DEPARTMENT OF TRANSPORTATION
OFFICE OF THE DIRECTOR
1120 N STREET
P. O. BOX 942873
SACRAMENTO, CA 94273-0001
PHONE (916) 654-5266
FAX (916) 654-6608
TTY 711

Flex your power!
Be energy efficient!

Received
NOV 1 C 2007
FHWA

November 14, 2007

Mr. Gene K. Fong, Division Administrator
U.S. Department of Transportation
Federal Highway Administration
California Division
650 Capitol Mall, Suite 4-100
Sacramento, CA 95814

Dear Mr. Fong:

Enclosed is the California Department of Transportation's (Department) Disadvantaged Business Enterprise (DBE) Amended Goal and Methodology for Federal Fiscal Year (FFY) 2008.

The Department requests your review and approval pursuant to 49 Code of Federal Regulation (CFR) §26.45, to establish the overall DBE goal for its federally-assisted highway projects. As a result of a 2005 Ninth Circuit Court of Appeals decision, the Department commissioned a Disparity Study (Study) to determine whether discrimination exists in the conduct of the State's transportation program. The Study was accepted in July 2007. The Department published the proposed overall goal and methodology and held 18 public participation forums statewide to obtain comments.

The Study and public participation comments results were used in formulating the goal and methodology contained in this submittal. The Department has established a proposed overall DBE goal of 13.5 percent for FFY 2008. This overall goal is expected to be achieved, in equal proportions, through race-neutral and race-conscious measures.

Additionally, as required by 49 CFR §26.15, the Department requests a waiver to implement a race-conscious goal of limited application to four identified groups: African American, Asian Pacific American, Women, and Native American businesses.

If you have any questions, please contact Olivia Fonseca, Deputy Director, Civil Rights, at (916) 324-0990, or by e-mail, at olivia_fonseca@dot.ca.gov.

Sincerely,

WILL KEMPTON
Director

Enclosure

c: Randell H. Iwasaki, Chief Deputy Director
Olivia Fonseca, Deputy Director, Civil Rights
Lance Yokota, Civil Rights Program Manager, FHWA

California Department of Transportation
Federal Highway Administration
Disadvantaged Business Enterprise
Amended Goal and Methodology
Federal Fiscal Year 2008

Executive Summary

The California Department of Transportation (Caltrans) submits this Disadvantaged Business Enterprise (DBE) amended goal and methodology to the U.S. Department of Transportation's (USDOT) Federal Highway Administration (FHWA) for review and approval pursuant to 49 Code of Federal Regulation (CFR) §26.45 to establish the overall DBE goal for its federally-assisted highway contracts. Caltrans has relied on FHWA's regulations issued on February 2, 1999, and subsequent guidance issued on December 21, 2005. For Federal Fiscal Year (FFY) 2008, Caltrans has established a proposed overall DBE goal of 13.5 percent, without any Step Two adjustments, as suggested by 49 CFR §26.45.

Pursuant to 49 CFR §26.45, Caltrans followed a two-step process for setting its overall DBE goal for FFY 2008. The first step is the calculation of a base figure for the relative availability of DBEs. Step Two is the consideration of adjustments to the base figure to reflect the effects of the DBE program and the level of participation that would be expected "but for" the effects of past and current discrimination against DBEs. The overall goal is expected to be achieved, in equal proportions, through race-neutral and race-conscious measures. Finally, as required by 49 CFR §26.15, Caltrans requests a waiver to implement race-conscious goals of limited application to four identified groups.

FFY 2008 Goal and Methodology - §26.45

Through a consultant contract, Caltrans commissioned an Availability and Disparity Study (Study) that analyzed factors such as types of work performed by firms, the maximum size of contract that they had bid on or performed, whether or not they worked as a prime contractor, subcontractor, or both, and the regions of the State in which they worked. The analysis is used to calculate the base figure for an overall annual DBE goal, and factors that could be considered in Step Two adjustments to that goal per 49 CFR Section §26.45. BBC Research & Consulting (BBC), the consultant, completed this Study and Caltrans accepted the results in July 2007.

