

# DBE News

Published by the Idaho Transportation Department

December 2011 Volume XXI No. 3



Where in Idaho is this? See page 2

## What is a DBE?

A DBE is a small, for-profit business concern that is at least 51% owned and controlled by socially and economically disadvantaged individuals. The US Department of Transportation's (USDOT) DBE Program is designed to foster equal opportunity for minority, female and disadvantaged business owners on federal-aid transportation projects, and for helping them improve their business efficiency and flexibility.

This monthly newsletter is published by the ITD's DBE Supportive Services as an informational and educational resource for DBEs, contractors, consultants and federal-aid agencies on EEO, procurement and business issues. If you'd like to receive this newsletter regularly, please contact us for a **free subscription**.

— **Liz Healas, Editor**



## EEO/AA Workshops Include Updates

*These free annual EEO/Affirmative Action Requirements Workshops will be held in three locations in January and February, so mark your calendars.*

Perplexed about the US Department of Transportation (USDOT)'s and US Department of Labor (USDOL)'s EEO/Affirmative Action Requirements?

Julie Caldwell, ITD's EEO/Contract Compliance Officer, has you covered!

In her free half-day workshop, she lays out your responsibilities in fulfilling civil rights requirements on federal-aid contracts/subcontracts in the amount of \$10,000 or more.

*(Continued on page 8)*

## 2012 Certification Reviews

*The "No Change" Affidavits and Three-Year Review Applications should have arrived in DBE mailboxes and email boxes in mid-November.*

### No Change Affidavit Forms

This quick and easy form is for DBEs who either were initially certified — or completed their last full three-year review — since 2009.

If **no** changes have happened since your last certification or review that would affect your firm's eligibility for the

program, just fill out the form, sign it, and have it notarized. Don't forget to include a copy of your 2010 business tax return. It's that easy and it's that quick.

HOWEVER: If you **have had** changes since your last certification or three-year review that would affect your ability to

*(Continued on page 6)*

**Inside ...** Newly Certified DBEs ... New Hire Reporting Helps Control Benefit Abuse ... 3% Contractor Withholding Repealed ... Wounded Warrior Training Program ... STEP Grant ... Safety Fest of the Great Northwest ... 2012 ITD Bidders Registration ... BUSTED! Tales from the OIG ... SBA Loan Program Changes ... ITD Procurement Info ... 511 Travel Info

## DBE Supportive Services

**Liz Healas, DBE Supportive Services Coordinator** (208) 334-8567

E-mail: [elizabeth.healas@itd.idaho.gov](mailto:elizabeth.healas@itd.idaho.gov)

**Debby McCarthy, DBE Supportive Services Assistant** (208) 334-4442

E-mail: [debby.mccarthy@itd.idaho.gov](mailto:debby.mccarthy@itd.idaho.gov)

Facsimile Machine (208) 334-4423

Toll-Free Number (800) 634-7790

TDD/TTY (208) 334-4455

Visit us on-line at [www.itd.idaho.gov/civil/external.htm](http://www.itd.idaho.gov/civil/external.htm)

Office Location & Mailing Address:

3311 W. State Street, Room 100 / PO Box 7129, Boise, ID 83707

(Office Hours are 8am - Noon, 1pm - 5pm, Mountain Time)

## Newly Certified DBEs

### **Mountain Dove Construction Co.**

Rebecca Karvonen, President

173 Sylvester Road, Sandpoint, ID 83864

Phone: (208) 290-3855

Email: [bkarvonen@hotmail.com](mailto:bkarvonen@hotmail.com)

*Bird, pest and weed control; painting (indoor and outdoor); general building construction.*

### **S&K Environmental, LLC**

Jedediah H. Whiteley, President

PO Box 310, Arlee, MT 5982

Phone: (406) 726-3014 FAX: (406) 726-3016

Email: [jed@skercorp.com](mailto:jed@skercorp.com)

Homepage: [www.skercorp.com](http://www.skercorp.com)

*Stream Channel Restoration, Native Plant Revegetation, Weed Abatement, Heavy Equipment / Civil Construction.*

To see our complete **DBE Directory**, visit on-line at [www.itd.idaho.gov/civil/dbeforms.htm](http://www.itd.idaho.gov/civil/dbeforms.htm). This listing is updated to our website on the first workday of every month. Hard copy versions of the directory, updated each quarter, are also available by request.

