



Illinois Department of Transportation

Division of Highways / Bureau of Construction
2300 South Dirksen Parkway, Springfield, Illinois 62764

Subject:
Disadvantage Business
Enterprise Trucking Goal Credit
Documentation

CONSTRUCTION MEMORANDUM NO. 15-83
SMALL BUSINESS MEMORANDUM NO. 15-4

Effective: April 1, 2015
Expires: Indefinite

PURPOSE

This joint Construction/Small Business Enterprise Memorandum provides the documentation procedures to be used to verify the Contractor is achieving its proposed Disadvantage Business Enterprise (DBE) goal credit through the use of trucking firms. These procedures are designed to ensure compliance with the "Weekly DBE Trucking Reports (BDE)" Special Provision and the "DBE Participation (BDE)" Special Provision issued by the Bureau of Design and Environment (BDE).

BACKGROUND

When a Contractor desires to receive contract goal credit through the use of DBE trucking, the Contractor will submit at time of bid a DBE Utilization Plan (SBE 2026), and the corresponding DBE Participation Statement (SBE 2025). The DBE Participation Statement (SBE 2025) will include the name of the trucking firm and indicate the anticipated pay item(s) for which DBE trucking will be used to obtain contract goal credit. Together, the SBE 2026 and 2025s, are the DBE utilization plan or "u-plan". The Weekly DBE Trucking Reports (SBE 723) serves as the necessary documentation to demonstrate that trucking was performed and served a commercially useful function (CUF). Per 49 CFR 26.55(c)(1), A DBE performs a CUF when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved.

SUBMITTAL OF TRUCKING REPORTS

In order to document DBE goal credit through trucking, the Weekly DBE Trucking Report (SBE 723) must be submitted by the Contractor to the Resident Engineer.

Weekly DBE Trucking Reports are required to be submitted when the DBE trucking is being used by the Contractor to obtain contract goal credit. In addition, Weekly DBE Trucking Reports are only required to be submitted for weeks DBE trucking occurred. Contract goal credit will not be given if the Contractor fails to submit the required Weekly DBE Trucking Reports.

The Resident Engineer (or their designee) shall sign and date the report once it is submitted indicating receipt of the report. The signature of the Resident does not acknowledge the accuracy of the report or provide any obligation upon the Resident to verify the accuracy of the report. The signature only signifies that the report was received and the date of receipt. The Resident then forwards a copy of the SBE 723 to the district Equal Employment Opportunity (EEO) officer and places the original in Resident's files.

Weekly DBE Trucking Reports are not required to be submitted when DBE trucking is not being used by the Contractor to obtain contract goal credit. However, the Contractor is encouraged to submit Weekly DBE Trucking Reports, and a corresponding DBE Payment Agreement (SBE 2115), anytime DBE trucking is utilized during prosecution of the contract work. This allows the Department to capture all DBE work performed for the contract for Department reporting purposes. Also, submittal of a SBE 723 for a trucking firm may be considered a constructive amendment to the utilization plan when a trucking firm is added.

If a Contractor does not utilize a DBE trucking firm for which a SBE 2025 was submitted with the bid, the Contractor must follow the Termination and Replacement procedures set forth in the Special Provision for Disadvantaged Business Enterprises.

After performance of the trucking, the Contractor is required to maintain a record of payment. This record is completed on the DBE Payment Agreement (SBE 2115) form. The "actual" pay item(s) with which DBE trucking was used for goal credit must be shown on the SBE 2115. Note these pay item(s) may differ from the "anticipated" pay item(s) shown on a previously approved DBE Participation Statement (SBE 2025). The Bureau of Small Business Enterprises will ultimately review the SBE 2115 using the submitted SBE 723 reports as supporting documentation as applicable.

After performance of the trucking by the DBE and final payment to the DBE by the Contractor, the SBE 2115 form is submitted to the Regional Engineer. Submittal of the form to the Regional Engineer is required no later than thirty calendar days after final payment to the DBE trucking firm.

The following example provides additional clarification regarding proper completion of the various forms discussed above.

EXAMPLE

At the time of bidding the prime contractor, John Doe Constructors, submits a proposal to utilize Mary Jane Trucking as a DBE trucking firm to haul dirt from the jobsite for the earth excavation pay item. John Doe Constructors has indicated on the DBE Participation Statement (SBE 2025)(see Example 1), as part of the DBE Utilization Plan (SBE 2026), Mary Jane Trucking will be paid \$14,000.00 for their services.