The Study analyzed utilization and availability of "minority- and women-owned" firms in California transportation contracts and examined other quantitative analysis of marketplace conditions. The Study also reviewed anecdotal information from in-depth interviews with nearly 100 business owners and others across California and analyzed oral and written testimony from businesses, trade associations, and other organizations at the 14 public hearings held by Caltrans in March and April of 2007 (two hearings in Los Angeles and one hearing each in Eureka, Stockton, Bishop, Fresno, San Luis Obispo, San Diego, Sacramento, San Jose, Redding, Irvine, San Bernardino, and Oakland).

Base Figure Analysis - §26.45(c)

Summary of the base figure analysis. To examine relative availability of minority- and women-owned firms, a survey was conducted of firms working in the California marketplace, and analysis of

more than 6,673 federally-assisted prime contracts and subcontracts from 2002 to 2006, determined that:

1. Thirty-two percent of firms available for federally-funded transportation construction and engineering work are minority- and women-owned. Caltrans did not use this figure as availability for the share of federal funds going to minority- and women-owned firms, since not all of these firms are available for every type of transportation related work.

2. The Study examined contract type, location, and award size of work involved in Caltrans' prime contracts and subcontracts and the firms available to do this work. BBC determined that the dollar-weighted availability of minority- and women-owned firms is 17.6 percent after considering the size, type of work, and locations of the federally-assisted transportation contracts and subcontracts in recent years. Caltrans weighted the availability by the dollars going to seven different transportation work categories and whether the contracts were let by Caltrans or Local Agencies.

3. After excluding minority- and women-owned firms that might be too large to meet USDOT DBE certification guidelines, the dollar-weighted availability figure for minority- and women-owned firms was calculated to be 13.5 percent.

The 13.5 percent dollar-weighted availability figure is the proposed base figure in the analysis of the FFY 2008 overall DBE goal.

Base figure methodology. Section II, and supporting appendices, of the Study contain an extensive discussion of the approach and methodology for determining relative availability of minority- and women-owned firms for FHWA-assisted contracts.

Survey of the firms available for transportation contracting work. BBC concluded that Caltrans' internal data on DBEs and minority- and women-owned firms available to perform Caltrans contracts and subcontracts did not provide a comprehensive view of businesses available for Caltrans work. Therefore, BBC conducted a telephone survey of firms in lines of business related to transportation contracting located in California. BBC selected California as the relevant geographic market area for the availability analysis because 95 percent of all dollars going to prime contractors, or subcontractors, on transportation construction and engineering projects from 2002 through 2006 went to firms with locations in California.

Firms contacted in the survey were those listed by Dun & Bradstreet as doing business most pertinent to Caltrans transportation construction and engineering contracts. BBC attempted to reach 49,276 business listings. Of these listings, 9,365 were out of business or otherwise did not have valid phone numbers, leaving 39,911 business establishments with valid phone listings. BBC successfully interviewed 18,675 (or about 47 percent) of the business establishments with valid phone numbers, a relatively high response rate for a business survey.

Of the 18,675 firms interviewed, 3,398 were "for-profit" firms reporting that they performed work related to transportation construction, maintenance, or design. These firms are considered to be qualified and interested in performing transportation-related work for Caltrans and/or local governments in the future, or had attempted to obtain transportation-related work in the past (in the public or private sector). These firms also identified the regions of California in which they could

perform work. Of these 3,398 firms in the transportation construction and engineering industry, 32 percent reported that they were minority- or women-owned firms.

Weighted relative availability. In the base figure analysis, the Study weighted relative availability of minority- and women-owned firms using a methodology that builds upon the guidance that USDOT has provided in "Tips for Goal Setting in the Disadvantaged Business Enterprise (DBE) Program."[1] BBC examined type of work, size, contract role, and location of work involved in federally-funded projects and the relative availability of minority-, women-, and majority-owned firms to perform that work. The Study developed information for more than 6,000 FHWA-assisted contracts and subcontracts from 2002 through 2006, including contracts using FHWA funds administered through Caltrans that were awarded by local governments or others in California.

