

COUNTING DBE PARTICIPATION

The degree of DBE goal attainment should be calculated as follows:

1. When a DBE participates in a contract, only the value of the work actually performed by the DBE will count toward the DBE goal including:
 - A. The cost of supplies and materials purchased or leased by the DBE for the work of the Contract (except supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate).
 - B. Fees or commissions charged by a DBE for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds; provided such fees and/or commissions are reasonable and not excessive as compared with fees and/or commissions customarily allowed for similar services.
 - C. When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward DBE goals only if the DBE's subcontractor is itself a DBE. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE goal.
2. When a DBE is a participant in a joint venture, only the value of the work and/or services actually performed by the DBE shall be counted toward the DBE goal.
3. Only those expenditures made by the DBE that correspond to a commercially useful function in the work of a contract will count towards the DBE goal. If a DBE subcontracts a significantly greater portion of the work of the contract than would be expected on the basis of normal industry practices, the DBE will not be considered to be performing a commercially useful function.
4. Bidders/Proposers will receive 60% credit toward goal attainment for use of DBE suppliers (i.e., where a Bidder/Proposer proposes to purchase \$100,000 worth of construction materials from a DBE Supplier, \$60,000 will be credited toward the Bidder/Proposer's DBE participation goal). However, where the supplier is the manufacturer of the product supplied, Bidders/Proposers will receive DBE credit for 100% of the dollar amount of the supply contract.
5. Agreements between a Bidder/Proposer and a DBE in which the DBE promises not to provide subcontracting quotations to other Bidders/Proposers are prohibited.