

The Federal Aviation Administration (FAA) Office of Civil Rights would like to thank you for your participation in the FY 2012 DBE & ACDBE Compliance Review. We appreciate the substantial effort taken by Richmond International Airport (RIC) in providing the numerous documents and meeting with the FAA team during this on-site visit. Your timely response and active participation was an essential element in the successful completion of this important initiative. The collective assessments made during the review have been incorporated into this report.

The main purpose of this compliance review was to examine the compliance of the "Monitoring and Enforcement" aspect of the recipient's DBE Program and ACDBE Program. In examining RIC monitoring and enforcement forms and practices, RIC should be commended for taking proactive efforts to strengthen their monitoring and enforcement process in the following areas:

- Payment tracking- "Certification For Payments Made To DBEs"
- Monthly selection of DBE firm employee's for random monitoring interviews

Area(s) requiring your attention, if any, have been noted as "Enhancement Recommended" under the Compliance Issue column under each specific question. Please ensure to correct any deficiencies as identified in each section.

The FAA Office of Civil Rights looks forward to continuing to work with you in ensuring compliance with 49 CFR Part 26, "Participation by Disadvantaged Business Enterprise in Department of Transportation Financial Assistance Program," and 49 CFR Part 23, "Participation of Disadvantaged Business Enterprise in Airport Concessions."

REPORT PREPARED BY:



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Recommended Resources:

FAA website, [http://www.faa.gov/about/office\\_org/headquarters\\_offices/acr/bus\\_ent\\_program/fed\\_reg/](http://www.faa.gov/about/office_org/headquarters_offices/acr/bus_ent_program/fed_reg/)

FAA dbE-Connect System, <https://faa.dbesystem.com/Default.asp?>

U.S. Department of Transportation Office of Small and Disadvantaged Business Utilization

<http://www.osdbu.dot.gov/DBEProgram/GuidanceforDBEProgramAdministrators/index.cfm>

#	Question	Response	Observations/Comments	Compliance Issue
19	Does the airport have Long Term (5+ years) and Exclusive contract(s) currently in place? (§ 23.75)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> NO	FAA believes that Long Term agreements do exist.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
20	If the airport has current Long Term and Exclusive contracts in place, were these contracts submitted to the FAA for approval? (§ 23.75)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> NO	Airport should review upcoming Long Term Exclusive Guidance and seek FAA approval if necessary.	<input checked="" type="checkbox"/> Enhancement Recommended

**Documents Reviewed:**

- Airport organization chart, showing ACDBELO's position.  Yes  N/A
- Records showing approval and/or rejection of ACDBE firm substitution.  Yes  N/A
- Records documenting monitoring of concession with ACDBE participation.  Yes  N/A
- Sample forms used to monitor monthly ACDBE participation.  Yes  N/A
- Records of site visit to concessions locations.  Yes  N/A
- Copy of your approved ACDBE Triennial Goal.  Yes  N/A
- Records documenting Good Faith Effort reviews.  Yes  N/A
- Sample template of a Concessions agreement that includes an ACDBE goal requirement.  Yes  N/A
- Sample template of an ACDBE sub-concessionaire agreement.  Yes  N/A
- Summary of the findings of your Joint Venture agreements reviews along with supporting documents.  Yes  N/A
- Copy of Long Term and Exclusive contracts and FAA Approval Letter.  Yes  N/A

**REVIEW SUMMARY**

#	Question	Response	Observations/Comments	Compliance Issue
11	Does the airport conduct concession sites visits regularly? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize process, create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
12	During the concession site visits, does the airport verify general managers and who they report to? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate verification process in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
13	Does the airport verify that the ACDBE is actively managing the concession location(s)? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize process, create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
14	Does the airport verify gross sales reports accounting for ACDBE participation? (§ 23.XX)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate process in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
15	Has the airport submitted its FY 2011 Uniform report on ACDBE participation to the FAA? (Appendix A to Part 23)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has met requirements.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
16	Does the airport submit its Uniform Report on ACDBE participation to the DOORS system? (Appendix A to Part 23)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has met requirements.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
17	Has the airport received any complaints alleging that it did not comply with the ACDBE regulations in the past three years? (§ 23.29)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FAA is unaware of any complaints and airport stated it is not aware of any complaints.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
18	Does the airport have any joint venture agreements currently in place? If YES, please answer the following: (§ 23.55 & FAA Joint Venture Guidance) a) Has the airport undertaken an internal review of its joint venture agreements, if any, in order to verify that they are in compliance with the FAA Joint Venture Guidance? b) Did the airport make any change in the counting of ACDBE participation of the joint venture toward ACDBE goals as a result of its joint venture agreement reviews findings?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Consider updating operating agreements to enhance roles and responsibility of ACDBE's. Utilize current FAA Joint Venture Guidance as a resource.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended

**SECTION II - Title 49 CFR Part 23 – Concessions**

#	Question	Response	Observations/Comments	Compliance Issue
1	Has the airport's ACDBE program been approved by FAA? (§ 23.51)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ACDBE program has been approved by FAA. Approval letter dated 10/29/10.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
2	Did the airport distribute its ACDBE Policy Statement? (§§ 23.1, 23.23)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport distributes policy to the various entities identified in its plan.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
3	Does the approved ACDBE program on file with FAA reflect the current organizational structure of the agency? (§ 23.23)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Please provide FAA with the appropriate organizational chart.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
4	Does the airport include enforcement provisions in concession agreements? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate provisions in concession agreements in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
5	Does the airport verify that the prime or master concessionaire and ACDBE have entered into a written commitment prior to submitting a response to an RFP/RFQ? (§ 23.11)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate processes in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
6	Does the airport require a prime or master concessionaire have written confirmation from the ACDBE firm that it is participating in the contract? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate processes in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
7	Does the airport confirm ACDBE certification prior to awarding the contract? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate processes in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
8	Does the airport verify that the work committed to ACDBEs is actually performed by the ACDBEs? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize process, create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
9	Does the airport prohibit prime or master concessionaires from terminating ACDBE firms for convenience? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate contract language in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
10	Does the airport require prime or master concessionaires include administrative remedies if a prime or master concessionaire fails to comply with ACDBE requirements? (§ 23.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has appropriate remedies in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended

#	Question	Response	Observations/Comments	Compliance Issue
17	Does the airport randomly verify who orders and pays for the necessary supplies being used by the DBE subcontractor? (§ 26.55)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Airport should develop a process to randomly verify orders and pays for the supplies being used by the DBE subcontractor.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
18	Does the airport have prompt payment mechanisms in place? (§ 26.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Appropriate mechanisms in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
19	Does the airport submit its Uniform Report on DBE participation to the DOORS system? (§ 26.11)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport submits its Uniform Report on DBE participation to the DOORS system.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
20	Is the airport required to prepare a DBE goal accountability report? (§ 26.45, §26.45)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Currently meeting all DBE goals, therefore no accountability report is required.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended

Documents Reviewed:	
• Airport organization chart, showing DBELO's position.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A
• Records showing approval and/or rejection of DBE firm substitution.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A
• Records documenting monitoring of contracts with DBE participation.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A
• Sample forms used to monitor monthly DBE participation.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A
• Records of site visit to prime and subcontractor offices/work locations.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A
• Records documenting Good Faith Effort reviews.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A
• Copy of your approved DBE Triennial Goal.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A
• Copy of FY-2011 DBE Goal accountability report.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A
• Sample template of a FAA funded contract.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A
• Sample template of a FAA funded DBE sub-contractor contract.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A

#	Question	Response	Observations/Comments	Compliance Issue
6	Does the airport confirm DBE certification prior to awarding the contract? (§ 26.53)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has a process in place	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
7	Does the airport have mechanisms in place to ensure that work committed to DBEs at contract award is actually awarded to DBEs? (§§ 26.37, 26.53)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
8	Does the mechanism provide for a running tally of actual DBE attainments (e.g., payments actually made to DBE firms), including a means of comparing these attainments to commitments. (§ 26.11)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has a documented process in place.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
9	Does the airport have mechanisms in place to verify that the DBEs are managing their work, utilizing their own work force, equipment, and materials? (§ 26.37)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
10	Does the airport verify that the DBEs are performing a commercially useful function? (§ 26.37, 26.55)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
11	Does the airport conduct random construction sites visits? (§ 26.37)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
12	During the construction site visits, does the airport verify that business names on equipment and vehicles are not covered with paint or magnetic signs? (§ 26.37)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
13	During the construction site visits, does the airport verify whether the DBE owner is present at job sites? (§ 26.53)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
14	During the construction site visits, does the airport verify who employs the workers on site? (§ 26.55)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Formalize a process to create forms, checklist, etc., to document process.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
15	Does the airport verify contracts between prime contractors and DBE subcontractors? (§ 26.53)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Airport should develop a process for reviewing and approving contracts between prime contractors and sub-contractors.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
16	Does the airport review monthly DBE participation reports? (§ 26.29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport has a documented process in place	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended



# Federal Aviation Administration

## FY-2012 MONITORING & ENFORCEMENT COMPLIANCE REVIEW REPORT

**Airport Name:** Richmond International Airport

**Review Date(s):** March 29-30, 2012

**Review Conducted By FAA Staff:** Sophia Soler, Gene Roth and Wilbur Barham

**Areas Reviewed:** MONITORING & COMPLIANCE

CONCESSIONS

CONSTRUCTION

**Airport Staff:** Jon E. Mathiasen, President and Chief Executive

Officer; Russell Peaden, Director of Real Estate and DBE Liaison

Officer; Nancy West, Managing Member, Exstare Federal Services

Group, LLC (Consultant to Airport)

**Purpose:** Review of monitoring and enforcement aspect of your DBE and ACDBE programs. 49 CFR 26 and 49 CFR 23 requires that you implement appropriate mechanisms to ensure compliance with the parts' requirements by all program participants. You are required to set forth these mechanisms as part of your Disadvantaged Business Enterprise (DBE) Program and Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program.

*This compliance review is not to directly investigate whether there has been discrimination against disadvantaged business by the grant recipients or its sub-recipients, nor to adjudicate these issues on behalf of any party.*

### SECTION 1 - Title 49 CFR Part 26 – Construction

#	Question	Response	Observations/Comments	Compliance Issue
1	Did the airport distribute its DBE Policy Statement? (§ 26.23)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Airport distributes policy to the various entities identified in its plan.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
2	Does the airport make reasonable efforts to use DBE financial institutions? (§ 26.27)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	A DBE financial institution was identified but no longer exists. Airport will search for new DBE financial Institutions in a broader geographical area.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
3	Does the airport encourage prime contractors on DOT assisted contracts to make use of DBE financial institutions? (§ 26.27)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	A DBE financial institution was identified but no longer exists. Airport will search for new DBE financial Institutions in a broader geographical area.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Enhancement Recommended
4	Is the DBELO present during the bid openings for FAA funded projects? (§ 26.25)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Airport follows stated requirements for opening bids. DBELO reviews the bids to insure bidder met all DBE requirements.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended
5	Does the airport verify that the Letters of Intent are included in the bid package? (§ 26.53)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	DBELO insures that letters of intent are in bid package.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Enhancement Recommended