The dollar-weighting process used in the study builds upon the process Caltrans used to develop the FFY 2007 DBE goal, which has been approved by FHWA. In the 2007 goal-setting process, Caltrans weighted availability by the dollars going to seven different work categories of work that considered transportation contracting sub-industries and whether the contracts were led by Caltrans or local agencies. The Study examined relative availability of minority- and women-owned firms for each of the more than 6,000 FHWA-assisted contracts, and then weighted overall results based on the dollar amounts of each contract and subcontract. Appendix C of the Study describes the work categories and availability in detail.

BBC determined that 17.6 percent of dollars on FHWA-funded contracts would be expected to go to minority- and women-owned firms based on the type, size, contract role, location, and time frame for these contracts and subcontracts and refers to availability of all minority- and women-owned firms, not just the firms that appear to meet the federal guidelines for DBE (49 CFR Sections §26.65 and §26.67). After excluding minority- and women-owned firms that might be too large to meet the U.S. DOT DBE certification guidelines, the dollar-weighted availability figure for minority- and women-owned firms was calculated to be 13.5 percent.

FFY 2008 FHWA-assisted contracts. Caltrans estimates receiving nearly $3 billion in federal-aid highway program funding for FFY 2008. Caltrans expects the types of work, sizes, and locations of contracts to be similar to the FHWA-assisted contracts awarded during 2002-2006. Section IV of the Disparity Study identifies utilization, size, and types of work for contracts awarded during 2002-2006.

Caltrans considers 13.5 percent DBE participation as the base figure for its overall DBE goal for FFY 2008.

Step Two: Adjustments to the Base Figure - §26.45(d)

Caltrans examined a broad range of information in the Study when considering possible Step Two adjustments to the base figure. The Study contained the types of information for a possible Step Two adjustment that are outlined in the DBE Program, including:

- Current capacity of DBEs to perform work on FHWA-assisted contracts, as measured by the volume of work DBEs have performed in recent years.

[1] Tips for Goals Setting in the Disadvantaged Business Enterprise (DBE) Program, http://osdbu.dot.gov/?TabId=133

- Data on employment, self-employment, education, training, and union apprenticeship programs.
- Information on the ability of DBEs to obtain financing, bonding, and insurance.
- Other relevant data.

Because the base figure analysis includes minority- and women-owned firms that are not currently DBE certified, the Study considered this factor as well.

Past volume of work performed. The Study reported that DBEs were awarded 9.0 percent of contract dollars based on analysis of Caltrans and Local Assistance federally-funded contracts from 2002 through April 2006.

Current DBE certification of minority- and women-owned firms. The 13.5 percent base figure includes minority- and women-owned firms that could potentially be certified as DBEs.

BBC reported that about one-fifth of minority- and women-owned firms identified in the availability analysis were DBE-certified in 2006. BBC's follow-up interviews with a sample of non-DBE-certified minority and female business owners found that most knew of DBE certification and were interested in certification but had not actively pursued it. In general, the potential that the non-certified firm would exceed the size or net worth standards was not a barrier to certification for these firms. Only a few of the firms that had once been DBE certified that did not renew their certification did so because they believed they would not meet size or net worth requirements.

Caltrans also considered the fact that many of the firms counted in the base figure analysis are not currently DBE certified when reviewing whether to make any Step Two adjustments.

Entry into the industry. BBC's analysis suggests that there are numerous barriers to entry and expansion in the transportation construction and engineering industries that may begin with education and training and continue through forming a business and gaining access to capital (Appendix F of the Study describes this information in detail).

