



WisDOT
Office of Business
Opportunity & Equity
Compliance



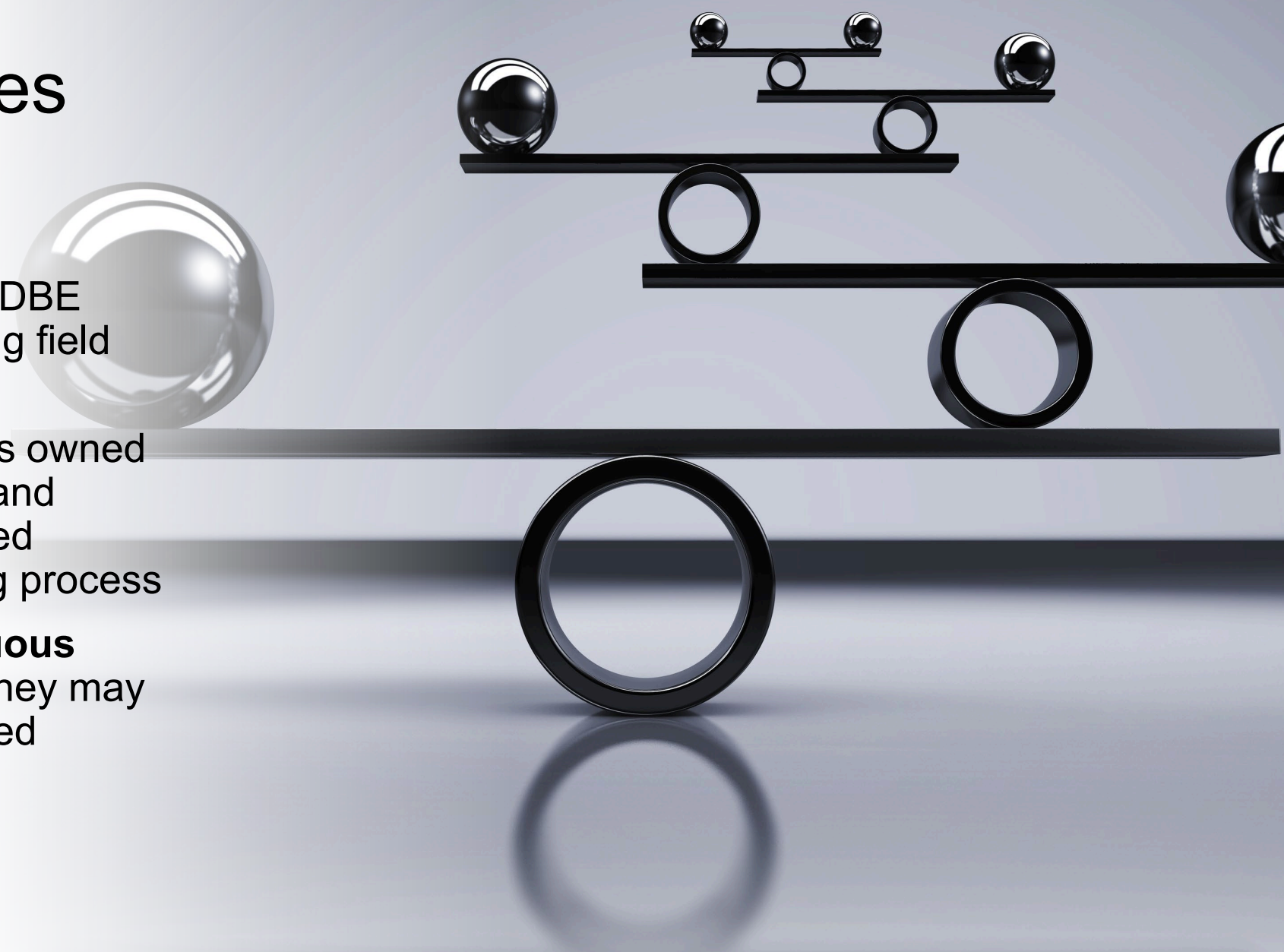
GOOD FAITH EFFORT
TOOL KIT

December 2022

DBE program: Guiding principles for success

The primary objective of the DBE program is to level the playing field by:

- Engaging small businesses owned and controlled by socially and economically disadvantaged individuals in the bid letting process
- Providing **fair** and **continuous** opportunities to DBEs so they may compete for federally funded transportation contracts





TOOL KIT PURPOSE

The purpose of this tool kit is to give prime contractors practical examples of how to streamline the Good Faith Effort (GFE) process within your company. The suggestions presented are ideas meant to give your company a starting point and hopefully help your company develop an efficient GFE process which translates into increased DBE participation.