Upon bid opening and review of bid documents, John Doe Constructors is determined to be the lowest responsive bid. Thus, the DBE Utilization Plan is approved.

During prosecution of contract work John Doe Constructors desires to perform earth excavation operations sooner than planned at the time of bidding. However, Mary

Jane Trucking is unable to provide trucks sooner than originally planned due to scheduling conflicts. After discussions, John Doe Constructors and Mary Jane Trucking agree Mary Jane will provide trucks to haul off the millings from the HMA surface removal operation during the week of September 13.

The prosecution of work stays on schedule and Mary Jane Trucking provides three trucks for hauling millings off the jobsite from September 14 through September 17. The value of Mary Jane Trucking's service provided equals \$14,000.00. Therefore John Doe Constructors has fulfilled their agreement with Mary Jane Trucking. Per the special provision for Weekly DBE Trucking Reports, John Doe Constructors submits the Weekly DBE Trucking Report (SBE 723) to the Resident Engineer on September 25, 2015 (see Example 2). The Resident Engineer then forwards a copy of the SBE 723 to the district EEO officer and places the original in Resident Engineer's files.

After making final payment to Mary Jane Trucking on September 30, 2015, John Doe Constructors submits the required DBE Payment Agreement (SBE 2115) to the Regional Engineer (see Example 3).



Tim Kell, P.E.
Interim Engineer of Construction



Interim Deputy Director
Office of Business and Workforce
Diversity



Illinois Department of Transportation

Example 1

DBE Participation Statement

Subcontractor Registration Number 12345

Letting April 1, 2015

Participation Statement

Item No. 12

(1) Instructions

Contract No. 34567

This form must be completed for each disadvantaged business participating in the Utilization Plan. This form shall be submitted in accordance with the special provision and will be attached to the Utilization Plan form. If additional space is needed complete an additional form for the firm. Trucking participation items; description must list what is anticipated towards goal credit.

(2) Work:

Please indicate: J/V Manufacturer Supplier (60%) Subcontractor Trucking

Pay Item No.	Description (Anticipated items for trucking)*	Quantity	Unit Price	Total
20200100	Earth Excavation			\$14,000.00
Total				\$14,000.00

(3) Partial Payment Items (For any of the above items which are partial pay items)

Description must be sufficient to determine a Commercially Useful Function, specifically describe the work and subcontract dollar amount:

*Applies to trucking only

This dollar amount reflects the trucking to haul material off the jobsite.

(4) Commitment

When a DBE is to be a second-tier subcontractor, or if the first-tier DBE subcontractor is going to be subcontracting a portion of its subcontract, it must be clearly indicated on the DBE Participation Statement, and the details of the transaction fully explained.

In the event a DBE subcontractor second-tiers a portion of its subcontract to one or more subcontractors during the work of a contract, the prime must submit a DBE Participation Statement, with the details of the transaction(s) fully explained.

The undersigned certify that the information included herein is true and correct, and that the DBE firm listed below has agreed to perform a commercially useful function in the work of the contract item(s) listed above and to execute a contract with the prime contractor or 1st Tier subcontractor. The undersigned further understand that no changes to this statement may be made without prior approval from the Department's Bureau of Small Business Enterprises and that complete and accurate information regarding actual work performed on this project and the payment therefore must be provided to the Department.

John Doe

Mary Jane

Signature for Contractor 1st Tier 2nd Tier

Signature for DBE Firm 1st Tier 2nd Tier

Title President

Title President

Date April 1, 2015

Date April 1, 2015

Contact John Doe

Contact Mary Jane

Phone (123)456-7890

Phone (987)654-3210

Firm Name John Doe Constructors

Firm Name Mary Jane Trucking

Address 321 Main St.

Address 123 Truck St

City/State/Zip Any City, IL 12345

City/State/Zi Any City, IL 54321

E _____

WC _____

The Department of Transportation is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined under the state and federal law. Disclosure of this information is **REQUIRED**. Failure to provide any information will result in the contract not being awarded. This form has been approved by the State Forms Management Center.



