

**The MassDOT Transit Division proposed Overall DBE Goal for
FFY2022-FFY2024 is 5.4%;
(Race/Gender-Neutral 5.0%; Race/Gender-Conscious 0.4%)**

MassDOT calculated the Transit Division goal utilizing a preliminary budget to identify federal-aid service and supply contracts on USDOT-assisted projects to be performed. To determine the relative availability of DBE firms pertinent to each procurement category, NAICS statistics from the Department of Commerce and Census Bureau were also utilized. The information below, illustrates the Transit Division's proposed DBE goal for the Fiscal Year 2022 through 2024 period:

Step 1: Determination of Base Figure for Relative Availability of DBEs

The DBE goal is derived from an examination of census availability within the relevant geographic area (the Commonwealth of Massachusetts, Suffolk County, and metropolitan areas as defined by the most recent, Economic Census), and the current MassUCP directory. This geographic area was selected due to evidence the Office receives through its interaction with DBEs during public meetings and other business venues that DBEs have demonstrated a willingness to travel the breadth of the Commonwealth in pursuit of prospective work.

The Office of Diversity and Civil Rights consulted with the Rail and Transit Division, the MassDOT Planning Department, and reviewed TRAMs. We obtained a list of all upcoming FTA-assisted grants and projects that are expected to be awarded during the next three federal fiscal years to begin the process of establishing an overall goal for DBE participation. Grant managers were also consulted for additional project details specific to each FTA-assisted grant. The magnitude of anticipated contracting opportunities under each grant was determined and prospective procurement opportunities expected to occur under each grant were identified by NAICS code. Subrecipients under each grant were also identified.

Base Figure of Relative Availability

The base level of DBE availability was calculated through an analysis of businesses with employees in the most recent Massachusetts Economic Census available. This data is derived from the 2017 Economic Census available through the U.S. Census Bureau's website and the Massachusetts Unified Certification Program database of certified DBEs.

Relative Availability of DBEs

The relative availability of DBEs was determined by calculating the percentage of Ready, willing, and able (RWA) DBE firms certified in Massachusetts of all firms for each type of work within the state. The numerator is the number of businesses certified as DBEs by the Massachusetts Unified Certification Program. The denominator is the number of all firms in the Massachusetts Economic Census. This data is derived from the U.S. Census Bureau 2017 Massachusetts Economic Census and the Massachusetts Unified Certification Program database.

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Weighted DBE Availability for each FTA-Assisted Grant

	Grant	Amount of DOT funds on Grant:	% of total DOT funds (weight)
1	5310	\$357,136.44	0.0311
2	5311	\$1,017,947.02	0.0887
3	5311(f)	\$0.00	0.0000
4	5311(b)	\$0.00	0.0000
5	5311	\$0.00	0.0000
6	5339	\$0.00	0.0000
7	5303	\$10,097,004.00	0.8801
8	5304	\$0.00	0.0000
	Total FTA-Assisted Grant Funds	\$11,472,087.46	1.0000

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Relative Availability of DBEs

Categories and NAICS Codes	Average of Availability of DBEs
Bus inspection	11.56%
541990	11.56%
All Other Professional, Scientific, and Technical Services	11.56%
Cleaning facilities	15.68%
561210	28.57%
Facilities Support Services	28.57%
561720	2.79%
Janitorial Services	2.79%
Developing manuals	7.52%
323117	5.88%
Books Printing	5.88%
541611	9.16%
Administrative Management and General Management Consulting Services	9.16%
Financial services	1.81%
541219	1.81%
Other Accounting Services	1.81%
Fuel	27.03%
424720	27.03%
Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals)	27.03%
Legal services	0.02%
541110	0.02%
Legal services	0.02%
Paint	3.35%
238320	3.35%
Painting and Wall Covering Contractors	3.35%
Public engagement/outreach	8.81%
541820	8.81%
Public Relations Agencies	8.81%
Uniform	12.50%
315990	12.50%
Apparel Accessories and Other Apparel Manufacturing	12.50%
Administration	6.07%
541611	9.16%
Administrative Management and General Management Consulting Services	9.16%
561110	2.98%
Office Administrative Services	2.98%