Wondering about the DBE certification application process? View our on-line slideshow at [www.itd.idaho.gov/civil/slideshow.ppsx](http://www.itd.idaho.gov/civil/slideshow.ppsx) for a quick overview. If you're located in the Treasure Valley area, we're also presenting a half-day "Doing Business with the Government" workshop in Meridian on December 8. Visit [www.itd.idaho.gov/civil/external.htm](http://www.itd.idaho.gov/civil/external.htm) for more information and to register.

## New Hire Reporting Helps Control Benefit Abuse

*Non-compliance with 20-day deadline makes it harder for officials to track overpaid unemployment benefits and parents who owe child support.*

Only about 30% of Idaho employers comply with the 1997 law requiring them to report newly hired workers to the Idaho Department of Labor within 20 days.

While the compliant businesses definitely represent the majority and employ two-thirds of Idaho's workers, the failure of all employers to report undermines the law's purpose to identify people who owe child support so their wages can be garnished and the money recovered to support their children.

Since the law was passed, child support

*(Continued on page 3)*

Clue for this month's "Where in Idaho is this?" This mountain range was named for the military personnel who spent their time there safeguarding immigrants along the Goodale Cutoff of the Oregon Trail. Now it's enjoyed for its many recreational opportunities by modern military personnel from a nearby air force base.



Answer to November Issue: **Minidoka National Wildlife Refuge**, located 12 miles northeast of Rupert in southeastern

*(REPORTING, Continued from page 2)*

collections through wage withholding have jumped from less than a third to more than half, and nearly 1,200 parents who have ignored child support orders are being identified and garnished every month.

But new hire reporting does more than help reduce demand for welfare support. It also helps the Department of Labor track down unemployment insurance overpayments.

Without 100% compliance with the reporting requirement, it can take months to identify claimants who have continued collecting benefits after they have returned to work. After that long, it becomes increasingly difficult to actually recover any of the overpayments.

The department's compliance staff cross-matches unemployment benefit recipients with the new hire reports every week and will be doing that cross-match every day by year's end. This cross-matching process prevents further benefit payments to claimants who have returned to work without alerting the department and triggers investigations by department staff into why these workers were still trying to collect benefits.

The department has recovered more than \$3 million in overpayments since the recession began in December 2007.

Beefing up compliance with the new hire reporting law is part of a long-range plan by the department to crack down on benefit fraud and overpayments. A special departmental task force is being put together to implement this strategic plan.

The department is stepping up education about benefit and tax responsibilities for claimants and employers; increasing staff training to better assist claimants in com-

*(Continued on page 6)*

## Congress Repeals 3% Withholding Requirement on Contractors

*One less thing to worry about: future contracting requirement that many saw as burdensome is nixed by Congress and President.*

In mid-November, the U.S. Congress repealed the requirement which would have mandated federal, state and local governments to withhold 3% of nearly all payments made to contractors. The repeal was signed into law by President Obama.

The 3% provision was introduced in the Tax Increase Prevention and Reconciliation Act of 2005 in an effort to ensure that individuals and companies receiving new payments from the federal government didn't avoid paying federal taxes.

The law required that federal, state and local governments with expenditures of more than \$100 million withhold 3% of payments for products and services worth more than \$10,000. The requirement was scheduled to take effect on January 1, 2013.

This provision was universally unpopular, particularly with small business advo-

cates and contracting groups. They argued that the 3% withholding requirement would have adversely affected all small businesses that provide services to government entities.

For instance, opponents contended that most small businesses would have had to increase their debt level in order to ensure sufficient cash flows; these additional expenses ultimately would have been passed on to their government customers. Small firms unable to secure additional debt might have been forced out of the Federal contracting market altogether.

On top of that, local governments foresaw a tough, costly implementation of the law.

The effective date for the 3% provision had already been delayed twice before being repealed altogether.

## AASHTO Recognizes Wounded Warrior Training Program

Idaho's **Wounded Warrior Transportation Job Training Pilot Program**, which helps veterans injured in Afghanistan and Iraq find meaningful employment in the transportation field, has earned a national award for its success.

The American Association of State Highway and Transportation Officials (AASHTO) selected the joint project of the Idaho Transportation Department and Idaho Department of Labor for its

2011 President's Transportation Award in Administration. The award was given for "having performed exemplary service during the year furthering transportation activities."

