

## GUIDELINES FOR COMPLETING MBE PARTICIPATION SCHEDULE- ATTACHMENT B

The MBE Participation Schedule, Attachment B has been revised to incorporate rows for MDOT certified prime contractor and MDOT certified Regular Dealer/Supplier/Wholesaler. We will work through an example to complete the Attachment B.

### Example 1

The prime contractor, Sample Contractors, Inc. is an MDOT certified Asian-American firm awarded a one million contract to renovate Better Elementary School. Sample Contractors, Inc. elected to execute \$600,000 of the contract and awarded the remaining \$400,000 to two MBE firms, namely Popular Plumbing & Heating, Inc. and ABC Mechanical Supply Co., were awarded contracts of \$70,000 and \$100,000 respectively. ABC Mechanical Supply Co. is an MDOT certified supplies firm.

The LEA Procurement Review Group established the overall goal for the project as 25%. The subgoals were 7% for African American and 4% for Asian American.

### Solution

We will complete Attachments A and B for this assignment.

### Attachment A

Filling in the MBE goals of 25%, 7% and 4% for the overall goal, African American and Asian American respectively.

### Attachment B

Let's start with Sample Contractors, Inc. The firm is an Asian-American MDOT certified prime contractor. Therefore, we will use the second row for the prime contractor to complete the participation amount. \$600,000 will be filled in the "Subcontractor Dollar Amount". Since the prime contractor is subject to 50% of the overall established goal or 100% of one subgroup contract subgoal rules, we will calculate the participation amount as follows;

- i. 50% of the overall MBE goal is \$125,000 [i.e.  $50\% * (25\% * 1,000,000)$ ]
- ii. 4% of \$1,000,000 is \$40,000

Therefore, we will elect to use the higher amount of \$125,000 and fill it in the Participation Amount column. Percentage of Total Contract achieved is 12.5% (i.e.  $125,000/1,000,000$ ).

Popular Plumbing & Heating, Inc., is an MDOT African-American certified firm which is neither prime contractor nor MDOT supplier. Therefore, we will fill in the \$70,000 in the first row for 100% - "Subcontractor Dollar Amount" and "Participation Amount". Percentage of Total Contract achieved is 7% (i.e.  $70,000/1,000,000$ ).

ABC Mechanical Supply Co. is MDOT certified supplier dealing in mechanical materials. We will fill in \$100,000 in the "Subcontractor Dollar Amount" row for Regular Dealer/Supplier. Next we will ascertain the "Participation Amount" by multiplying \$100,000 by 60% to achieve \$60,000. The Percentage of the Total Contract is 6% (i.e.  $60,000/1,000,000$ ).

Total MBE Participation achieved for the contract is \$255,000 (25.5%). We will now use the above figures to complete the MBE Participation summary section.