	0.0080
17)		EQUIPMENT MAINTENANCE AND REPAIRS	\$39,575.23	0.0013
18)		EQUIPMENT SERVICE AGREEMENTS	\$129,197.10	0.0042
19)		FEES AND LICENSING	\$7,953,648.79	0.2600
20)		FUEL	\$2,880,012.24	0.0942
21)	523210;524292;524298	INSURANCE, OTHER	\$769,868.52	0.0252
22)		MISCELLANEOUS	\$378,663.28	0.0124
23)		OFFICE AND GARAGE SPACE	\$508,613.08	0.0166
24)	541511;541512;541513;541519;541611;541990;611430	OPERATIONAL SUPPORT EQUIPMENT	\$11,389.78	0.0004
25)		POSTAGE	\$55,261.25	0.0018
26)		PRINTING	\$65,036.79	0.0021
27)		SUPPLIES	\$537,626.32	0.0176
28)		TELEPHONE	\$1,090,102.18	0.0356
29)	236220;481219;485991;485991;485999;518210;541611;541618;561320;561499;611430;621910;624320	TRANSPORTATION SERVICE AGREEMENTS	\$1,453,021.58	0.0475
30)		TRAVEL, OPERATIONAL	\$121,150.88	0.0040
31)		UTILITIES	\$438,452.91	0.0143
32)		VEHICLE INSURANCE	\$4,587,919.98	0.1500
33)		VEHICLE MAINTENANCE AND REPAIRS	\$8,150,832.11	0.2665
34)				0.0000
35)				0.0000
Total FTA-Assisted Contract Funds			\$30,586,755.75	1

The Step One calculation was performed by first determining the available pool of ready, willing and able DBE firms in each work category. Then the total number of all ready, willing, and able firms was determined. The total number includes both DBE firms and non-DBE firms. Finally, the number of DBE firms was divided by the number of all firms to arrive at the baseline ratio for each work category. This provides the Step One, or preliminary, calculation of the level of DBE participation one would expect absent the effects of discrimination.

Weights

To further refine the base percentage, the available pool is generally weighted with the work categories available within the Office of Mobility & Public Transit Division. The chart below illustrates the weight of each category determined by calculating the relative availability of DBEs in that category against the weight of the contracting funds. The resulting base goal is 5.92%. The base goal is then rounded to the nearest whole number, which is 6.00%.

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)		ACCESS EQUIPMENT		x		
2)		ALTERNATIVE FUEL EQUIPMENT		x		
3)		COMMUNICATION EQUIPMENT		x		
4)		EQUIPMENT		x		
5)		MISCELLANEOUS		x		
6)		VEHICLE		x		
7)	541611; 541618; 541690; 561110; 561210;	ADMIN SUPPORT EQUIPMENT	0.00011	x	7.00000	0.0008
8)	541613;	ADVERTISING	0.00565	x	0.21111	0.0012
9)	334516;339112;446110;541380;561210;612511;621512;621999	ALCOHOL/DRUG TESTING	0.00010	x	0.75000	0.0001
10)	531120;541211;541000	AUDIT	0.01013	x	0.66667	0.0068
11)	541110	LEGAL SERVICES	0.00217	x	0.25000	0.0005
12)		OFFICE FURNISHINGS	0.00017	x		
13)	522320	SUBSCRIPTIONS & MEMBERSHIP FEES	0.00805	x	0.03704	0.0003
14)	541519;541611;541618;541690;561920;611410;611430;611699	TRAINING PROGRAMS	0.00515	x	0.75000	0.0039
15)		TRAVEL, ADMIN	0.00673	x		
16)	236115; 236116; 236118; 236210; 236220; 238210; 238220; 238320; 238990;423610;423730;423850;444190;541350;561210;561320;561612;561710;561720;561730; 561790; 562111	BUILDING MAINTENANCE AND REPAIR	0.00805	x	0.38554	0.0031
17)		EQUIPMENT MAINTENANCE AND REPAIR	0.00129	x		
18)	238290	EQUIPMENT SERVICE AGREEMENTS	0.00422	x	0.08333	0.0004
19)		FEES AND LICENSING	0.26004	x		
20)		FUEL	0.09416	x		
21)	523210;524292;524298	INSURANCE, OTHER	0.02517	x	0.25000	0.0063
22)		MISCELLANEOUS	0.01238	x		
23)		OFFICE AND GARAGE SPACE	0.01663	x		
24)	541511;541512;541513;541519;541611;541990;611430	OPERATIONAL SUPPORT EQUIPMENT	0.00037	x	0.80000	0.0003
25)		POSTAGE	0.00181	x		
26)		PRINTING	0.00213	x		
27)		SUPPLIES	0.01758	x		
28)		TELEPHONE	0.03564	x		
29)	236220;481219;485991;485991;485999;518210;541611;541618;561320;561499;611430;621910;624320	TRANSPORTATION SERVICE AGREEMENTS	0.04750	x	0.75000	0.0356
30)		TRAVEL, OPERATIONAL	0.00396	x		
31)		UTILITIES	0.01433	x		
32)		VEHICLE INSURANCE	0.15000	x		
33)		VEHICLE MAINTENANCE AND REPAIRS	0.26648	x		
34)				x		
35)				x		
					Total	0.0592
					Expressed as a % (*100)	5.92%
					Rounded, Weighted Base Figure:	6%