- **Education.** Lack of college education appears to be a barrier for African Americans, Hispanic Americans, and Native Americans, which ultimately affects representation of these groups in the California engineering industry. Disparities in educational attainment for African Americans and Hispanic Americans appear to be at high school level, which may affect college opportunities and enrollment into engineering programs. These factors may affect the number of African Americans, Hispanic Americans, and Native Americans working as engineers.

- **Employment**. Employment of African Americans in the construction industry is relatively low compared to other industries in California, even among entry-level jobs. The employment of women in construction as a whole is relatively low, and very few women in the construction trades are involved in transportation construction. Employment of Hispanic Americans in the construction industry is considerably higher than for all industries as a whole (37 percent in construction and 29 percent in all industries in California).

There is also low employment of women among civil, environmental, and geological engineers in California that cannot be explained by overall levels of college education.

- **Advancement.** There appears to be disparities in the advancement of Hispanics to certain construction occupations and first-line supervisory positions. Compared to non-Hispanic whites (and men), relatively few African Americans, Hispanic Americans, and women working in construction are managers.

- **Business formation and ownership.** BBC examined U.S. Census data on business ownership rates using similar methods to the information reviewed in the court cases involving the Illinois and Minnesota Departments of Transportation.

  African Americans, Hispanic Americans, Subcontinent Asian Americans, and women working in the California construction industry are less likely than non-Hispanic whites to own construction businesses. BBC, through regression analysis, identified statistically significant disparities after controlling for neutral factors (see Appendix H of the Study). If qualified members of these groups working in the construction industry owned businesses at the same rate as non-Hispanic whites (and men), then there would be about twice as many construction firms owned by African Americans, Hispanic Americans, Subcontinent Asian Americans, and women in California.

  African Americans, Asian-Pacific Americans, Hispanic Americans, and women working in the engineering industry are less likely to be business owners than others in the industry. BBC found statistically significant disparities for African Americans, Asian-Pacific Americans, and women after controlling for factors such as age and education (see discussion of regression analysis in Appendix H). If African Americans, Asian-Pacific Americans, and women working in the engineering industry owned businesses at the same rate as non-Hispanic whites (and men), there would be nearly twice as many engineering firms owned by members of these groups in California than observed today.

- **Rates of business closure.** BBC analyses found that African American-owned firms in California, in general, are more likely to close than other firms (see Appendix F of the Study).

- **Access to capital.** There is evidence that minority-owned firms face disadvantages in accessing capital necessary to start and expand businesses.

- **Business capital from home equity.** Home equity is an important source of capital for business start-up and growth.
  - Relatively fewer African Americans, Hispanic Americans, and Native Americans in California own homes than non-Hispanic whites; and those who do own homes tend to have lower home values.
  - African Americans, Asian Americans, Hispanic Americans, and Native Americans applying for home mortgages are more likely than non-minorities to have their applications denied.
  - African American, Hispanic American, and Native American mortgage borrowers are more likely to have sub-prime loans.

- **Business loans.** BBC also identified disparities in access to business loans for certain minority groups. African American-, Asian American-, and Hispanic American-owned businesses have higher denial rates when applying for business loans, and when they receive loans they have lower loan amounts. After accounting for certain neutral influences, firms owned by African Americans and Hispanic Americans remain significantly more likely to have their loans denied than other firms (see Appendix H of the Study).

  Relatively more African American- and Hispanic American-owned firms that need credit do not apply for loans because they fear being denied the loan.