DBE goal attainment:
It is a **collective effort** by **all** prime contractors

Many hands make light work

Every year, WisDOT strives to meet and when possible, exceed its DBE goal.

How does this happen?

Answer: A dedicated commitment by WisDOT prime contractors and subcontractors who make DBE participation a specific focus and goal during the bid letting process. While DBE participation helps your company reach DBE goals per project, including DBE participation as part of your everyday business practice helps the Office of Business Opportunity & Equity Compliance (OBOEC) transition from mandatory DBE goals to discretionary DBE goals. Thank you for everyone's continued partnership and efforts!


With your help, OBOEC can focus more intently on helping DBEs scale up and provide even higher levels of service for the future.



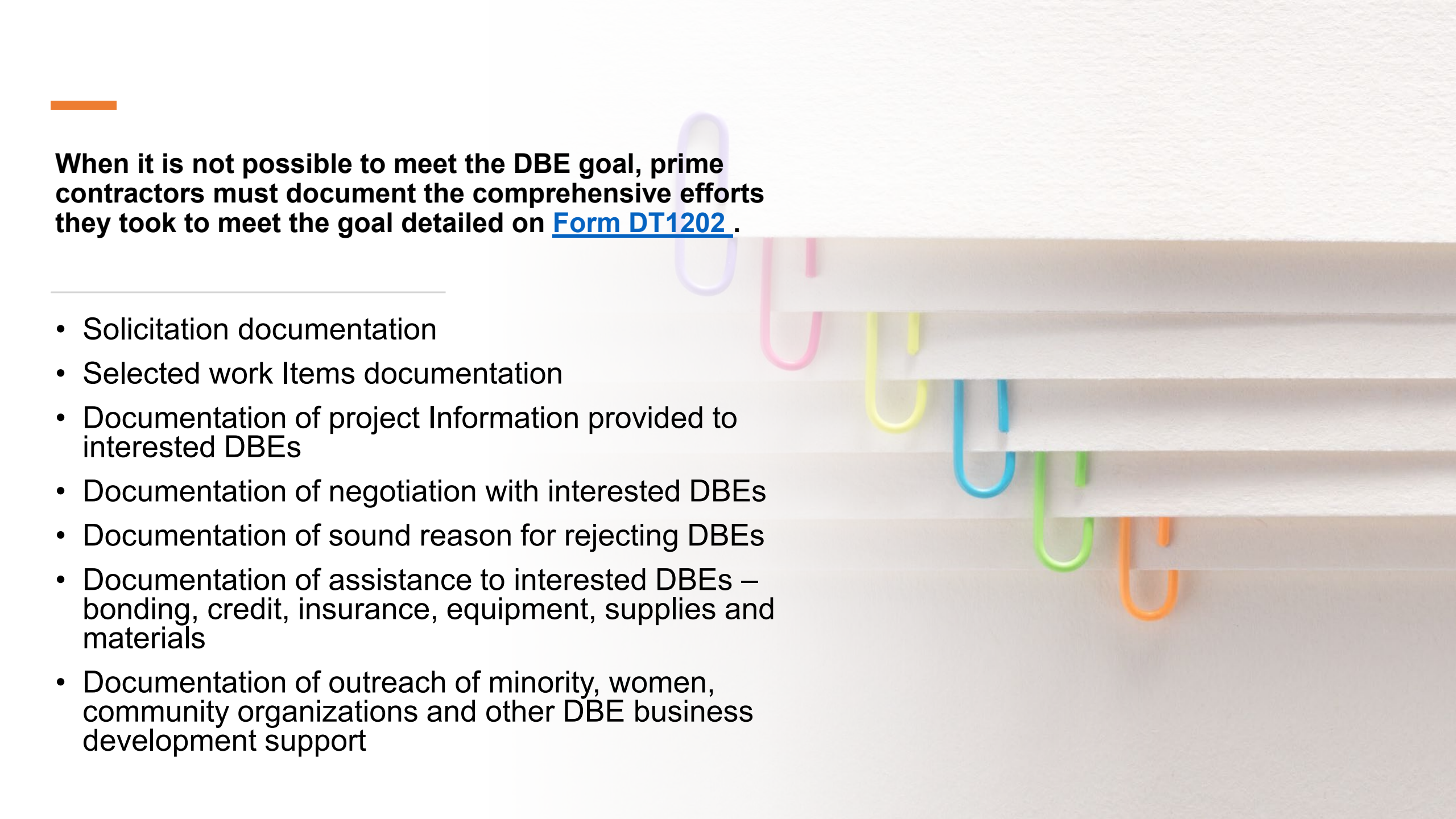
The optimal way to satisfy GFE is through meeting the assigned DBE goal.