Step Two Adjustments Section 26.45(d)

Past Participation

Additional evidence considered was the current capacity of DBEs to perform in the USDOT assisted program, as measured by the past participation of DBEs. The past five years of DBE goal attainment was listed to determine the median participation for consideration as an adjustment to the DBE goal. The median attainment is optional in the goal methodology process. In the past ODOT's CRD was not an inherit component of the agency's FTA activities during the development of the DBE goal, and as a result RC and RN goals were not calculated. The CRD and the Office of Mobility & Public Transit Division have been working together on bringing awareness about the DBE program to vendors, sub recipients and firms interested in transit related opportunities.

FFY	Annual Goal	Attainment %
2014	2.30%	0.00%
2015	2.30%	0.00%
2016	2.30%	0.00%
2017	2.30%	0.00%
2018	0.00%	0.00%
Median Participation 0.00%		

The step one baseline goal is added to the median for past participation, then divided by two for the step two percentage for DBE participation.

Step Two Adjustments

Adjustments Based On:

- Past participation
- | | | |
|--------------------------------------|----------|--------------|
| Step 1 Base Goal | | 6.00% |
| Median DBE Participation (2014-2018) | | <u>0.00%</u> |
| Total | | 6.00% |
| | $\div 2$ | |
| Goal | | 3.00% |

Race Conscious and Race Neutral Projections

Based on the Race-Neutral figures and attainments from Federal Fiscal Years 2014-2018, the median is 2.30%.

FFY	Total Goal	Past Participation%	RC	RN
2014	2.30%	0.00%	0.00%	2.30%
2015	2.30%	0.00%	0.00%	2.30%
2016	2.30%	0.00%	0.00%	2.30%
2017	2.30%	0.00%	0.00%	2.30%
2018	0.00%	0.00%	0.00%	0.00%

Race- Neutral and Race-Conscious Goals

The following outlines the figures based on the data reviewed:

- A) Step One: Adjusted Base Goal 3.00%
- B) Race-Neutral Participation 2.30%
- C) Race-Conscious Goal 0.70%

Given the above:

$$\begin{aligned} \text{Neutral Goal} &= B = 2.30\% = 2.30\% \\ \text{Conscious Goal} &= A-B = 2.94\%-2.30\% = \underline{0.70\%} \\ \text{Total DBE Goal for FFYs 2020, 2021 and 2022} &= 3.00\% \end{aligned}$$

ODOT's proposed FTA goal is listed on the main [Civil Rights Division's webpage \(https://www.ok.gov/odot/Doing_Business/Civil_Rights/index.html\)](https://www.ok.gov/odot/Doing_Business/Civil_Rights/index.html). A copy of the methodology report is available on the [Civil Rights Division's Publications, Posters and Brochures page \(https://www.ok.gov/odot/Doing_Business/Civil_Rights/Civil_Rights_-_Publications,_Posters_and_Brochures.html\)](https://www.ok.gov/odot/Doing_Business/Civil_Rights/Civil_Rights_-_Publications,_Posters_and_Brochures.html).

Consultation

49 CFR 26.45(g)(1) requires consultation with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and ODOT's efforts to establish a level playing field for the participation of DBEs. A virtual consultation meeting was held on October 26, 2020, for the following organizations:

- Black Chamber of Commerce;
- Hispanic Chamber of Commerce;
- Oklahoma City Housing Authority;
- Oklahoma Department of Commerce – Small, General and Minority Business;
- Cherokee Nation Business;
- SCORE;
- Greenwood Chamber of Commerce; and
- Oklahoma Procurement Technical Assistance Center.

ODOT did not receive any comments during the consultation meeting.