This joint Construction/Small Business Enterprises Memorandum provides direction for submitting requests for determination of a good faith efforts.

To ensure nondiscrimination in the award and administration of the Department's highway construction program and to create a level playing field on which Disadvantaged Business Enterprises (DBE) can compete fairly as part of the construction program, the Department establishes an overall goal for the construction program in compliance with 49 CFR Part 26 for DBE participation. Specific contract goals are included in every construction contract that is awarded by the Department regardless if the contract includes federal assistance or state funds only. The Prime Contractor is required to make a good faith effort to achieve the individual contract goals and the Department is required to make a good faith effort to achieve the Department’s overall goal. The dollar amount paid to all approved DBE companies performing work called for in this contract is eligible to be credited toward fulfillment of the Department’s overall goal. Attaining full DBE goal credit on every construction contract is of the highest importance for the Department.

If the DBE goal is not attained at the completion of the project, the district Contract Compliance Officer shall request an explanation in writing from the Prime Contractor as to why the goal was not attained and the good faith efforts the contractor performed to attain the goal. The Contract Compliance Officer shall provide a recommendation (approval/denial) to the Regional Engineer for their concurrence. The Regional Engineer shall indicate if they agree or disagree with the recommendation on form SBE 2028, DBE Final Documentation.

If the Regional Engineer concurs, form SBE 2028 with appropriate documentation shall be submitted to the Bureau of Small Business Enterprises for approval. If the bureau concurs with the request, it shall be sent to the Director of the Office of Business and Workforce Diversity for concurrence and submitted to the Secretary of Transportation for approval. Final approval rests with the Secretary.
If the Regional Engineer does not concur, the request shall be returned to the Contract Compliance Officer. The Contract Compliance Officer shall submit the final documentation package to Small Business Enterprises. Form SBE 2028 shall indicate the Regional Engineer’s non-concurrence.

If the contractor does not agree with the decision of the Department they may submit a request for administrative reconsideration as specified.

Tim Kell, P.E.  
Engineer of Construction

Debra Clark, Bureau Chief  
Small Business Enterprises