



CRITICAL SUCCESS FACTORS UPDATE



CSF SPOTLIGHT:

PEOPLE

DBE

Participation by certified DBE firms on federally funded construction contracts directly related to ODOT core functions.

EDGE

Participation by certified EDGE firms on state-funded construction contracts directly related to ODOT core functions.

MBE

Percent of operating budget in categories determined by DAS that is awarded to MBEs.

Excellence in Government

As one of Ohio's largest agencies, ODOT awards more than 1,000 contracts annually to contractors, consultants and other private entities. Our economic impact to the economy is substantial, considering we do more than \$2 billion in contracts each year. And by law, the department must adhere to federal and state guidelines throughout the contract process, specifically as it relates to small, disadvantaged and minority-owned businesses. To improve this process and ensure the department is a leader in this area, the Division of Opportunity, Diversity and Inclusion (ODI) was created on July 1, 2015. With a goal to promote diversity and provide equitable opportunities, both internally and externally, ODI is split into three offices: Office of Equal Opportunity, Office of Outreach and Office of Small and Disadvantaged Business Enterprise. Since its inception, ODI initiated the Disparity Study, to identify and remove the barriers that separate small and disadvantaged businesses from highway construction and engineering opportunities. Upon completion of the study, Director Wray submitted a letter to FHWA to implement a more targeted goal so that the state may create stronger parity and expanded opportunities for small and disadvantaged business enterprises within the heavy highway construction and engineering industries.

Disadvantaged Business Enterprise

HOW IS IT CALCULATED?

The Disadvantaged Business Enterprise (DBE) metric measures the percentage of participation by certified DBE firms on federally funded construction and construction-related services (consultant) contracts which are directly related to ODOT core business functions, i.e., planning and designing new roadways, building and maintaining the roadway system, etc.

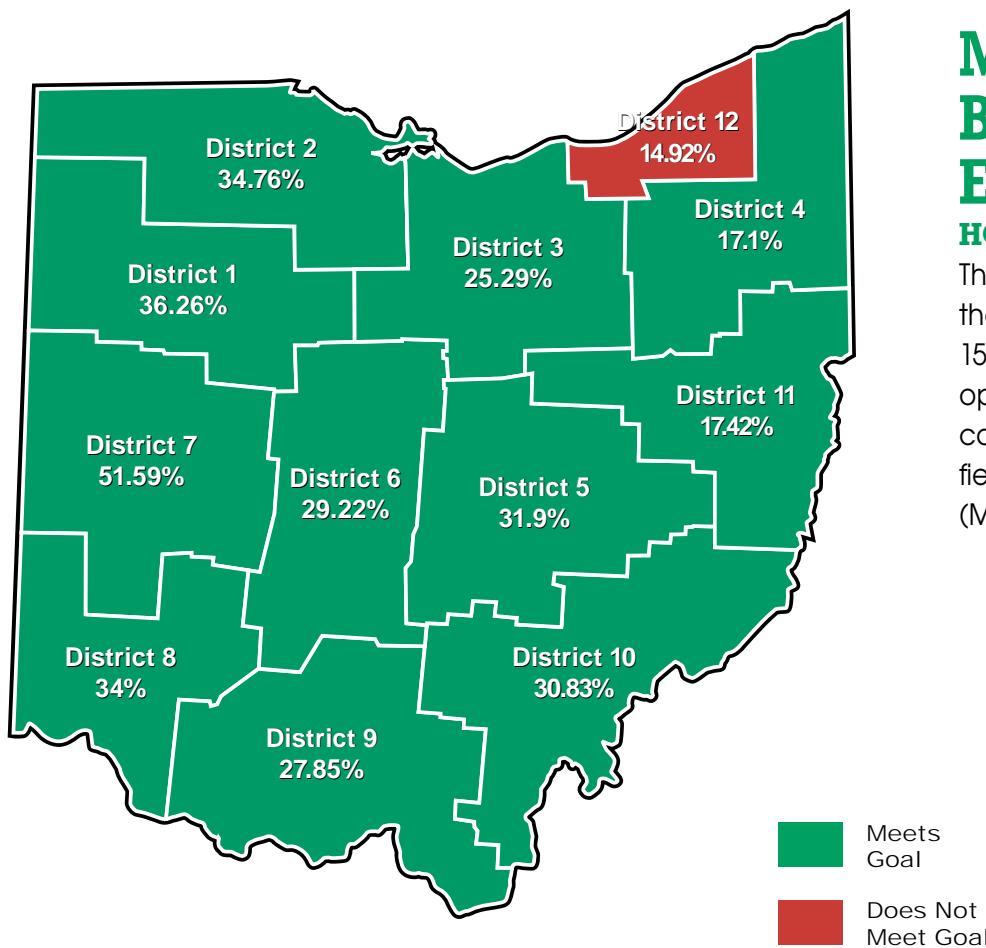
The resulting DBE participation percentage is compared to the stated goal for the contract and to the program’s overall goal. The overall goal is 8.9 percent and individual project goals may range from 0 percent to 15 percent or more DBE participation.

