

Disadvantaged Business Enterprises (DBE): The Arizona Department of Transportation (ADOT) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. ADOT has received Federal financial assistance from the Department of Transportation, and as a condition of receipt of funding, ADOT has signed an assurance that it will comply with 49 CFR Part 26.

The SUBRECIPIENT shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The SUBRECIPIENT shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The SUBRECIPIENT's DBE program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the SUBRECIPIENT of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

The contractor, sub SUBRECIPIENT or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the SUBRECIPIENT deems appropriate.

Failure to carry out these requirements constitutes a material breach of this contract, which may result in the termination of this contract or such other remedy as the STATE deems appropriate.

It is ADOT's policy to ensure that DBEs as defined in 49 CFR Part 26 have an equal opportunity to receive and participate in DOT-assisted contracts. ADOT's objectives are as follows:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's construction, procurement, and professional services contracts in the areas of highway, transit, and airport financial assistance;
- To ensure nondiscrimination in the award and administration of USDOT-assisted contracts;
- To create a level playing field on which DBEs can compete fairly for USDOT assisted contracts;
- To ensure that the DBE program is narrowly tailored in accordance with applicable law;
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are counted as DBEs;
- To help remove barriers to the participation of DBEs in USDOT-assisted contracts; and
- To assist in the development of firms that can compete successfully in the market place outside the DBE program.

Each LPA (Local Public Agency, Local for-Profit Agency, or Local non-Profit Agency), sub-SUBRECIPIENT, and grantee must complete and have its executive officer sign a Sub-SUBRECIPIENT DBE Program

Compliance Statement. In accordance with the compliance statement, all LPAs, sub-SUBRECIPIENTS, and grantees agree to the following:

- Use solicitation language provided by ADOT defining DBE requirements for all construction, professional services, and procurement contracts;
- Submit DBE goal requests via <https://adot.dbesystem.com/frontend/welcome.asp> using the ADOT DBE Goal Request Form(s);
- Conduct post-award monitoring and reporting using the online DBE data collection and reporting system found at <https://arizonalpa.dbesystem.com>;
- Ensure commercially useful function compliance post-award;
- Designate a single point of contact for DBE compliance purposes;

Additionally, all LPAs, sub-SUBRECIPIENTS, and grantees agree to collect the following information for each solicitation for which a DBE contract goal has been established:

- The names and contact information of DBE firms that will participate in the contract;
- A description of the work that each DBE will perform;
- The dollar amount of the participation of each DBE firm participating;
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
- Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractors commitment and
- If the contract goal is not met, evidence of good faith efforts.

LPAs, sub-SUBRECIPIENTS, and grantees will require prime contractors, consultants, and vendors to maintain records and documents of payments to DBE and non-DBE subcontractors for three years following the performance of a federal aid transportation contract. These records will be made available for inspection upon request by any authorized representative of the ADOT Civil Rights Office. Subcontractors are required to maintain payment information for any lower tier subcontractors for the same three-year duration.

LPAs, sub-SUBRECIPIENTS, and grantees are required to collect data on DBE and non-DBE participation to report to ADOT on Federal-aid projects. Contractors and consultants are to be notified that such record keeping is required for tracking DBE participation. Contractors, consultants, and vendors performing on federal aid transportation projects are required to provide monthly reports documenting amounts earned by and paid to all DBEs and non-DBEs. All DBE and non-DBE subcontractors working on federal aid transportation projects are required to verify receipt of payment. Further, first tier subcontractors are required to report amounts earned by and paid to all lower-tier DBE and non-DBE subcontractors. Lower-tier subcontractors are required to verify receipt of payment.

LPAs, sub-SUBRECIPIENTS, and grantees will submit project data in support of each semi-annual and annual submission made by the state. Sub-SUBRECIPIENTS are required to use the ADOT Local Public Agencies DBE Reporting System. This system may be accessed via www.arizonalpa.dbesystem.com. Semi-annual report data must be audited by LPAs, sub-SUBRECIPIENTS, and grantees for accuracy and completeness by May First and November First of each

year. Semi-annual reports will be run by ADOT and reviewed with LPAs, sub-SUBRECIPIENTS, and grantees on an as-needed basis.

The ADOT DBE Program Plan and LPA/Sub-SUBRECIPIENT DBE Guidelines can be found online at www.azdot.gov.