

**West Virginia Division of Highways  
Overall DBE Goals  
Fiscal Years 2012 -2014**

**The West Virginia Division of Highways (WVDOH) proposed Disadvantaged Business Enterprise (DBE) goal for FY 2012 – 2014 is established at 8.66% of the Federal financial assistance expended on WVDOH design and construction contracts.**

The goal setting methodology used for setting FY 2012 – 2014 goals is the same methodology that has been utilized since FY 2006. As specified in Section 26.45 (c) of the DBE Regulations, the method used to calculate the relative availability of DBEs (“base figure”) of the goal setting process is a percentage figure calculated by dividing a number representing available DBEs by a number representing all available firms. To calculate contractor DBE availability, the WVDOH utilized a current prequalification list and a list of subcontractors identified in subcontracting requests from October 2010 to March 2012 to determine the base figure. This data is narrowly tailored to the law and is defensible under the rule. The following is a summary of the statistical analysis:

**Step 1: Base Figure for the Relative Availability of DBEs:**

Construction Contractors

Total: 373

Non-DBE: 336 (90.09%)

DBE: 37 (9.92%)

The WVDOH requires all prime consultants to complete a Consultant Confidential Qualification Questionnaire (CCQQ). To calculate consultant DBE availability, the WVDOH counted consultants with current CCQQs on file and consultants identified in sub agreements between October 1, 2010 and March 31, 2012. This provides us with the best empirical data available to utilize in determining the availability of ready, willing, and able DBEs compared to all consultants. This data is narrowly tailored to the law and is defensible under the rule. This following is a summary of the statistical analysis:

Consultants

Total: 81

Non-DBE: 74 (91.36%)

DBE: 7 (8.65%)

Therefore, based on the above statistics, the availability of contractor DBEs is 9.92% and consultant DBEs is 8.65%.

It is necessary to weight the participation based on the expenditures of Federal funds in each category. Based on the WVDOH six-year plan, the FY 2012 - 2014 Federal allocation for construction will be \$948,148,612 (97.89%) and consultant P.E. starts will be \$20,536,768 (2.13%). As such, it is necessary to multiply the percentages of DBE contractors and DBE consultants by the percentage of Federal funds in each category (97.89% for construction and 2.13% for consultants). This yields a participation rate of 9.71% for contractors and 0.18% for consultants.

Based on the sum of the above statistics, the relative availability of DBEs is 9.89%.

**Step 2: Examining Evidence to Adjust the Base Figure:**

A five (5) year historical analysis of the WVDOH's DBE achievement based on dollar volume was examined and is summarized in Table 1:

| Table 1                       |               |               |               |               |              |
|-------------------------------|---------------|---------------|---------------|---------------|--------------|
|                               | FY 2007       | FY 2008       | FY 2009       | FY 2010       | FY 2011      |
| <b>Total Expenditures</b>     | \$201,089,132 | \$201,253,317 | \$404,617,992 | \$294,439,361 | 555,333,423  |
| <b>Total DBE Expenditures</b> | \$19,385,151  | \$16,255,402  | \$26,084,679  | \$21,315,227  | \$41,342,993 |
| <b>DBE Utilization</b>        | 9.65%         | 8.08%         | 6.13%         | 7.24%         | 7.44%        |
| <b>DBE Goal</b>               | 6.75%         | 7.89%         | 8.24%         | 8.16%         | 8.16%        |

The WVDOH median DBE participation is 7.44% over the evaluation period (FY 2007 to FY 2011). Based on the calculations presented above, the relative availability of DBEs for FY 2012-2014 is 9.89%. The average of these numbers (participation rate & availability) is 8.66%.