- **Bonding.** Interviews with business owners and trade associations indicated difficulty obtaining bonding for small and new construction contractors in California. Problems in obtaining bonding were reported in interviews with minority- and women-owned firms and non-minority-owned firms (reported in Section VI and in Appendix I of the Study). Minority- and women-owned firms in the transportation contracting industry in California are more likely to be small businesses than majority-owned firms and, therefore, may be adversely affected by barriers in obtaining bonding.
- **Insurance.** Similarly, some small business owners had problems obtaining insurance as required for Caltrans projects. These issues are further explored in Sections V through VIII and in Appendix I of the Study.
- **Largest bids of minority- and women-owned firms.** In the Availability Survey, BBC asked firms in the transportation construction and engineering industry to identify the largest contract and subcontract a firm had received or bid on in the past five years. There were some minority groups for which "bid capacity" lagged behind other firms, but these disparities were explained by the firm's specialization and age.[2]
- **Business earnings.** The Study reports U.S. Census data on earnings of business owners in construction and engineering. BBC identified disparities in earnings of firms in California for certain minority groups and for women (detailed results are found in Appendices F and H of the Study):
  - Earnings of construction firms owned by African Americans and Hispanic Americans are substantially lower than non-Hispanic whites after controlling for age, education, and other factors (statistically significant differences). African American construction business owners earn about 41 percent less than average. Although these results are for the California construction industry as a whole, African American- and Hispanic American-owned businesses in the transportation construction industry have lower annual revenue than majority-owned firms.
  - After controlling for other factors, Subcontinent Asian Americans who own construction firms earn more from their businesses than non-Hispanic whites (statistically significant difference).

[2] The extent to which minority- and women-owned firms tend to be younger and in different sub-industries than majority-owned firms may not be an entirely "neutral" explanation for disparities in bid capacity if past discrimination has influenced whether there are relatively few older Minority Business Enterprise/Women Business Enterprises (MBE/WBE) firms or the relative concentration of MBE/WBEs in different sub-industries.

- Women who own engineering firms earn less than men do after controlling for factors such as age and education (statistically significant difference).

Summary of Step Two considerations. Past levels of DBE participation and the challenges for Caltrans to encourage non-DBE-certified firms to apply for certification are factors suggesting a downward adjustment to the overall DBE goal. However, analysis of local marketplace data reveals barriers to enter into the California construction and engineering industries, low rates of business ownership, lower earnings for certain groups, and other barriers such as access to capital. These factors, overall, indicate the need for upward adjustments to the overall DBE goal.

However, taking all of these factors under consideration, they appear to offset or cancel each other out and compel Caltrans to not make any Step Two adjustments to the base figure for the FFY 2008 overall DBE goal.

Public Participation - §26.45(g)

Caltrans published a Public Notice announcing the proposed overall goal and methodology in general circulation and minority and trade focus papers statewide. The proposed overall goal and methodology was available for inspection at the office of Civil Rights and on the Caltrans web page. Caltrans held 18 public participation forums statewide from August 1, 2007, to September 14, 2007. Comments were obtained from DBEs, non-DBEs and representatives representing Minority, Women, DBE and non-DBE organizations. Upon request from Subcontinent Asian and Hispanic groups, Caltrans extended the end of public participation period from September 14, 2007, to September 28, 2007. Caltrans accepted comments on the proposed overall goal and methodology for a period of 59 days. Comments on the proposed overall goal and methodology were provided during the public participation forums, through email and by letter. The salient comments gathered indicated:

- 13.5 percent overall goal was too low.
- Subcontinent Asian and Hispanic group data was not representative of the actual availability and utilization of the two groups.
- Subcontinent Asian and Hispanic groups are under-represented in either professional services or construction contracts.
- Exclusion of Minority Women in the Women definition is a violation of Title VI.
- Uncertified Minority and Women businesses should not be counted towards establishing the overall DBE goal.
- DBE capacity was overestimated in comparison to non-DBE capacity.
- Race-based measures violate Article 1, Section 31(a) of the California Constitution.

All comments were considered and Caltrans determined that Minority Women shall be included in the definition of Women and in the Women data analysis used to establish the overall goal.

