



FREQUENTLY ASKED QUESTIONS

General

Where is information regarding Metro DBE policies and procedures published?

Metro values transparency in all of its policies and practices. A complete description of Metro's current DBE Program, certification procedures and certified businesses is available on Metro Connect website at metro.net/connect.

Where is information on upcoming Metro contracts published?

Information on Metro's upcoming contracting opportunities can be found on the Vendor Portal at metro.net/business.

Where is information about upcoming Metro events published?

Visit metro.net/connect to get details on upcoming workshops and networking events.

Where is the SBE Query published?

The SBE Query, or Small Business Directory, can be found at metro.net/sbesearch.

SBE Goal

What is the SBE goal?

SBE prime contractors and subcontractors are encouraged to participate in Metro contracting opportunities. Metro's Overall SBE Goal is 30%.

DBE Goal

What is the DBE overall goal for 2013-2015?

DBE prime contractors and subcontractors are encouraged to participate in Metro contracting opportunities. Metro's Overall DBE goal for Federal Fiscal Year 2016–2018 is 26%. Metro will meet its overall goal by using race-conscious 20.89% and race-neutral 6.11% measures. The DBE goals were established based on the 2012 Disparity Study.

What minority groups will be eligible to meet the DBE overall goal?

The overall DBE Goal is 27%. The race-conscious portion of the goal is 20.89%. The race-conscious goal can only be met by DBE certified African American, Asian-Pacific American, Asian American, Subcontinent Asian American, Native American, and Hispanic American businesses.

The race-conscious goal can only be met by DBE certified African American, Asian-Pacific American, Asian American, Subcontinent Asian American, Native American, Hispanic American and Women owned businesses.

How frequently will Metro monitor DBE utilization?

Metro will review DBE utilization on a contract-by-contract basis. The Uniform Report of DBE Awards/Commitments and Payments required by DBE regulations will be used to monitor DBE utilization on a semi-annual basis.

Is a prime contractor's utilization of DBEs evaluated by whether the DBE goal is met or exceeded?

Metro is committed to ensuring that its Overall DBE Goal is fulfilled. A race-conscious contract goal will be set on prime contracts that have DBE subcontracting possibilities. Prime contractors are expected to meet the contract DBE goal or to provide good faith efforts documentation. All bidders must submit required documentation with their submittals.

Is the utilization of DBEs reported by the prime contractor?

Yes, Metro requires its prime contractors to complete monthly reporting of utilization of ALL subcontractors (DBE, SBE, DVBE and non-certified firms). The Small Business Certification and Compliance Reporting System captures award, contract amendment, prompt payment, participation and other contract information necessary to monitor the status of contracts. Information reported is compiled to fulfill federal reporting requirements. Prime contractors prepare and submit data to the Contract Compliance Unit by the 15th of each month to report their progress on payments and DBE/SBE performance and commitments.

What will be done to prevent prime contractors from superficially using DBEs to win awards, but not fully engaging the DBE in the project?

Metro requires that all DBE subcontractors perform a commercially useful function. The utilization of subcontractors and suppliers is verified at the time the contract is executed. The DBE must perform, manage, and supervise the work involved. If the DBE provides materials or supplies, the DBE must be responsible for negotiating price, determining quality and quantity, ordering the material, and installing and paying for the material.



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Prompt Payment

What will be done to ensure timely payments to subcontractors?

Metro requires its prime contractors to pay their subcontractors for satisfactory performance of their contracts no later than 7 days from receipt of each payment Metro submits to the prime contractor as required by the DBE regulations. Additionally, prompt and full payment of retainage from prime contractors to the subcontractor is required within 7 days after the subcontractor's work is satisfactorily completed.

How will Metro address discrepancies between what is owed to subcontractors and what they are paid by the prime contractor?

Metro requires its prime contractors to complete a monthly expenditure plan for each approved DBE subcontractor. The plan must be submitted within 30 days of the Notice to Proceed. The planned expenditures must equal the dollars committed to each DBE and must be developed according to the approved project schedule. Any changes to the plan must be updated or an executed Change Notice and Work Authorization Change Notice that affects the DBEs' subcontracted work must be submitted. The revised plan must be submitted 30 days prior to the requested change.

Metro also tracks the actual payments to DBEs for work committed at the time of contract award. This data is tracked utilizing Metro's Small Business Certifications Compliance Reporting System (SBCRS).

Disparity Study

What is a Disparity Study?

The purpose of a Disparity Study is to evaluate the contracting practices of government agencies, particularly as they apply to the utilization of minority and women-owned business enterprises. The objective of a Disparity Study is to determine whether minority and women-owned business enterprises received contracts at the level the ethnic and gender groups are available in the market area. Under a fair and equitable system of awarding contracts, the proportion of contract dollars awarded to minority and women-owned business enterprises should be at parity with the proportion of available minority and women-owned business enterprises in the market area. Findings of statistically significant underutilization can be used to define the race and gender-conscious goals.

Why did Metro conduct the Disparity Study?