ITD Director Brian W. Ness accepted the award on behalf of the departments of transportation and labor. It was presented at the AASHTO national convention held in Detroit in October.

*(Continued on page 4)*

## STEP Grant to Help Boost Idaho Exports

*Funded by federal grants and state matching funds, the State Trade and Export Promotion (STEP) Program is designed to help increase the number of small businesses exporters as well as raise the value of their exports.*

A \$292,000 grant from the U.S. Small Business Administration (SBA) will help Idaho businesses sell more of their products and services abroad, boosting exports and creating jobs – especially in rural Idaho.

The **State Trade Export Promotion (STEP) Grant** will help Idaho companies do market research, qualify international buyers, participate in trade shows and trade missions and translate websites and

marketing materials for foreign markets.

Grants will be available on a competitive basis to companies with fewer than 500 employees that meet revenue requirements set by the SBA. Companies receiving a STEP grant must provide a dollar-for-dollar match.

Part of the grant also will be used to support the “Idaho Export Circuit,” a targeted

*(Continued on page 5)*

*(WARRIOR, Continued from page 3)*

More than 20% of the combat veterans of the wars in Iraq and Afghanistan cannot find work upon their return to the United States, and the rate is twice that for those who have been wounded. The Wounded Warriors initiative helps break down economic barriers to re-employment by providing financial assistance for training, including day care, transportation and records, licensing and certification.

Michelle George of ITD's Human Resource Services office, and Chris Ramos of the Department of Labor wrote an



Director Ness (shown here with Nevada DOT Director Susan Martinovich) receives the 2011 President's Transportation Award at the national AASHTO convention.

application that resulted in a \$99,300 grant from the Federal Highway Administration.

The training program has 20 Idaho veterans currently in school or who recently graduated. Of those veterans, 15 are Commercial Driver's License participants, three graduated from flagger/safety courses, and two earned CDL license renewals through the program. Training is offered through the College of

Western Idaho in Nampa.

“We're ready to move forward on a state-wide proposal as additional money becomes available,” George said.

ITD's Equal Opportunity Employment (EEO) Office (which includes DBE Supportive Services and EEO Contract Compliance) administers other On-the-Job Training Supportive Services Programs as well. Please see the October issue of the **DBE News** at [www.itd.idaho.gov/civil/pdf/Oct11.pdf](http://www.itd.idaho.gov/civil/pdf/Oct11.pdf) for a story on the **College of Western Idaho Heavy Equipment Operator Training Program**

## 7<sup>th</sup> Annual Safety Fest of the Great Northwest

*This safety training extravaganza takes place in Boise at the Washington Group Plaza from January 24-27.*

This **FREE** 4-day training event is designed for the education of the Northwestern Region's front line workers, supervisors and managers of all levels. Its goal is to reduce hazards presently causing fatalities, injuries and illnesses on the job.

Everyone is invited: Contractors, small and large; construction and general industry; professional technical educators – anyone who desires to improve the safety performance of their business.

Classes will teach methods to reduce hazards presently causing fatalities, injuries and illnesses, with an emphasis on construction, general industry & mine safety and health. Classes in Spanish are also available.

A trade show also will be held on Tuesday & Wednesday, January 24 & 25, inside the Washington Group Plaza. 50 booths will be available at \$250 per booth.

Register online at [www.safetyfest-boise.org](http://www.safetyfest-boise.org). Don't wait: classes fill up fast! Registration closes December 19.

Also, watch for information on these upcoming Safety Fest Events in 2012:

**Post Falls** in February: [www.safetyfest-northernidaho.org](http://www.safetyfest-northernidaho.org)

**Twin Falls** in March: [www.safetyfest-southernidaho.org](http://www.safetyfest-southernidaho.org)

**Pocatello** in April: [www.safetyfest-easternidaho.org](http://www.safetyfest-easternidaho.org)

**Lewiston** in October: [www.safetyfest-lewiston.org](http://www.safetyfest-lewiston.org)

## 2012 ITD Bidders List Registrations

Here's another annual rite for businesses working with ITD. If you've registered in past years, just use the "update" form.

**Attention Bidders:** Federal Regulation 49 CFR 26.11 (c), states, "[State DOTs and other recipients] must create and maintain a bidders list, consisting of all firms bidding on prime contracts and bidding or quoting subcontracts on DOT-assisted projects."