Weekly DBE Trucking Report

Report for Week Ending: September 20, 2015

Contractor Information:

Name: John Doe Constructors
 Address: 321 Main St.
 City, State: Any City, IL
 Zip: 12345

Contract Information:

Contract No. 34567
 Project: M-1111(001)
 Route: FAP 555
 Section: 999R-1
 County: Any County
 District: 6

Please provide the following information:

	Name of Trucking Company	DBE (Y / N)	Description of trucking ⁽¹⁾	License plate # on truck	Name on truck and truck number	Day of trucking activities (Mark all that apply)							Leased to ⁽²⁾
						S	M	T	W	Th	F	S	
1.	Mary Jane Trucking	Y	HMA surface removal	9999 U	Mary Jane Trucking #21	S	<u>M</u>	<u>T</u>	<u>W</u>	<u>Th</u>	F	S	
2.	Mary Jane Trucking	Y	HMA surface removal	8888 U	Mary Jane Trucking #18	S	<u>M</u>	<u>T</u>	<u>W</u>	<u>Th</u>	F	S	
3.	Mary Jane Trucking	Y	HMA surface removal	7777 U	Mary Jane Trucking #23	S	<u>M</u>	<u>T</u>	<u>W</u>	<u>Th</u>	F	S	
4.						S	M	T	W	Th	F	S	
5.						S	M	T	W	Th	F	S	
6.						S	M	T	W	Th	F	S	
7.						S	M	T	W	Th	F	S	
8.						S	M	T	W	Th	F	S	
9.						S	M	T	W	Th	F	S	
10.						S	M	T	W	Th	F	S	

John Doe

Prime Contractor Signature (required)

Tom Smith, Resident Engineer 9/25/15

Received by (name and title of State representative- required)

Remarks:

Instructions:

The Weekly DBE Trucking Report shall be submitted in accordance with the special provision. The Department of Transportation is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined under the state and federal law. Disclosure of this information is REQUIRED.

This form, submitted in accordance with the Weekly DBE Trucking Report special provision, may be used as a constructive amendment to the utilization plan to add an additional trucking firm. The Contractor shall not terminate or replace a DBE listed on the approved Utilization Plan, or perform with other forces work designated for a listed DBE except as provided in the Special Provision. Any amendment to terminate or replace an approved DBE trucking firm requires prior approval from the Bureau of Small Business Enterprises as outlined in article (a) of the Contract Compliance section of the contract DBE Special Provision.

All columns are required. Use additional pages if necessary.

⁽¹⁾Provide a general description of the trucking activity, i.e. transporting earth, transporting aggregate, transporting HMA, etc.

⁽²⁾If truck is leased to DBE firm.



DBE Payment Agreement

Subcontractor

Name Mary Jane Trucking
Address 123 Truck St. Any City, IL
Telephon (987)654-3210

Prime Contractor

Name John Doe Constructors
Address 321 Main St. Any City, IL
Telephon (123)456-7890

Subject

Contract 34567
Amount originally \$14,000.00
Section 999R-1
County Any County

Airport _____
IL Project M-1111(001)

*For Aeronautics Projects only

This agreement is to verify the work completed and the amount paid to the DBE Subcontractor on the above captioned contract. Under penalty of law for perjury or falsification, the undersigned certifies that the work reported herein was executed by the DBE, that the DBE actually performed, managed and supervised the work and that the work reported herein conforms to the work reported in the approved Utilization Plan together with

Pay Item No.	Description	Quantity	Unit of Measure	Unit Price	Total
44000158	Hot Mix Asphalt Surface Removal 2 1/4"				\$14,000.00
Total \$ Amount for Work					\$14,000.00

Partial Pay Item(s)

For any of the above items which are partial pay items, specifically describe the work and subcontract dollar amount.

Mary Jane Trucking hauled the HMA millings off the jobsite.

Back Charges (if any; provide support documentation):

\$0

Bond charge by prime

\$0

Material used paid by prime

\$0

Other (explain and provide documentation)

\$0

Payment Received

\$14,000.00

Balance Due (if any)

Mary Jane

Signature and title of DBE Subcontractor

9/29/2015

Date

John Doe

Signature and title of Prime Contractor

9/30/2015

Date

Note: Submittal of this agreement shall be deemed as concurring with the payment amount specified above. The Department of Transportation is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined under the state and federal law. Disclosure of this information is **REQUIRED**.