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Auditing services	0.59%
541211	0.59%
Offices of Certified Public Accountants	0.59%
Electrical supplies	14.29%
335122	14.29%
Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing	14.29%
Janitorial services	2.79%
561720	2.79%
Janitorial Services	2.79%
Janitorial supplies	2.79%
561720	2.79%
Janitorial Services	2.79%
Office supplies	7.29%
424120	4.05%
Stationery and Office Supplies Merchant Wholesalers	4.05%
532420	10.53%
Office Machinery and Equipment Rental and Leasing	10.53%
Printing	4.05%
323111	4.05%
Commercial Printing (except Screen and Books)	4.05%
Professional services	10.98%
541330	8.78%
Engineering Services	8.78%
541380	12.59%
Testing Laboratories	12.59%
541990	11.56%
All Other Professional, Scientific, and Technical Services	11.56%
Promotional items	11.59%
541430	11.59%
Graphic Design Services	11.59%
Surveying	14.84%
541370	14.84%
Surveying and Mapping (except Geophysical) Services	14.84%
Technical assistance	8.78%
541330	8.78%
Engineering Services	8.78%
Grand Total	8.88%

The Base Figure DBE Availability is 8.88%.

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Step 2: Examination of Other Evidence for Determination of Availability and Adjustments

MassDOT reviewed all available relevant evidence to determine what adjustments, if any, were needed to apply to the base figure in order to arrive at the overall annual DBE goal. Using data collected regarding availability of ready, willing and able DBE firms the goal is set at the level of DBE participation expected absent the effects of discrimination.

MassDOT examined the current capacity of DBEs to perform work on FTA-assisted contracts based on the value of work performed by DBEs in the previous three (3) complete federal fiscalyears. The chart below shows the total past DBE participation relative to total value of awards over the three-year period.

FTA - Year Data ¹	FY2018	FY2019	FY2020	3 Year Total
Total Value of Awards	\$1,990,910	\$3,302,342	\$247,848	\$5,541,100
Total DBE Participation	\$6,421	\$114,831	\$180,138	\$301,490
DBE Race/Gender Neutral	\$6,421	\$114,831	\$180,138	\$301,490
DBE Race/Gender Conscious	\$0	\$0	\$0	\$0
	0.32%	3.47%	72.68%	3.47% median

MassDOT sought evidence in related fields within its jurisdiction that could affect opportunities for DBEs to form, grow, and compete, such as statistical disparities for DBEs to obtain finance, bonding and insurance. Based on the 2020 City of Boston Disparity Study Final Report conducted by BBC Research & Consulting it was determined that “minorities and women face certain barriers in Boston. Existing research, as well as primary research that the study team conducted, indicate that disparities exist in terms of acquiring human capital, accruing financial capital, owning businesses, and operating successful businesses. In many cases, there is evidence that those disparities exist even after accounting for various race- and gender-neutral factors such as age, income, education, and familial status. There is also evidence that many disparities are due—at least, in part—to discrimination.”²

The BBC Research & Consulting’s analyses continued that “barriers in the marketplace likely have important effects on the ability of minorities and women, to start businesses in relevant industries—construction, architecture and engineering, other professional services, goods, and other services—and operating those businesses successfully. Any difficulties that those individuals face in starting and operating businesses may reduce their availability for government work and may also reduce the degree to which they are able to successfully compete for government contracts. In addition, the existence of barriers in the marketplace indicates that government agencies in the region may be passively participating in discrimination that makes it

¹ Note: This data was obtained from MassDOT’s Semi-Annual Uniform Reports of DBE Awards or Commitments and Payments.