Prime contractors should refer to [ASP-3](#) for strategies and best practices on how to engage DBEs for increased DBE participation on projects:

- Use WisDOT approved DBE outreach tools such as UCP DBE Directory and the Bid Express® Small Business Network
- As needed, request assistance with DBE Support Services office by phone (414) 266-1172 or email: **DBE_Alert@dot.wi.gov**
- Participate and document a substantive conversation with at least (1) DBE firm per let as described in **GFE Tool Kit Appendix 1**.
- Request quotes by identifying potential items to subcontract and solicit. In their initial contacts, contractors are strongly encouraged to include a single page, detailed list of items for which they are accepting quotes, by project, within a letting. See **GFE Tool Kit Appendix 2** for an example.



When it is not possible to meet the DBE goal, prime contractors must document the comprehensive efforts they took to meet the goal detailed on [Form DT1202](#).

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- Solicitation documentation
 - Selected work Items documentation
 - Documentation of project Information provided to interested DBEs
 - Documentation of negotiation with interested DBEs
 - Documentation of sound reason for rejecting DBEs
 - Documentation of assistance to interested DBEs – bonding, credit, insurance, equipment, supplies and materials
 - Documentation of outreach of minority, women, community organizations and other DBE business development support
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What is your GFE story?

Ideally, a well documented GFE request should tell WisDOT a story about “why” your company was unable to meet the goal by answering these questions in the DT1202 Excel workbook:

- What is your company’s DBE/GFE strategy? (Describe in the optional GFE strategy overview tab)
- What challenges (if any) did you encounter in meeting the assigned DBE goal? (Describe in prime contractor comments included on the solicitation tab)
- What other factors impacted your awarding decisions to DBEs? (Describe in the intent to award tab)

Solicitation, negotiation, assistance and DBE outreach help round out all other efforts made to reach the assigned DBE goal.



DT1202 Excel workbook

This workbook has (seven) different tabs to document GFE activities. Creating a master template will help your company streamline this process.

- Table of contents. This tab can be modified to include internal processes such as: employee task sign-off within the company.
- Solicitation tab also includes selected work items and project information columns. There is also a field for prime contractor comments to communicate any other key information WisDOT should consider (ex: challenges your company encountered specific to the proposal).
- Intent to award and sound reasoning tab. In addition to selecting a drop-down rejection reason, prime contractors are required to further explain their awarding rationale.
- Like item analysis tab. Use this tab (when needed) to evaluate partial or incomplete DBE quotes.
- Negotiation and assistance tab. Use this tab to document how you negotiated with DBEs or non-DBE WisDOT subcontractors as well as any assistance your company provided.
- DBE outreach tab. Update this tab periodically in a master template version.
- GFE strategy overview tab. Use this optional tab to highlight your company's GFE strategy. **See GFE Appendix 5 for an example.**

Solicitation letters and emails to:

DBEs and non-DBE WisDOT subcontractors

Ideally, prime contractors should develop and utilize two separate solicitations for bid lettings:

- An engaging DBE solicitation that communicates important information as well your company's DBE successes
- A standard solicitation or email that encourages non-DBE WisDOT subcontractors to utilize DBE materials, supplies and/or DBE trucking within their bids
- **GFE Tool Kit Appendix 2** are examples of both types of solicitations





Selected work items documentation

- See **GFE Tool Kit Appendix 2** – Page 2 of the sample contractor solicitation letter gives an example of how to identify all the subcontract-able DBE work opportunities for a bid.
- Break up larger work items into smaller tasks. For example:
 - Concrete work can be broken out into the following subcontractable opportunities: Supplying concrete, sealing concrete and sawing concrete.
- Keep in mind the sample contractor solicitation letter is a guide. We encourage prime contractors to personalize it with additional language that encourages DBE participation with ***your company.***



Documentation of project information provided to interested DBEs

Providing project information to DBEs can be done in a couple of different ways:

- The sample solicitation letter provides language prime contractors can include so DBEs can download plans, specifications and addenda on the WisDOT website: <https://wisconsindot.gov/Pages/doing-bus/contractors/hcci/bid-let.aspx>
Navigate to the desired year and month to locate the proposal and plans.
- Prime contractors can also provide a link to plans on their website (if prime contractor maintains a website) or provide a link to a separate plan room where DBEs can download the plans and specifications.
- Prime contractors may also want to indicate in the solicitation letter that they will meet with DBEs at their office by appointment to discuss the plans & specifications – especially if requested by a new DBE or a DBE the prime contractor has not worked with yet.



Solicitation log

Creating a well-organized solicitation log for each bid letting that tracks multiple data points helps prime contractors pull together solicitation information quickly if a GFE request is needed.

GFE Tool Kit Appendix 3 is an example of a solicitation log that is created from the UCP DBE Directory with modified columns that track:

- Date solicitation was sent
- Type of solicitation (letter / invitation to quote / email)
- Communication method (email / USPS / phone / other 3rd party platforms such as Pipeline Suite)
- DBE response (yes / no / maybe / no response)



Solicitation timelines

- The sooner notice can be provided to DBEs about upcoming projects your company is bidding on, the better
- At minimum, a solicitation letter/invitation to quote should be sent **10 working days** prior to the bid letting
- Consider advertising in The Daily Reporter and Small Business Network (SBN) **10 working days** prior to the bid letting. SBN is part of Bid Express®
- Any follow-up communication should occur at least **5 working days** prior to the bid letting

Documentation of negotiation with interested DBEs

- As with the solicitation log, maintain a log of negotiations with all DBEs that documents the following: date, conversation details and who participated
- Document any conversations that occur between lettings and in the last 6 months of your GFE request
- Examples can include: Conversations with non-DBEs or DBEs to untie quotes so a partial award can be awarded to a DBE, conversations with non-DBE subcontractors to use DBE suppliers, conversations with trucking DBEs and initial conversations with new DBEs to see if they would be the right fit for future projects