Each year for every firm, the following information must be included:

1. Firm name;
2. Firm address;
3. The age of the firm;
4. Range of the firm's annual gross receipts;
5. Type of business;
6. The ownership status of the firm;
7. Firm's status as a DBE or non-DBE;
8. Identification of work area locations.

All contractors, consultants and other participants who intend to bid and/or contribute on ITD federal-aid projects for Federal Fiscal Year 2011 must complete and return either the ITD Bidder's Registration Form or (for those who registered in 2011), the ITD Bidder's Update Form.

Both can be obtained from the ITD EEO Office (208-332-4442) or at [www.itd.idaho.gov/civil/dbeforems.htm](http://www.itd.idaho.gov/civil/dbeforems.htm).

**This form must be submitted no later than December 16, 2011**, and should be submitted to: Idaho Transportation Department, EEO Office, PO Box 7129,

*(Continued on page 6)*

## Busted! Tales from the OIG

### New York Construction Company Owner Sentenced for Highway Fraud

On September 7, 2011, Oscar Rayford was sentenced in U.S. District Court in Buffalo, New York.

Rayford, owner of Rayford Enterprises, Inc., a certified DBE, was sentenced to eight months of home confinement, one year of probation, a \$7,500 fine, and a \$100 special penalty assessment.

Rayford also was ordered to forfeit \$1.8 million to the government. He previously pled guilty to a one-count information charging him with mail fraud.

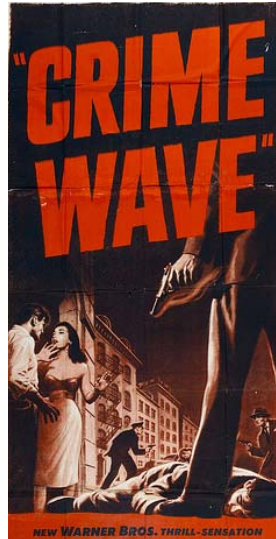
Rayford admitted that between 2001 and 2007, he falsely represented to various government agencies that his company was performing a "commercially useful function" as a DBE

*(STEP, Continued from page 4)*

effort to recruit international buyers to Idaho and match them with viable suppliers in the building materials, agricultural machinery and food processing equipment industries.

"The STEP Program is an excellent resource for Idaho companies who want to increase sales and expand into new markets of opportunity," said Damien Bard, administrator of the Idaho Department of Commerce's International Business Division.

The Idaho Department of Commerce is working with the Idaho State Department of Agriculture, the Idaho Small Business Development Center and the U.S. Com-



DBE fraud, straight from the annals of the Office of the Inspector General. Shocking, but true!

manufacturer of concrete, when he entered into a series of agreements with Lafarge North America (Lafarge), a non-DBE, where Lafarge performed virtually all the work functions associated with concrete production and delivery on five highway construction projects funded by the Federal Highway Administration.

Rayford obtained payments from the general contractors, retained a small percentage as his fee, and passed on the remainder to Lafarge.

The total value of the work performed by Lafarge on behalf of Rayford was in excess of \$3.2 million.

mercial Service to promote and deliver Idaho's STEP Program.

Companies interested in learning more about the STEP Program, or in applying for a market access grant may contact Jake Klossner at (208) 334-2650 ext. 2113, or [jake.klossner@commerce.idaho.gov](mailto:jake.klossner@commerce.idaho.gov).

The STEP grant program is made available as part of a three-year trade and export promotion pilot initiative authorized by the Small Business Administration Act of 2010.

For more information, visit: [www.sba.gov/content/state-trade-and-export-promotion-step-fact-sheet](http://www.sba.gov/content/state-trade-and-export-promotion-step-fact-sheet)

## Changes to SBA Loan Program Aimed at Increasing Usage

Changes to a U.S. Small Business Administration loan program that finances buildings and fixed assets could increase usage of these loans, which fell in number in the most recent fiscal year in the district covering parts of southern Idaho and eastern Oregon.

The SBA 504 Program Loan now can be used to refinance a conventional bank loan and even provide some money to pay business expenses, said Lance Fos-



The SBA 504 Program is opening up the spigot a little more.

ter, Lender Relations Specialist with the SBA's Boise District Office.