Encouraging Diversity, Growth, and Equity

HOW IS IT CALCULATED?

The Encouraging Diversity, Growth, and Equity (EDGE) metric measures the percentage of participation by certified EDGE firms on state-funded construction and construction-related services (consultant) contracts which are directly related to ODOT core business functions—i.e., planning and designing new roadways, building and maintaining the roadway system, etc.

The resulting EDGE participation percentage is compared to the stated goal for the contract and to the program’s overall goal. The overall goal is 5 percent and individual project goals may range from 0 percent to 15 percent or more EDGE participation.



Minority Business Enterprise

HOW IS IT CALCULATED?

The Ohio Revised Code requires that state agencies set aside 15 percent of their projected operating spend in specific categories to include only certified Minority Business Enterprises (MBE).

CSF Category and Metric (Reporting Timeframe)	MEETS GOAL	DOES NOT MEET GOAL	State Overall	State Goal	Period Trend
PEOPLE					
Disadvantaged Business Enterprise	(Fiscal Year Quarterly)	Participation by certified DBE and/or EDGE firms on federally funded construction contracts directly related to ODOT core functions.	9.5%	8.9%	✓
Encouraging Diversity, Growth & Equity			14.6%	3%	✓
Minority Business Enterprise	(Fiscal Year Quarterly)	Percentage of operating budget in categories determined by DAS that is awarded to MBEs.	26.1%	15%	✓

The Results

A lot has been done since ODI launched last July. A year later and the results are clear: the opportunity to do business with the department is greater and easier than ever before for all stakeholders. This was no accident. The department made a concerted effort to not only be a leader in promoting diversity and providing equitable opportunities across the state, but nationally when compared to other DOTs.

HOW ARE WE IMPROVING?

- **DBE Applications:** Reduced the processing time of DBE certification applications from over a year to approximately 90 days.
- **Supportive Services Program:** Assists DBE construction and consulting firms competing for and performing on federally funded heavy highway construction projects by reimbursing for costs associated with business development (i.e., technical training, registration fees, software, financial audits, etc.).
- **Mentor-Protégé Program:** Designed to provide small and disadvantaged businesses with an opportunity to gain skills by working with a larger, established firm. The purpose is to strengthen the long-term stability of DBE firms by focusing their resources on those critical business skills that contractors need to compete successfully in an open market.
- **Proposal Note 13:** Requires contractors to submit their DBE plan with a project bid, as opposed to

forming their plan sometime after the contract is awarded.

- **DBE Audit:** ODOT hired an independent consultant to review its DBE contractor lists to make sure all firms in the system accurately align with their work category designations as well as the required parameters of control, independence, and ownership.
- **Outreach events:** In 2015, ODOT hosted more than 20 disparity study, town hall, and one-on-one matchmaking meetings followed by a growing number of S&DBE opportunity meetings around the state. In 2016, ODOT has already been involved in more than 20 outreach events, including a Construction Symposium in Cincinnati that was attended by 200 businesses and several local officials, including the city’s mayor. A Civil Rights Symposium is planned for April 2017 as the centerpiece of outreach for the year.
- **Engineering Consultant Developmental Goals:** On selected projects, consultants who present a plan for developing a DBE or EDGE firm will receive additional consideration for selection and will be able to recover the direct and indirect costs incurred for specific training and assistance to the DBE/EDGE firm through the life of the agreement.
- **MBE Participation:** In fiscal year 2015, ODOT achieved a 22.94 percent cumulative MBE spend, exceeding the department’s goal of 20 percent and the state’s goal of 15 percent.

