

MBE Participation under the CATS Contract
DBM CATS CONFERENCE 3/3/2006
Frequently Asked Questions

1. Question: How will the MBE participation goals be developed for each CATS task order?

Answer: The originating agency's TORFP development team will analyze the scope of work to determine the level of MBE participation that is appropriate. The analysis should include consideration and modification of any TORFP requirements (corporate experience, bonding, etc.) that may negatively impact the ability of small and minority firms to compete at the prime contract level. Each TORFP's MBE strategy will be reviewed by the DBM PLO prior to TORFP approval.

2. Question: Will prime contractors be required to submit their MBE Participation Schedule at the time of TO proposal submission?

Answer: Yes. The new MBE guidelines established as of October 1, 2004 requiring submission of the MBE Participation Schedule with the prime contractor's proposal will apply to each task order issued under CATS. A prime contractor who does not submit a completed MBE Participation Schedule with the TO proposal will have their proposal rejected by the procurement officer.

3. If a MBE firm is approached by a CATS prime contractor to perform work under a task order to help meet the prime contractor's MBE requirement, does the MBE firm need to complete/sign any forms for the prime contractor to submit as part of the TO proposal submission?

Answer: No. There are no forms that the MBE needs to complete at that time. However, if your firm has been named by the prime contractor on the Participation Schedule as an MBE who will perform work under the



task order project, and the prime contractor has been notified that they are the apparent successful contractor, you will be asked by the prime contractor to complete and sign a Subcontractor Participation Statement (Form D-4) which confirms your agreement to perform that portion of the project indicated by the prime contractor on the Participation Schedule. The prime contractor must submit one Form D-4 for each named MBE within 10 days of award notification.

4. Are MBEs required to submit monthly payment reports?

Answer: Yes. If you have been asked by a successful contractor to sign a Form D-4, it is anticipated that you will perform work under the task order for which you will be paid. These payments must be confirmed by the State via the prime and subcontractor's monthly payment reports which are to be submitted to the individuals named on the report forms (typically Forms D-5 and D-6) included in the TORFP.

5. If an MBE master contractor is awarded a TO contract under CATS, is the MBE master contractor required to meet the MBE goal established for the TO?

Answer: Yes, MBE prime contractors must meet the MBE goals established under a task order.

6. If a SBR master contractor submits a TO proposal in response to a TORFP that has not been designated as SBR and that contains MBE requirements, does the SBR master contractor need to submit the required MBE documentation?

Answer: Yes, under TORFP that has not been designated for SBR, a SBR master contractor must submit the required MBE documentation with the TO proposal. If you do not, your proposal will be rejected.



Will the SBR master contractor be required to meet the MBE goal?

Yes, you will be required to meet the MBE goal established for the task order.

7. Is it possible for a TORFP that has been designated for SBR to have a MBE requirement?

Answer: Yes it is possible that an SBR-designated TORFP could have an MBE requirement if it is determined that, based on the scope of the project, an MBE goal is reasonable and attainable. The SBR vendor will be required to meet whatever goal has been established.

8. Does the agency TO manager have a role with regard to MBE reporting and goal achievement?

Answer: Yes. The TO manager is responsible for receiving prime and subcontractor payment reports and monitoring MBE utilization to ensure that the prime contractor will have met the MBE requirement by the end of the project. Written notification of non-compliance with either the reporting or MBE utilization requirements must be sent out by the agency when warranted. Arrangements must be made to have MBE payment data that has been validated by the agency entered into the State's financial management/procurement system (FMIS/ADPICS). Any MBE related complaints/issues raised by either the prime or subcontractor(s) must be promptly addressed by the agency. If assistance is needed, the TO manager should contact DBM's PLO or PMO. Compliance with the MBE goal is a deliverable under the TO agreement and must be treated as such.

9. What is the Task Order Procurement Officer's role with regard to the MBE TO requirements?

Answer: The Procurement Officer (PO) is responsible for making sure that minority businesses receive fair and equal treatment during the selection process by enforcing all applicable procurement laws, regulations, policies and procedures. The PO typically oversees the evaluation team and reviews the evaluators' award recommendation. If a waiver has been requested, the PO requests and reviews waiver documentation and determines if the waiver is justified. In either case, a written waiver determination is issued by the PO. Under CATS, waiver requests will also be reviewed by the DBM PLO.

10. If a master contractor proposes to exceed the MBE goal established for a task order, will the master contractor receive a more favorable rating by the evaluators?

Answer: No. Evaluators may not consider the proposed level of MBE participation as a separate factor when determining which contractor's TO proposal represents the best value to the State. Contractors are reminded that MBE goals established for task orders represent the minimum utilization levels, and that utilization beyond the established minimums should always be a part of the contractor's objective when doing business with the State.

11. How can/should a prime contractor validate an MBE's current certification status?

Answer: The first checkpoint is the MBE certification database located on the MDOT website. The prime contractor should make sure that the work proposed to be done by the MBE is covered by at least one of the work

categories (SIC/NAICS codes) listed in the MBE's profile. In addition, a prime contractor should ask the MBE for its most recent MDOT certification letter(s). The letter(s) will identify any particular SIC/NAICS codes from which the MBE is pending graduation. This level of detail is not viewable by the inquirer on the MDOT database, but is important for the prime contractor to know this information before submitting its MBE Participation Schedule as part of the TO proposal.

12. Since there are no forms that the MBE must complete/sign at the time of TO proposal submission, how can an MBE be sure that the MBE's level of participation under a task order has been accurately reflected by the prime contractor on the MBE Participation Schedule?

Answer: Every MBE named on the successful contractor's MBE Participation Schedule must complete and sign a Form D-4 which describes the portion of the work to be performed under the TO by the MBE (see #3 above). If the MBE has not been asked to complete a D-4, it is safe to assume that their firm was not named on the Participation Schedule submitted to the State.

In order for an MBE to know the level of its participation as presented to the State, the MBE must obtain a copy of the MBE Participation Schedule which becomes a part of the TO Agreement once the Agreement has been fully executed. Once the Agreement has been executed, a copy of the Participation Schedule may be obtained from the TO procurement officer, or the DBM PLO upon written request.