

GENERAL QUESTIONS

What is the DRIVE Program?

DRIVE (Developing Regional & Inclusive Vendor Enterprises) is the City of Dallas' business inclusion program designed to expand access, strengthen capacity, and increase participation of certified small and local businesses in City contracting.

When does the DRIVE Policy take effect?

The DRIVE Policy was adopted by City Council on December 10, 2025, and became effective January 1, 2026. All competitively solicited contracts issued after March 1, 2026, will include DRIVE requirements when applicable.

What contracts does DRIVE apply to?

The DRIVE Policy applies to competitively solicited City contracts with an estimated value over \$100,000, as determined at the time of solicitation issuance, including:

- Goods
- Construction
- Architecture & Engineering
- Professional Services
- Other General Services

The policy does not apply to:

- Contracts under \$100,000
- Interlocal/Cooperative agreements
- Federally or State-funded contracts governed by separate statutory requirements
- Contracts exempt from competitive bidding

Contract amendments or modifications may be subject to DRIVE requirements if the cumulative value exceeds applicable thresholds and the scope includes subcontracting opportunities.

Does DRIVE apply to federally funded contracts?

No. Federally funded or state-funded procurements governed by separate statutory requirements (e.g., DBE or ACDBE programs) are excluded and will follow applicable federal or state regulations.

CERTIFICATION QUESTIONS

Who is eligible as a Small Business Enterprise (SBE)?

To qualify, a firm must:

- Meet applicable SBA size standards for its NAICS code
- Be independently owned and operated
- Maintain a principal office within the Dallas-Fort Worth-Arlington MSA
- Hold a recognized small business certification

Certification must be active and in good standing at the time of bid or proposal submission and must correspond to the type of work being performed under the contract.

How do I determine if my business is located within the Dallas–Fort Worth–Arlington Metropolitan Statistical Area (MSA)?

To determine whether your business is located within the Dallas–Fort Worth–Arlington MSA, you should verify the physical address associated with your business registration.

The Dallas–Fort Worth–Arlington MSA is defined by the [U.S. Office of Management and Budget](#) and includes the following counties: Collin, Dallas, Denton, Ellis, Hunt, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise.

If your business’s primary office or headquarters is physically located within one of these counties, it is considered to be within the DFW-Arlington MSA.

How do I determine if my business meets the U.S. Small Business Administration (SBA) size standards?

To determine if your business qualifies as a small business, compare your size to the SBA standard for your primary NAICS code.

Each NAICS code has a size limit based on either:

- **Average annual revenue** (typically over the past 5 years), or
- **Number of employees** (average over the past 12 months).

If your business is **at or below** the applicable threshold, it qualifies as a small business.

SBA size standards vary by industry and may include affiliated businesses. Vendors are responsible for ensuring their size status is accurate.

You can find your applicable size standard using the [SBA Size Standards Table](#) or Size Standards Tool online.

What certifications are recognized?

The City recognizes SBE certifications from approved agencies, including:

- North Central Texas Regional Certification Agency (NCTRCA)
- Dallas Fort Worth Business Council (DFWBC)
- Women’s Business Council – Southwest (WBCS)
- U.S. Small Business Administration (SBA)
- Texas Comptroller of Public Accounts

DBE and ACDBE certifications apply only where required by federal law.

The City of Dallas reserves the right to verify certification status at any time during procurement or contract performance.

Is certification required to bid?

No. Certification is not required to submit a bid or proposal. However, only certified SBEs will receive DRIVE participation credit or evaluation points where applicable.

What happens if my company grows beyond SBA size standards?

Firms that exceed applicable size standards should notify the Business Enterprise Hub (BEH). Eligibility for SBE credit will be determined in accordance with applicable program guidelines in effect at the time of solicitation.

PARTICIPATION QUESTIONS

Will there still be participation goals?

Yes, DRIVE includes annual aspirational benchmarks:

- Goods – 33%
- Construction – 33%
- Architecture & Engineering – 34%
- Professional Services – 38%
- Other Services – 30%

These benchmarks are program-level aspirational targets and do not represent automatic contract-specific requirements.