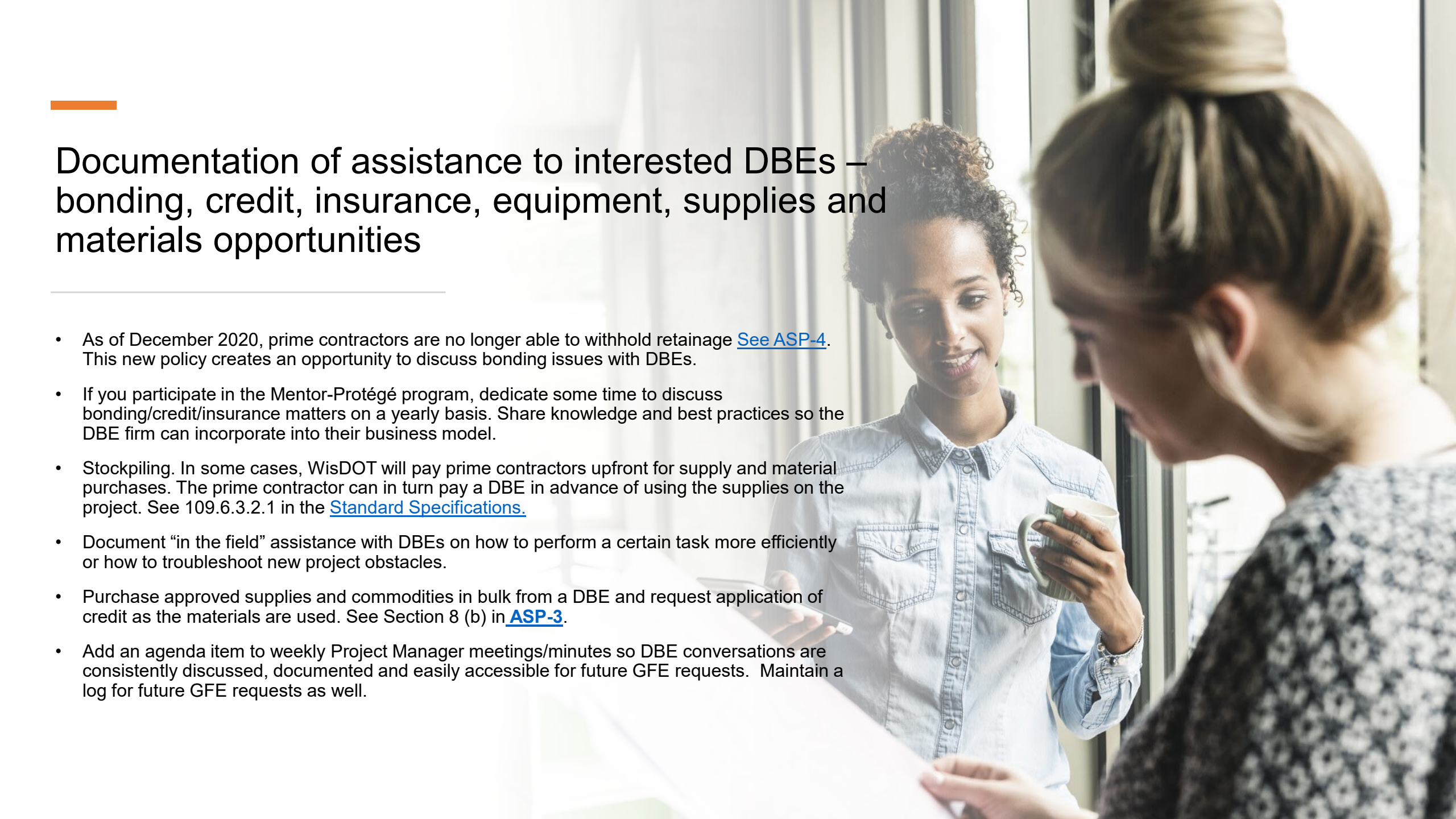


Award by work type and sound reasoning documentation

Do your awarding decisions level the playing field for DBEs?

- See **GFE Tool Kit Appendix 4** that combines the award by work type and sound reasoning documentation into one document.
- All quotes should be reflected on the award by work type document (DBE, non-DBE and self-performed work by prime contractor).
- Price alone is not sufficient reason to reject a DBE. Consider higher DBE quotes if the DBE has the requisite skill & experience for the work type, especially when the difference between quotes is reasonable.
- The DT1202 Excel Workbook includes a tab with a blank template and a quote analysis tool for prime contractor use.
- Example of sound reasoning scored according to the GFE rubric (green, yellow and red) is also included **GFE Tool Kit Appendix 4**



A woman with curly hair, wearing a light blue denim shirt, is smiling and looking at a tablet computer. She is holding a green mug in her left hand. Another woman, seen from the back/side, is wearing a patterned top and looking at the tablet. They appear to be in a professional setting, possibly an office or meeting room, with large windows in the background.

