

**Overall Disadvantaged Business Enterprise (DBE) Goal Methodology  
For Federal FY 2016-2018**

(June 15, 2015)

**Purpose**

As required by the Code of Federal Regulations, specifically 49 CFR Part 26, West Virginia University (WVU) is required to submit to the Federal Transit Administration (FTA) its triennial Disadvantaged Business Enterprise (DBE) goal before August 1, 2015. The triennial goal covers the period starting October 1, 2016 through September 30, 2018 (or federal fiscal years 2016, 2017 and 2018).

A public notice was placed in the Dominion Post and Charleston Gazette and disseminated through the Eastern Minority Supplier Development Council, Black Business Association Supporting Entrepreneurs, and with the WV Small Business Development Center. It is also posted on WVU's Procurement, Contracting and Payment Services website at: <http://financediv.wvu.edu/home/pcps/vendor-services/disadvantaged-business-enterprise-program>.

If substantive comments are received, WVU may submit a change to the triennial goal to the FTA.

**WVU's Proposed Triennial DBE Goal**

WVU's proposed triennial goal is 7% of the total amount of FTA-assisted contract awards expected to occur during the triennial period. As required by 49 CFR Part 49, the 7% goal excludes the purchase of transit vehicles. WVU anticipates awarding FTA-assisted contracts totaling \$2,264,391. This means that WVU has set a DBE goal to award \$151,026 to DBEs during the triennial period.

**Geographic Preference:**

Based upon data pulled from our financial system and a look at contractors and subs used on previous contracts related to our Personal Rapid Transit system, we determined that our market area encompasses four states. Included were Allegheny and Garrett counties in Maryland, Jefferson, Summit and Washington counties in Ohio, Allegheny, Bedford, Berks, Bucks, Butler, Fayette, Greene, Kent (Washington), Somerset, Washington and Westmorland counties in Pennsylvania, and all counties in West Virginia.

**Information Sources Used:**

In calculating the over goal, we used the WV DOT UCP Directory, PA DOT UCP Directory, MD DOT UCP Directory, OH DOT UCP Directory and the US Census Data.

## **Methodology Used to Calculate Overall Goal:**

The methodology used by WVU to establish its 7% DBE goal is prescribed in 49 CFR Part 26:

**Step 1:** 26.45(c) The base figure for the relative availability of DBEs was determined. Reference Attachment 1.

Column D: Percentage of Total Awards

The “Elements of Work” were identified along with the “Estimated Award per Element”, to determine the “Percentage of Total Award” for weighting purposes.

Columns E/F: # of DBEs and # of All Firms

The “# of DBE’s” and “# of All Firms” for each Element of Work were identified based on the West Virginia, Ohio, and Pennsylvania Department of Transportation (DOT), Uniform Certification Program (UCP) DBE Directory and the 2010 United States Census for businesses in WVU’s market area.

Column G: Relative Availability

The “Relative Availability” of each work element (weighted) was calculated dividing the # of DBEs by the # of All Firms (Column E / Column F).

Column H: Weighted DBE Goal

The “Weighted DBE Goal” was calculated by multiplying the Relative Availability times the Percentage of Total Awards (Column G x Column D).

Total DBE: Total DBE Goal.

Goal: The total DBE Goal of 7% was calculated by totaling the numbers in Column H.

**Step 2:** 26.45(d) Adjustments. After calculating a base figure for the relative availability of DBE’s, WVU attempted to apply other practical methods to determine if any adjustment were needed to the arithmetic 7% DBE goal determined in Step 1.

Because the goods and services to be awarded using FTA-assistance during the triennial period (a) are highly specialized and unique to the “personal rapid transit systems” (there are only 2 similar systems nationwide), and (b) will replace systems that are not routinely purchased, there was limited historical and anecdotal data to draw upon in determining if the arithmetic calculation in Step 1 should be adjusted.

To reflect as accurately as possible the DBE participation that would be expected in the absence of discrimination, the 7% figure will be used as WVU’s triennial DBE goal.

## **Breakout of Estimated Race-Neutral & Race Conscious Participation:**

26.51 WVU has access to data from projects related to the Personal Rapid Transit (PRT) over the past 3 years, but no similar projects have the data that would be required for analysis. During the last triennial goal period, WVU decided to set a race conscious goal of 1.45%. During that period, the bulk of one procurement was for the purchase of wire. That purchase was made from a DBE and exceeded our goal. However, the other procurements fell very close to our goal.

We believe, that with the assistance of the State DOT's Supportive Services Program, we can meet 1% of the overall 7% goal for this triennial period through race neutral means.

The remaining 6% of the overall goal will be met through race conscience participation. WVU will include DBE goals on contracts, until the 6% goal is met. The actual size of the contract goal will be adapted to the circumstances of each contract (e.g., type of work, availability of DBE's to perform the particular type of work). As such, some awards may be solicited with a goal that is higher or lower than WVU's race conscious goal of 6%. WVU will discontinue assigning contract goals if the 6% overall DBE goal is exceeded. Any awards to DBEs beyond that point will be counted as race neutral.

## **Comments or Questions**

The purpose of this communication is to explain WVU's rationale for establishing its triennial DBE goal. Individuals who wish to offer comments or have questions are encouraged to contact the DBE Coordinator listed below.

Comments will be accepted through July 30, 2015.

If substantive comments are received, WVU may submit a change to the triennial goal to the FTA.

Questions on the methodology can be addressed to:

Donna Sisler, DBE Coordinator

(304) 293-7694

[donna.sisler@mail.wvu.edu](mailto:donna.sisler@mail.wvu.edu)

Attachment: FY 2016-2018 DBE Goal

**Attachment 1**

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	237130	SubStation & UPS Repl	0.03237	x	0.04902	0.0016
2)	237310	Structural Repairs	0.26145	x	0.15385	0.0402
3)	238110	Structural Repairs	0.01676	x	0.03562	0.0006
4)	238120	Structural Repairs	0.01676	x	0.33333	0.0056
5)	238210	SubStation & UPS Repl	0.19886	x	0.01067	0.0021
6)	238220	UPS Replacement	0.00058	x	0.00282	0.0000
7)	238320	UPS Replacement	0.00029	x	0.00977	0.0000
8)	327310	Structural Repairs	0.03352	x	0.00000	
9)	335313	SubStation Replacement	0.12713	x	0.06250	0.0079
10)	335931	SubStation Replacement	0.11442	x	0.00000	
11)	335999	SubStation & UPS Repl	0.03411	x	0.10526	0.0036
12)	336320	SubStation & UPS Repl	0.01300	x	0.00000	
13)	423610	SubStation & UPS Repl	0.14404	x	0.03435	0.0049
14)	532412	Structural Repairs	0.00670	x	0.01370	0.0001
15)	0	0	0.00000	x	0.00000	
16)	0	0	0.00000	x	0.00000	
17)	0	0	0.00000	x	0.00000	
18)	0	0	0.00000	x	0.00000	
19)	0	0	0.00000	x	0.00000	
20)	0	0	0.00000	x	0.00000	
					<b>Total</b>	0.0667
					Expressed as a % (*100)	6.67%
					<b>Rounded, Weighted Base Figure:</b>	<b>7%</b>