



# Greater Cleveland Regional Transit Authority

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Office of Business Development

Disadvantaged Business Enterprise Program

Proposed Federal Fiscal Year 2007

Annual Overall DBE Goal

Executive Committee

July 11, 2006



# Major Points of Discussion

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- Overall Annual DBE Goal Approval Process
- Overview of DBE Program
- Calculation of Overall Annual DBE Goal
- Proposed 2007 Overall Annual DBE Goal



# 2007 DBE Goal Approval Process

- June 29, 2006 Community Advisory Committee
- July 11, 2006 Board Committee Review
- July 18, 2006 Board Approval
- July 19, 2006 Publish Goal for Public Comment
- August 1, 2006 Submit Proposed Goal to FTA
- September 1, 2006 Public Comment Period Ends
- Open FTA Review and Approval



# Overall Annual DBE Goal - Authority

- Federal Requirements
  - Establish a program to help remove barriers and create a level playing field on which DBE firms can compete fairly for federally funded projects
  - Establish An Overall Annual DBE Goal which determines level of expected DBE participation



# DBE Program - Rationale

- Level playing field related to past community wide disparities in DBE participation in local contracts
- Commitment to inclusion and equal opportunity in contract procurement
- Comply with Federal Regulations



# DBE Program - Eligibility

- A for profit business at least 51% owned and controlled by a socially and economically underutilized individual
  - Generally Minority and Female owned
  - Personal Net Worth less than \$750,000



# DBE Program – Staff Functions

- Certify DBE Firms
- Establish Overall Annual DBE Goal
- Set Contract Specific Goals for DBE participation in procurements over \$25,000
- Ensure RTA and contractors adhere to federal regulations and Authority policies related to DBE participation in the procurement process
- Monitor DBE participation and report to Board on quarterly basis and FTA on a semi-annual basis



# Calculation of Overall Annual Goal

- Overall Vendor Availability
  - U.S. Economic Census Data
  
- DBE Vendor Availability
  - GCRTA certified DBE listing
  - Ohio Unified Certification Program
  
- Federal FFY Contract Analysis
  - Identify Work Components of Contracts
  - Classify Work by NAICS Code



# Calculation of Overall Annual Goal

- DBE Vendor Availability
  - Number of ready, willing and able minority business establishments in the marketplace
  - Number of ready, willing and able certified DBE firms available in FFY07 contract areas
  - Actual DBE Participation on RTA Contracts Achieved during the past three years



# Calculation of Overall Annual Goal

## ■ Federal FFY Contract Analysis

### Team Approach

- Office of Business Development
- Grants Management
- Project Management
- Rail Transportation
- Bus Equipment-Administration
- Revenue
- Operations-Administration



# DBE Participation - Past Years

<u>FFY</u>	<u>Achieved</u>	<u>Goal</u>
2002	16.10%	17%
2003	20.50%	17%
2004	17.26%	19%
2005	15.79%	17%
2006 (first half)	12.20%	18%



# FFY 2007 Overall Annual DBE Goal

2007 Proposed DBE Goal 18%

Race Conscious 12%

(Set Contract Specific Goal)

Race Neutral 6%

(DBE Prime Contractors)

(DBE Participation that Exceeds Contract Goal)

(DBE Participation when no Contract Goal is Set)



# Recommendation

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Staff is requesting the Executive Committee recommend to the Board the following action at its July 18, 2006 meeting:

Approval of the Proposed 2007 Overall Annual DBE Goal and its submission to FTA for review and approval