Contract-specific participation goals may vary based on scope, subcontracting opportunities, availability analysis. Goals will be clearly stated in each applicable solicitation. Participation may be achieved through subcontracting and, when eligible, through SBE prime self-performance.

How are contract-specific goals determined?

Contract-specific goals are established prior to solicitation issuance based on:

- Identified subcontracting opportunities within the scope of work
- Market availability of certified SBEs
- Industry standards and capacity considerations

The methodology used for goal determination is applied consistently and documented prior to advertisement.

What is a Commercially Useful Function (CUF)?

To receive SBE credit, a firm must perform a Commercially Useful Function (CUF). This means the SBE must perform real, substantive work and manage a distinct portion of the contract. *An SBE may not act as a pass-through, broker, or conduit solely to obtain SBE credit.*

BEH may conduct desk audits, request supporting documentation, or perform site visits to verify CUF compliance.

Failure to perform a CUF may result in removal of participation credit and other contract remedies.

Can material suppliers receive SBE credit?

Yes, if they meet CUF requirements. An SBE supplier must:

- Be a regular dealer
- Take title of the goods
- Assume financial risk
- Manage ordering and delivery

Brokers or pass-through arrangements do not qualify.

Can an SBE Prime count self-performance?

Yes, an SBE prime may count self-performed work toward the goal if it meets CUF requirements. Self-performance claims are subject to BEH review and verification. Self-performance may not be structured to avoid reasonable subcontracting opportunities.

How are Joint Ventures treated under DRIVE?

Joint Ventures may receive SBE participation credit if:

- The SBE partner is certified and in good standing
- The SBE performs a Commercially Useful Function
- The SBE maintains meaningful ownership and control consistent with certification standards

Participation credit will be based on the portion of work actually performed by the certified SBE partner.

How does DRIVE affect scoring?

Applicable solicitations may include evaluation criteria related to:

- SBE Utilization
- Local Economic Impact
- Engagement Score

Evaluation criteria will be detailed in each solicitation.

What is considered a Local Business?

For purposes of Local Economic Impact evaluation, a local business is defined as a firm maintaining a principal place of business within the geographic area specified in the solicitation.

Specific definitions will be included in each applicable solicitation.

GOOD FAITH EFFORT

What if I cannot meet the contract-specific SBE goal?

You must document **Good Faith Efforts (GFE)**. Good Faith Efforts must be documented using the forms included in the solicitation and may include:

- Evidence of outreach to certified SBEs
- Documentation of follow-up communications
- Copies of quotes received
- Written justification for non-selection

Failure to submit required GFE documentation at the time specified in the solicitation may result in a determination of non-responsiveness.

REPORTING & COMPLIANCE

What reporting is required after award?

Prime contractors must submit periodic participation reports showing:

- Payments made to SBEs
- Work performed and percentage complete
- Changes in utilization
- Certification verification

Reporting will be conducted through the City's designated compliance reporting system.

Final payment may be withheld until final utilization is verified.

Can I substitute an SBE subcontractor?

Not without approval from the Business Enterprise Hub (BEH). Requests for substitution must:

- Be submitted in writing
- Demonstrate good cause
- Identify a proposed certified replacement (where applicable)
- Be supported by documented Good Faith Efforts

Substitutions may not occur without formal approval.

What happens if participation commitments are not met?

Failure to meet approved participation commitments may result in:

- Removal of participation credit
- Withholding of contract payments
- Contract remedies as allowed by law
- Consideration in future responsibility determinations

How can a vendor appeal a BEH determination?

Vendors may submit a written request for reconsideration within the timeframe specified in the applicable solicitation or contract. Appeals will be reviewed in accordance with established administrative procedures.

SUPPORT

The Business Enterprise Hub (BEH) administers the DRIVE Program and can assist vendors with:

- Goal compliance
- Good Faith Effort documentation
- Directory searches
- Participation reporting

Contact BEH at businessenterprisehub@dallas.gov | (214) 670-3326 for additional information. Additional resources, including forms and program guidance, are available on the Office of Procurement Services website.