"It's going to make 504 financing an option for business that otherwise would not have been able to use the program," Foster said.

The Boise District saw \$34.73 million in combined SBA 504 loan volume on 65 loans in fiscal 2011 compared to

*(Continued on page 7)*

*(REVIEWS, Continued from page 1)*

meet all DBE eligibility requirements — ones that you have not already alerted DBE Supportive Services about — you must attach an explanation of the changes, along with all supportive documentation.

DBE Supportive Services will analyze what effect, if any, these changes have on your certification eligibility.

### Three-Year Review Applications

These are for firms whose last full certification or three-year certification review was in 2009. The certification review application asks for updates on everything from ownership to Personal Net Worth.

There will be a checklist attached of the documents that are necessary to send in with the application. Be sure that all items are included before mailing in the packet to us.

After we receive your signed and notarized affidavits or certification review applications (with *all* needed documentation), you will receive a certification letter

and certificate for Calendar Year 2012.

### All "No Change" affidavits and certification review applications are due February 15, 2012.

Anyone who fails to provide their affidavit or certification review application in a timely manner "will be deemed to have failed to cooperate" according to DBE regulations, which may result in removal of certification.

**DBEs who have had their certifications removed will be required to undergo the full application process again should they wish to have their certification restored.** In the meantime, they *will not* be counted as certified DBEs in the State of Idaho.

In other words, it's really important that you submit these forms by the February 15 deadline, or arrange for an extension.

If you have any questions about your "No Change" Affidavit or three-year certification review application, call DBE Supportive Services at (208) 334-4442, or toll-free at (800) 634-7790. ●

*(REPORTING, Continued from page 3)*  
plying with unemployment benefit requirements; developing new messaging services for employers to obtain real-time information on employee separations; linking directly to the IRS to recover overpayments from federal tax refunds and creating a new computer system for benefit and tax payments to replace the existing system that is over 30 years old.

In addition, the department is refocusing its employer audits to detect misclassification of workers as independent contractors and cases where workers are being paid under the table to avoid the unemployment insurance — and other — taxes.

"Unemployment benefits play a critical economic role in Idaho, ensuring that workers laid off during severe recessions like this last one get some assistance in paying their bills so they're still here when the economy picks up and employers need them," Department of Labor Director Roger B. Madsen said.

"But the Department of Labor is committed to making sure that benefits go only to those who legitimately deserve them and in the amounts they deserve," Madsen said. "This integrity initiative builds on the department's already solid record of controlling overpayments and ensuring employers pay the unemployment taxes they legitimately owe." ●

*(BIDDERS LIST, Continued from page 5)*

Boise, Idaho 83707-1129.

Companies that neglect to submit the form will be required to provide it prior to the start of work and/or contribution on any ITD federal-aid project.

Questions regarding the required information should be directed to **Julie Caldwell**, EEO Contract Compliance Officer, at (208) 334-8458. ●

Not all of ITD's projects open for bid are directly highway-related. Check out [www.itd.idaho.gov/business/business.htm](http://www.itd.idaho.gov/business/business.htm) (**Bid & Contract Information—ITD Goods & Services**) for bid openings on maintenance buildings, sand sheds, rest areas, mowing, and other goods and services.

Consultants: mark this in your "favorites": [www.itd.idaho.gov/design/cau/cau.htm](http://www.itd.idaho.gov/design/cau/cau.htm). Learn here how ITD uses professional services for project development and highway improvements connected to a highway projects.

*(SBA LOANS, Continued from page 6)*  
\$24.88 million on 76 loans in fiscal 2010. Some unusually large loans were issued in the 12 months ended September 30, 2011, according to Foster.

Eligible businesses can finance up to 90% of appraised value or 100% of outstanding principal, whichever is lower, Foster said. SBA 504 loans could be used for refinancing previously, but 50% of the proceeds had to be used for expansion. Also new is a provision allowing the difference between appraised value and principal owed to be rolled into the loan and made available to pay business expenses such as utilities, leases and inventory.

"We are looking for businesses that have equity positions," Foster said.

For more information about the 504 Loan Program, visit [www.sba.gov/content/cdc504-loan-program](http://www.sba.gov/content/cdc504-loan-program)

## Don't See DBE Goals On ITD Projects?

**That's because we currently have a race/gender-neutral program with no individual DBE project goals.** ITD's current proposed FFY12 APG of 6%, which incorporates the findings of a 2007 DBE Disparity Study, is posted at [www.itd.idaho.gov/civil/dbegoal.htm](http://www.itd.idaho.gov/civil/dbegoal.htm).