ODOT'S CRITICAL SUCCESS FACTORS DASHBOARD

FY16
Q3

CSF Category and Metric (Reporting Timeframe)



MEETS
GOAL



DOES NOT
MEET GOAL

State
Overall

State
Goal

Period
Trend

PEOPLE

Work Life Index (Calendar Year Annually) ODOT Quality of Work Life Survey results, on a scale of 0-100 percent		71.3%	75%	X
Workforce Injuries	(Calendar Year Annually) OSHA guideline for employers assessing incidents occurring for every 100 employees in a year's time	4.45	5.23	✓
Workforce Crashes		8.21	8.44	✓
Direct Labor Ratio (Fiscal Year Quarterly) District direct 'billable' labor hours divided by the total overall number of labor hours for ODOT's core business functions.		69.6%	70%	X
Disadvantaged Business Enterprise	(Fiscal Year Quarterly) Participation by certified DBE and/or EDGE firms on federally funded construction contracts directly related to ODOT core functions.	9.5%	8.9%	✓
Encouraging Diversity, Growth & Equity		14.6%	5%	✓
Minority Business Enterprise	(Fiscal Year Quarterly) Percentage of operating budget in categories determined by DAS that is awarded to MBEs.	26.1%	15%	✓

SYSTEM CONDITIONS

Bridges: General Appraisal (Fiscal Year Annually) Average rating of bridge conditions. Each ODOT maintained bridge is rated on a scale of 0-9; 0 = out of service, 9 = new.		7.02	6.8	✓
Pavements: Priority System	(Fiscal Year Annually) ODOT measures the average pavement conditions for all interstates and four-lane divided highways (Priority); rural, two-lane U.S. and state routes outside of cities (General); and U.S. and state routes inside of cities (Urban). The ratings are on a scale of 0-100, with 100 being brand new pavement.	85.98	85	✓
Pavements: General System		82.34	80	✓
Pavements: Urban System		79.72	80	X
Maintenance Conditions Ratings (Twice per Calendar Year) Percentage of ODOT's roadways with MCR deficiencies related to barriers, pavements, pavement markings, and signals.		99.2%	99%	✓
Travel Time Reliability Index (TTRI) (Fiscal Year Quarterly) Measures the percentage of time between the 5 a.m.–9 p.m. travelers experience free flow on Ohio's freeways.		92%	88%	✓
Snow & Ice Control (Fiscal Year Winter Monthly) The percentage of priority routes that recovered speeds within two hours after a snow event.		97%	96%	✓

SAFETY

Fatalities (Jan 2016-Mar 2016)	(Calendar Year Annually) Current number of motor vehicle incidents that have occurred on the ODOT System roadways (all Interstates and U.S. or State Routes outside of cities) in the current calendar year. Year-to-date goals are based on a 1 percent reduction of fatalities from the average of five previous years.	97	YTD 100	✓
Serious Injuries (Jan 2016 - Mar 2016)		634	YTD 760	✓
Total Crashes (Jan 2016 - Mar 2016)		19,535	YTD 21,836	✓

CAPITAL PROGRAM

Contract Program (\$ Billions) (Fiscal Year Annually) Total construction and maintenance contracts awarded and to be awarded for the fiscal year on ODOT and local agency projects.		\$1.22B	YTD 1.23B	X
ODOT Let Projects Awarded On-Time	(Fiscal Year Quarterly) Percentage of department or local contract construction projects let by their target date.	95.1%	90%	✓
Local Let Projects Awarded On-Time		86.3%	85%	✓
Preventable Change Orders (Fiscal Year Annually) Cumulative dollar amount of preventable change orders over the total construction program dollar amount.		0.2%	1.5%	✓

See ODOT's Critical Success Factors Defined: Metric Appendix online for further details.