Documentation of assistance to interested DBEs – bonding, credit, insurance, equipment, supplies and materials opportunities

- As of December 2020, prime contractors are no longer able to withhold retainage [See ASP-4](#). This new policy creates an opportunity to discuss bonding issues with DBEs.
- If you participate in the Mentor-Protégé program, dedicate some time to discuss bonding/credit/insurance matters on a yearly basis. Share knowledge and best practices so the DBE firm can incorporate into their business model.
- Stockpiling. In some cases, WisDOT will pay prime contractors upfront for supply and material purchases. The prime contractor can in turn pay a DBE in advance of using the supplies on the project. See 109.6.3.2.1 in the [Standard Specifications](#).
- Document “in the field” assistance with DBEs on how to perform a certain task more efficiently or how to troubleshoot new project obstacles.
- Purchase approved supplies and commodities in bulk from a DBE and request application of credit as the materials are used. See Section 8 (b) in [ASP-3](#).
- Add an agenda item to weekly Project Manager meetings/minutes so DBE conversations are consistently discussed, documented and easily accessible for future GFE requests. Maintain a log for future GFE requests as well.



DBE outreach opportunities Some typical outreach activities include:

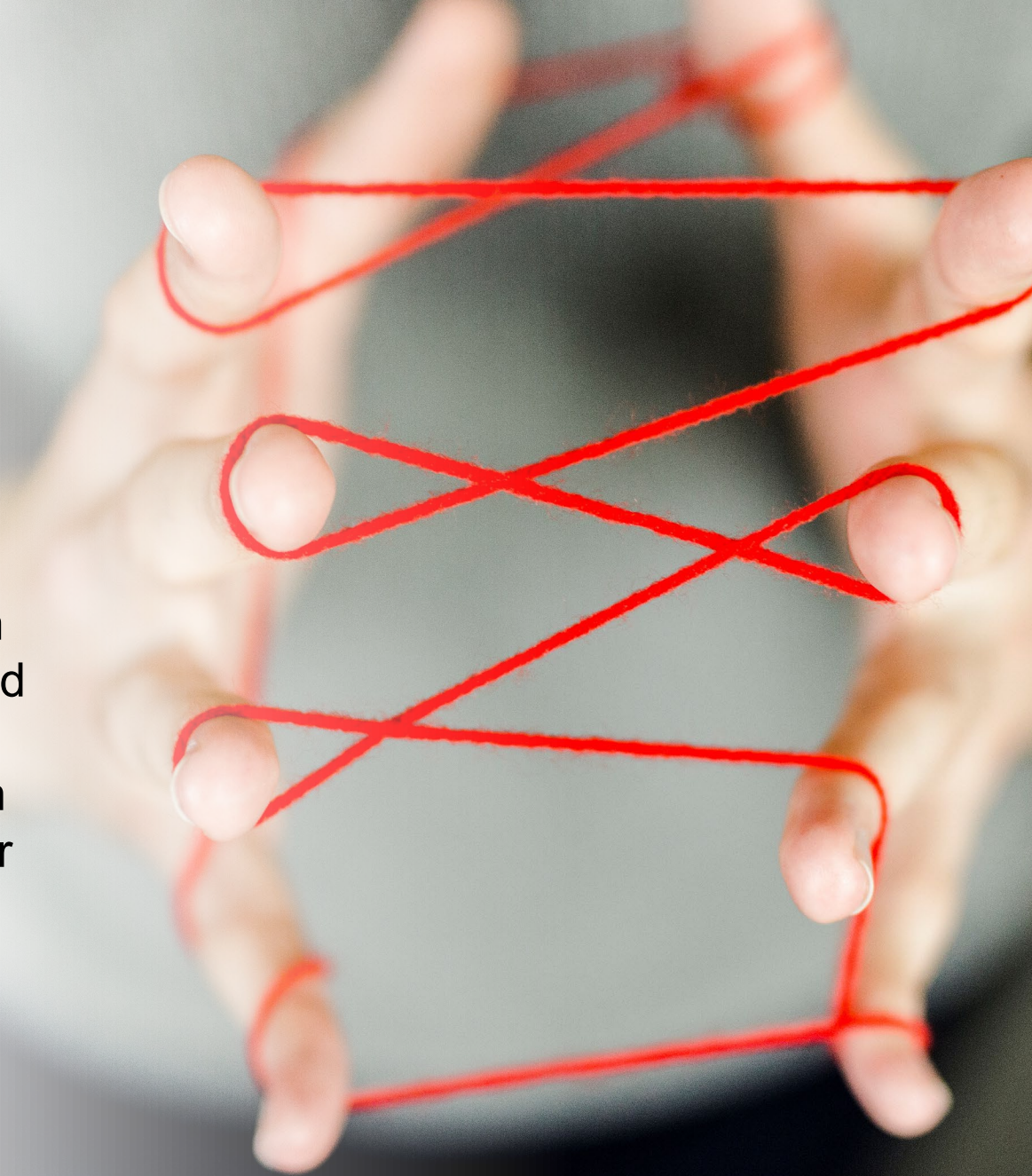
- Attend the annual WisDOT DBE Workshop and Networking Summit (formerly known as the Golden Shovel Event)
- Participate in the Mentor-Protégé program
- Reach out to local DBE organizations and chapters to establish DBE partnerships in the project area/region
- Work with local school districts to promote employment in the trades
- Lend equipment in the off season to operator unions
- Include a dedicated DBE page on your company website with links to current and upcoming projects, WisDOT DBE information and other DBE resources
- Offer a CDL licensing program to new employees