## ITD Highway Construction Projects

For the quickest, most complete notification of these projects as they are put out for bid, visit ITD's **Contractor Information Page** ([www.itd.idaho.gov/design/contractors/contrinfo.htm](http://www.itd.idaho.gov/design/contractors/contrinfo.htm))

This excellent resource features *Notice to Contractors* (**available online only**), which alerts you to all upcoming federal-aid and state highway construction

projects let through ITD, and list specific details and quantities, the names of resident engineers, and a brief description of the work to be performed.

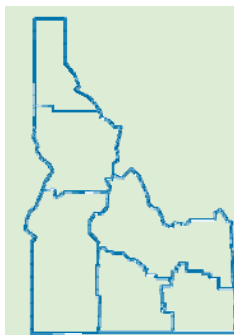
Also included is: *Quarterly Bidding Forecast*, *Planholder Lists* (updated daily), *Bid Result and Bid Abstract Information*, and *Contract Award Information*.

Are you a prime contractor looking for DBEs? Post your "Invitations to Bid" page at [www.itd.idaho.gov/civil/invitations.htm](http://www.itd.idaho.gov/civil/invitations.htm). You can also get modified lists of DBEs according to work area for solicitation, just be contacting DBE Supportive Services.



## Free Non-Bidder's Plans & Specs For DBEs

Idaho-Certified DBEs: remember to call DBE Supportive Services at (208) 334-4442 for *free* non-bidder's ITD Plans & Specifications if interested in bidding as a subcontractor. Limit of ONE set of plans per project per DBE firm. A DBE Non-Bidders Plan Holders list can be found at [www.itd.idaho.gov/civil/planholders.htm](http://www.itd.idaho.gov/civil/planholders.htm).



### Project-Related Questions?

District 1	Coeur d'Alene	(208) 772-1200
District 2	Lewiston	(208) 799-5090
District 3	Boise	(208) 334-8300
District 4	Shoshone	(208) 886-7800
District 5	Pocatello	(208) 239-3300
District 6	Rigby	(208) 745-7781

*(TRAINING, Continued from page 1)*

The workshops will be held from 8am-Noon in three locations:

**January 18, ITD District 1, Coeur d'Alene**

**January 25, ITD District 5, Pocatello**

**February 1, ITD Headquarters East Annex, Boise**



The road to EEO compliance is not complete unless you get the newest updated information from our ITD workshops.

eran requirements on federal-aid projects also will be provided.

To register or for more information about the training, please contact **Julie Caldwell** at (208) 334-8458 or **Julie.Caldwell@itd.idaho.gov**.

You can also

download the registration flier at [www.itd.idaho.gov/civil/pdf/eo-trg.pdf](http://www.itd.idaho.gov/civil/pdf/eo-trg.pdf).

Attendees will learn the requirements for both construction and consultant companies. The latest updates to USDOL and USDOT EEO/Affirmative Action and Vet-

## 511 Travel Information

*Need to travel on bad winter roads? Don't guess at the conditions, look them up!*

For the latest Idaho road condition reports, call the **Idaho Transportation Department's 511 Travel Information Line** at — you got it — 511, or 1-888-432-7623.



including traffic cameras and weather reports. The information can be personalized to save your most often travelled routes.

You also can also visit online at <http://511.idaho.gov> for great visuals

Deer on the highway? Blocked passes? Closed rest areas? Don't wait in dread and suspense: find out beforehand!

Idaho Transportation Department  
EEO Office—DBE Supportive Services  
PO Box 7129  
Boise, ID 83707-1129

## ITD & TITLE VI

The Idaho Transportation Department (ITD) is committed to compliance with Title VI of the Civil Rights Act of 1964 and all related regulations and directives. ITD assures that no person shall on the grounds of race, color, national origin, gender, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any ITD service, program, or activity.

The department also assures that every effort will be made to prevent discrimination through the impacts of its programs, policies, and activities on minority and low-income populations. In addition, the department will take reasonable steps to provide meaningful access to services for persons with Limited English Proficiency.

First Class Mail  
US Postage Paid  
Boise, Idaho  
Permit No. 143