Overall DBE Goal for FFY 2008 - §26.45(f)

Following the findings of the Study, Caltrans has established an overall statewide 13.5 percent DBE participation goal for FFY 2008. This overall goal is expected to be achieved, in equal proportions, through the adoption of various race-neutral and race-conscious measures. Conversely, following the adoption of the overall goal, as more data on the utilization of DBEs becomes available, future modifications to the proposed proportions may prove to be necessary. Future adjustments, if any, would be based on the effectiveness of each adopted measure with respect to the various groups and the different geographical areas of the State. Gradual and increasing success of Caltrans' race-neutral measures in achieving the goal will obviate the need for race-conscious measures. Adoptions of the proposed proportions are based on the following assumptions:

- **Race-Neutral Goal.** BBC determined that between May and December 2006, minority and women business participation measured at approximately 6.7 percent on its State-funded contracts. From May 1, 2006, to May 1, 2007, Caltrans achieved 4.6 percent DBE race-neutral participation on its federally-assisted contracts. Caltrans reasonably expects to meet 6.75 percent race-neutral participation on its federally-assisted contracts through enhanced race-neutral measures.
- **Planned Enhanced Race-Neutral Measures.** Caltrans plans to enhance the race-neutral measures in the next 12 months. The measures include: business outreach and communication; technical assistance; improved contracting processes; also, data collection, monitoring, and reporting. A more detailed listing is included as Addendum A attached and made a part thereof.
- **Race-Conscious Goal.** BBC calculated a disparity index on the relative utilization and availability of minority- and women-owned firms. The disparity index for federally-assisted contracts with DBE project goals is "83" when an index of "100" is needed for "parity." An index below 80 has been deemed by some courts to constitute a "substantial disparity." BBC conducted additional disparity analyses for specific types of contracts by race, ethnicity and gender ownership of firms and for different regions of the State. There was evidence of disparities for both construction and engineering, for both prime contracts and subcontracts. There were disparities across most Caltrans districts. For State-funded contracts (without DBE goals), disparities between utilization and availability were most severe (below the 80 disparity index) for:
    - African American – disparity index 15
    - Asian Pacific American – disparity index 31
    - Women – disparity index 48
    - Native American – disparity index 65

Further details are found in Section IV and in the figures in Section IV of the Study.

The Study identified African American, Asian Pacific American, Women and Native American contractors and subcontractors that would require "narrow tailoring" of race-conscious measures. The Study identified an inference of disparity for the four groups. Because the Study identified disparities for women after controlling for race, Caltrans makes the inference that gender-conscious

Addendum A to California Department of Transportation
Disadvantaged Business Enterprise Goal and Methodology for FFY 2008

Enhanced Race-Neutral Measures

Prior to May 1, 2006:

1. One-Stop Disadvantaged Business Enterprise (DBE) certification is provided by the California Department of Transportation (Caltrans) and 15 Local Agencies.

2. Paid advertisement in newspapers and in trade and focus papers to increase participation for all programs.

3. Flow chart of Caltrans advertising, bid opening, awards, and approval was placed on the Caltrans program websites.

4. Two consultant service contracts were executed to provide free supportive services and technical assistance to DBEs statewide.

5. Established Statewide Small Business Council.

6. Hosted numerous District Procurement Fairs.

7. Appointed District Small Business Liaisons (DSBLs) to conduct business communication and outreach events.

8. Developed the Architects & Engineers (A&E) Mentor Protégé Program in District 7 (Los Angeles).

9. Developed the Construction Mentor Protégé Program in District 4 (Oakland).

10. Hosted focused outreach events for small businesses, including DBEs.

11. Hosted project specific outreach events for small businesses, including DBEs.

May 1, 2006, and Ongoing:

1. Same as above.

2. DSBLs conduct focused outreach and training on "How to do Business with Caltrans."

3. Market State Loan Guarantee Program statewide.

4. DBE Supportive Services Consultant provides contract administration training.

5. The Legislature proposed but failed to approve a $40 million Surety Bond Guarantee bill.

6. Outreach and market DBEs for participation in Caltrans emergency contracts.

7. Caltrans routinely meets with construction and A&E primes.

8. Commitment to increase number of DBE certifications by 500.

9. Provide "Look Ahead" information to DBEs for proposed construction and A&E contracting opportunities.

10. Expand Mentor Protégé Program to Districts 6 (Fresno), 8 (San Bernardino), 12 (Irvine), and 11 (San Diego).

11. Provide technical assistance to DBEs through 11 Small Business Development Centers (SBDCs).

12. Business, Transportation and Housing Agency Small Business Officer conducts focused outreach and networking sessions statewide.