The Disparity Study was conducted to determine whether Metro has a compelling interest in reinstating the race-conscious portion of its DBE Program. Metro is in the Ninth Federal Circuit, where a disparity study must be completed in order to establish the legal basis for a race-conscious DBE Program. A DBE Program can only have a race-conscious goal if a statistically significant disparity is found for the ethnic and gender groups to be included in the Program.

What was the study period of Metro's Disparity Study?

The study period was January 1, 2008 to December 31, 2010.

Based on the results of the Study, will there be DBE subcontract participation goals?

The findings revealed statistically significant disparities for businesses owned by African Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and Hispanic Americans and significant underutilization of Native Americans. Therefore, the race-conscious portion of the overall DBE Goal can be met by African Americans, Asian-Pacific Americans, Asian Americans, Subcontinent Asian Americans, Native Americans, and Hispanic Americans.



FREQUENTLY ASKED QUESTIONS

Certification

How does a firm seeking Metro certification apply for DBE or SBE certification?

Firms seeking DBE and/or SBE may apply on-line at metro.gob2g.com. Applicants must respond to all questions in the application and upload requested supporting documentation some of which requires notarization by a licensed California notary. Applications cannot be processed until all required questions and supporting documents are complete. Once an application is complete and submitted it will be reviewed, depending on the circumstances firms may be asked to submit additional documentation to support their application.

What does Certification examine when making determinations of DBE eligibility?

Metro's analysis of DBE certification eligibility requirements does not include an examination of any evidence of an applicant's pricing, delivery or performance. If the firm meets disadvantaged, size, ownership, and control requirements of this part, the firm is eligible for certification. See 49 CFR Section 26.73(b)(2).

Is there a cost to become certified?

There is no charge to become certified.

How long does the application process take?

The process typically takes up to 90 days from the date Metro receives a complete application with no missing documentation.

How long does the DBE certification period last?

DBE firms are certified until the DBE removal procedures have been completed. However, you are required to annually submit a No Change Affidavit (and supporting documentation) by the anniversary date of your certification.

Once I am certified, is my firm name listed in a directory?

Yes, Metro participates in the California Unified Certification Program (CUCP). Once certified, your firm's name, address, contact information, NAICS codes and work location preferences will appear in the directory. Firms in the SBE Query can be identified by company name, NAICS codes or work industry.

Do I have to use a separate application for DBE and SBE certification?

Metro uses one application form available online for DBE and SBE certification. While the application is the same, the SBE program is race and gender neutral and the DBE program was created for socially and economically disadvantaged groups: African Americans, Hispanics, Native Americans, Asian Pacific Islanders, Subcontinent Asian Americans and Women.

I am bidding/proposing on a Metro project; can you expedite my certification?

Yes, the on-line application process asks if your firm is bidding/proposing on a Metro project. Please indicate this by submitting the corresponding number and title of the project.

I am bidding/proposing on a project from another agency; can you expedite my certification?

Metro is able to offer expedited service only to applicants who seek to participate in a Metro procurement either as a prime contractor or as a subcontractor to a prime contractor seeking to participate as a prime contractor in a Metro procurement.

What are the NAICS Codes?

The North American Industrial Classification System (NAICS) codes define each industry in which the firm's DBE participation will be recognized. A DBE certified firm is not DBE certified for all industries. Its participation as a DBE firm will only be recognized for DBE participation purposes if the work for which it claims DBE credit is within the scope of the DBE participation in each industry defined by the NAICS Code number. DBE participation is generally recognized as being applicable to all sub-categories of industries that compose a given NAICS Code, but there may be exceptions. A best practice is to get a copy of each firm's DBE Certification letter and examine the letter to get the details.

I am DBE certified with Caltrans and/or the City of Los Angeles; how do I obtain DBE certification with Metro?

Metro is a member of the California Unified Certification Program (CUCP). As such, if you are DBE certified by any one of the CUCP certification units such as Metro, Caltrans, the City of Los Angeles or others, your DBE certification will be recognized and participation on a contract may be recognized as DBE participation. The CUCP website is maintained by Caltrans.



FREQUENTLY ASKED QUESTIONS

What is the Personal Net Worth (PNW) cap?

\$1.32 Million. This excludes individual's ownership interest in the applicant firm, individual's equity in his/her primary residence and tax/penalty for IRA.

If I was denied in the past due to Personal Net Worth (PNW) limit; What should I do to be approved for certification when the PNW cap increases again?

Apply for certification under the new rule.

I submitted an Annual DBE No Change Declaration – Where is my new certification letter?

New DBE Certification letters are not needed because we are no longer obligated to re-certify DBE firms. DBE firms remain certified unless the DBE Certification has been removed under procedures set forth in the US DOT DBE regulation.

How does a firm add more NAICS Codes to its DBE/SBE Certification?

DBE/SBE firms that want to add more work industries to their DBE/SBE certification may complete the NAICS Classification Update/Change, complete with supporting documentation demonstrating the qualifying owner's ability to satisfy the DBE/SBE ownership and control requirements.

Does an out-of-state DBE firm seeking DBE certification in California need to be qualified/registered by the California Secretary of State's office as a condition of being DBE certified in California?

No, an out-of-state DBE firm seeking DBE certification in California is not required by the DBE regulations to be qualified registered by the California Secretary of State's Office as a precondition to DBE certification in this state.