² 2020 City of Boston Disparity Study Final Report conducted by BBC Research & Consulting

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more difficult for minority- and woman-owned businesses to successfully compete for their contracts. Many courts have held that passive participation in any race- or gender-based discrimination establishes a compelling governmental interest for agencies to take remedial action to address such discrimination.”³

Based on past participation and the review of the reports and available data, MassDOT has set an overall goal of 5.4%.

Determination of Race/Gender-Conscious vs. Race/Gender-Neutral Split

MassDOT reviewed DBE attainment during the last triennial period and determined that our median of race/gender-neutral participation was 3.47%.

FTA - Year Data ⁴	FY2018	FY2019	FY2020	3 Year Total
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DBE Race/Gender Neutral	\$6,421	\$114,831	\$180,138	\$301,490
	0.32%	3.47%	72.68%	3.47% median

To meet the maximum feasible portion of the goal through race/gender-neutral measures per 49 CFR 26.51(a) and based upon availability of DBEs in the categories of work that MassDOT intends to utilize, the median of race/gender-neutral participation MassDOT anticipates meeting up to 5.0% of its overall goal through using race/gender-neutral measures and a race/gender-conscious participation of 0.4%.

MassDOT will continue to regularly review DBE attainment through our inspection of DBE commitments, awards, and actual payments. If it appears unlikely that the overall goal will not be achieved race conscious measures may be added for the remainder of the year.

Description of the types of Race-Neutral measures implemented by MassDOT

MassDOT offers several types of race-neutral measures through the Small Business Resource Center to assist small businesses and businesses owned by disadvantaged individuals (DBEs). These technical services include information in obtaining bonding, matchmaking services for small businesses, development program and assistance in becoming pre-qualified to bid on MassDOT projects.

³ 2020 City of Boston Disparity Study Final Report conducted by BBC Research & Consulting

⁴ Note: This data was obtained from MassDOT’s Semi-Annual Uniform Reports of DBE Awards or Commitments and Payments.

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MassDOT will use the following Race/Gender-Neutral measures to increase DBE participation:

- Implementing a supportive services program to increase the growth and development of firms eligible to participate in federally-aided transportation contract as a DBE firm by providing general business development training paired with specific transportation construction technical assistance and other resources to increase the capacity of participating DBEs. MassDOT has designed a program to address the barriers facing certified DBEs that will provide general business development training paired with specific transportation technical assistance and other resources to increase the capacity of participating DBEs.
- Providing technical assistance and other services to DBEs, one on one and through consultants.
- Conducting periodic surveys and needs assessments to better determine DBE needs and identify barriers to participation
- Informing DBEs of specific contracting opportunities
- Providing a copy of the Invitation for Bids to DBEs upon request.
- Providing introductions to help DBEs, and other small businesses with access to prime contractors in an effort to develop working relationships

Stakeholder Consultation:

On March 24, 2022, MassDOT held a consultation to discuss its goal setting methodology and to solicit feedback from stakeholders. The meeting took place virtually through Zoom and was attended by over 50 participants. Participants included minority, women, contractor groups, community organizations, and other stakeholders. The full list of participants will be issued upon request. Some of the invitees included Black Economic Council of Massachusetts (BECMA), Construction Industries of Massachusetts (CIM), Conference of Minority Transportation Officials (COMTO), Massachusetts Minority Contractors Association (MMCA), RTAs, and Women's Transportation Seminar (WTS).

MassDOT's Assistant Secretary for the Office of Diversity and Civil Rights, Julian Tynes, presented an overview of the DBE program and methodology for developing the overall DBE goal based on the availability of DBEs. MassDOT's Deputy Administrator of Transit Division, Thomas Schiavone, gave an overview of the transit division programs. This was followed by questions and answers by the group.

Notice: This document is posted on the MassDOT's website:

<https://www.mass.gov/disadvantaged-business-enterprise-goals-2019-2022>