Planned:

1. Same as above and ongoing.

2. Develop a Civil Rights Data Management System to capture all business contracting activities.

3. Improve communication channels between Caltrans headquarters (HQ) and districts for real-time information and decision making.

4. Provide wider distribution of Caltrans Quick Reference Guide; i.e., Builder's Exchange.

5. Consider free A&E software for small businesses, including DBEs.

6. Consider free set of plans and specification for small businesses, including DBEs statewide.

7. Provide technical assistance to small businesses, including DBEs statewide.

8. Create a Caltrans Business Development Unit that markets Caltrans opportunities, including working with banks, surety, and insurance companies, etc.

9. Develop a standard "Outreach Marketing Kit" for all districts.

10. Standardize/improve HQ/district websites, connect to one another, consolidate all contract-type information on one website, and redesign Caltrans' main web page to highlight contracting opportunities.

11. Cross-train internal staff on functional contract requirements and process.

12. Streamline certification process by establishing On-Line DBE Certification Applications and Renewals.

13. Streamline certification process for firms already certified as Small Business Administration 8(a).

14. Send periodic e-mail blasts to small businesses, including DBEs, on "Look Ahead" contracting opportunities.

15. Produce a Compact Disk/Cassette/Digital Video Disk of "How to do Business with Caltrans" and make available online to include certification packages and Marketing Kits.

16. Explore ways to model certification queries on web page after Department of General Services' website.

17. Implement Mentor-Protégé Program statewide.

18. Develop Director Policy on Race-Neutral Measures to include and ensure District training and implementation.

19. Propose legislation to raise floor limits for Performance Bonds.

20. Discuss "On Shore" vs. "Off Shore" liability insurance with Department of Insurance to help small businesses.

21. Improve access to bid openings by teleconference, web-based video or internet.

22. Consider small business contract goals and good faith efforts on federal and State funded.

23. Explore administrative enforcement of prompt payment between prime and subcontractors.

24. Make more use of the Emergency Contractor Registry and remove barriers for registration.

25. Develop and offer "alternatives" or creative "incentives" to encourage DBE certification.

26. Balance Project Delivery (advertising and bid openings) so prime and subcontractors are not overloaded.

27. Breakdown A&E contracts into smaller units, including dollars and items of work.

28. Formally recognize prime contractors for hiring small businesses, including DBEs statewide.

29. Refer prime contractors who use small businesses, including DBEs statewide, as brokers, while claiming full credit.

30. Design and institute measurement standards for all race-neutral measures.

31. Explore Performance-Based Accountability to contracting practices.

32. Develop and maintain Bidder's List from Disparity Study findings.

33. Improve DBE/Small Business Enterprise cross-registration with other State agencies and departments.

34. Report monthly small businesses, including DBE participation, on State and federal funded contracts, including Local Agencies, directly into database Data Management System.

35. Assign all bidders an identification number for capturing all businesses that bid CT work.

36. Track and circulate DBE usage by District and discuss monthly at Directorate level.

37. Provide consistent and accurate data collection of DBE utilization.

38. Explore CHAMPS payment reporting system.

39. Explore use of construction management system for data collection.

40. Centralize tracking of all race-neutral activities District wide via Civil Rights.

41. Appoint a Race-Neutral Program Manager and staff for data collection, verification, measurement, oversight, technical assistance, and reporting, etc.

42. Explore partnership with Contractor's State License Board to provide DBE certification information to small businesses and add information to our database.

43. Mandate utilization data reporting of all small businesses, including DBEs, on all State and federal-aid contracts.

44. Explore Data Management System used by Utah Department of Transportation.

45. Consider using small business set-asides; i.e., set aside certain contracts for competition only among small businesses, regardless of race or gender under race-neutral measures program.