DBE Outreach Opportunities

Other examples to consider:

- Include non-certified DBE firms when soliciting work for a project. This give non-certified firms an opportunity to experience a WisDOT work site and gain valuable experience. Prime contractor can then provide assistance and resource information so the firm can become WisDOT DBE certified for future work.
- Host an informational session on typical subcontract-able opportunities where DBEs can ask questions in an informal atmosphere.





Other GFE Activities

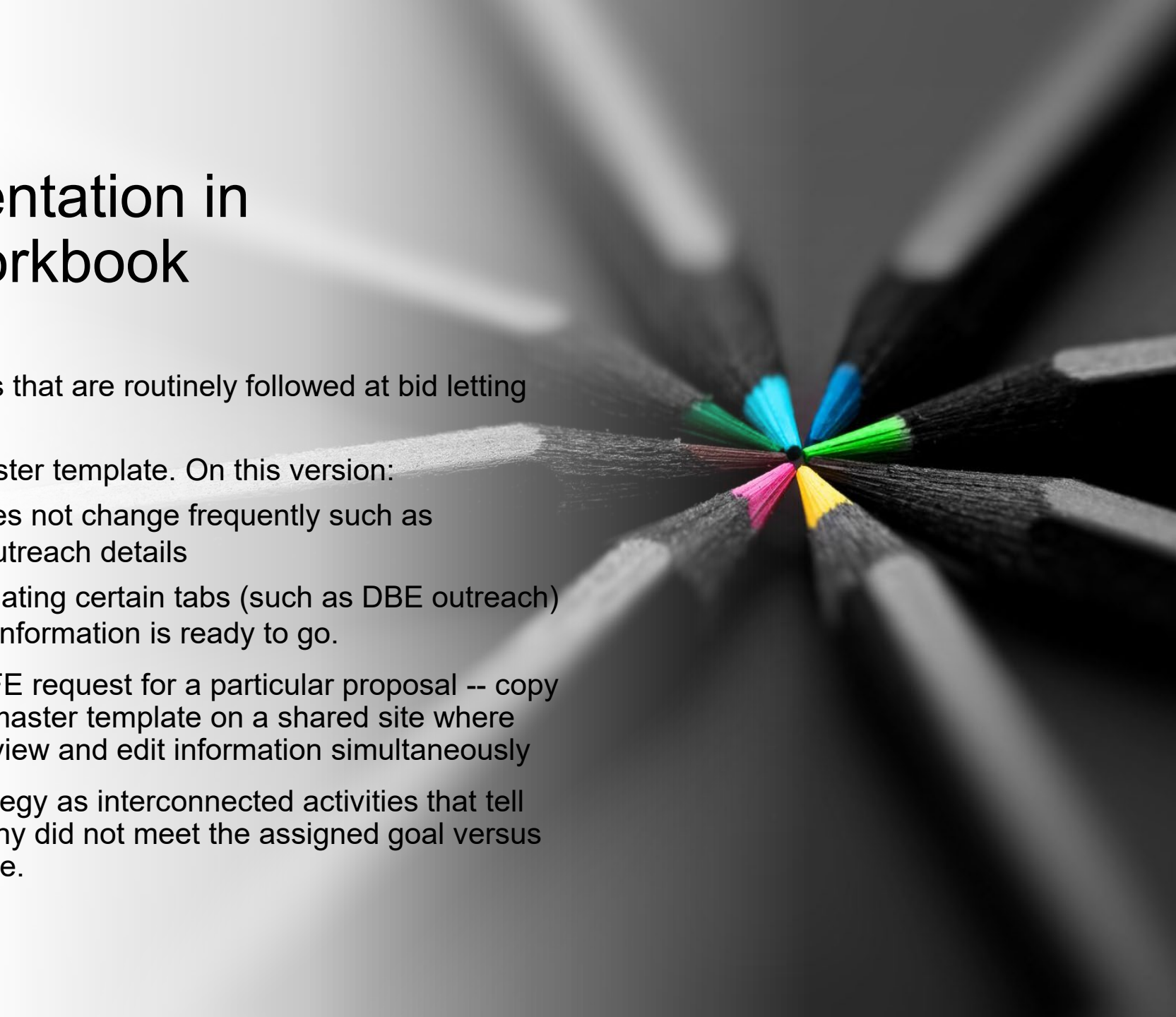
Complete your GFE story by considering these other optional activities that WisDOT both encourages and will consider when scoring this category on the GFE rubric.

This list is not meant to be all-inclusive; WisDOT will consider other activities.

- **Use the DT1202 Excel workbook to document GFE activities.** This is a win/win for both prime contractors and WisDOT
- **Company diversity and inclusion policy.** Does your company have an official policy that provides guidance on diversity and inclusion?
- **Become involved in the Mentor-Protégé Program or coaching program.** Consider sharing your business expertise and knowledge with DBEs. If your company does not have the time or resources to become a mentor, consider a shorter-term commitment with coaching.
- **Award DBE(s) commitments after bid submission for neutral (voluntary) DBE goal attainment. All verified DBE participation counts!** We encourage prime contractors to include DBE participation after bid submission – let us know about it!
- **Include company GFE overview/strategy information with your GFE request.** Strategy informs future decisions and provides focus on how to optimize best practices. **See GFE Appendix 5 for an example.**
- **Highlight DBE opportunities and participation on your company website.** Including DBE information on your company website elevates the DBE program across the State of Wisconsin. A consistent message from all prime contractors lets new and existing DBEs know their participation on projects is sought after and valued.



Tips for GFE documentation in the DT1202 Excel workbook

- Create simple and consistent processes that are routinely followed at bid letting and between bid lettings
 - Maintain a DT1202 Excel workbook master template. On this version:
 - Enter as much information that does not change frequently such as solicitation, assistance and DBE outreach details
 - Maintain a habit of periodically updating certain tabs (such as DBE outreach) so if you have a GFE request this information is ready to go.
 - If your company expects to submit a GFE request for a particular proposal -- copy and save the DT1202 Excel workbook master template on a shared site where multiple, authorized users can enter, review and edit information simultaneously
 - Think about your GFE request and strategy as interconnected activities that tell WisDOT a story about why your company did not meet the assigned goal versus a “check the box” administrative exercise.
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An aerial photograph of a road intersection. The road has multiple lanes with white lane markings and arrows. There are green medians and crosswalks. In the background, there are trees and some construction equipment, including a blue excavator and a yellow truck. The overall scene is bright and clear.

The roadmap to DBE success is a collective effort – some final thoughts

- Remember...The best way to satisfy GFE is through meeting the DBE goal.
- Comprehensive good faith efforts translate into increased DBE participation.
- Please continue to submit new and increased DBE commitments throughout the life of a project with Attachment A submitted to the **DBE_Alert@dot.wi.gov** email box – this participation is applied to the overall annual goal. This allows OBOEC to lower assigned goals at the project level when we are meeting the overall goal.