

MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
SPECIAL PROVISION  
FOR  
**SUBLETTING CONTRACT WORK TO SMALL BUSINESS ENTERPRISES**

OBD:NLS

1 of 2

APPR:KMF:LST:04-24-26

FHWA:APPR:04-27-26

**Add the following subsections to subsection 102.17, on page 1-31 of the Standard Specification for Construction.**

**B. Subletting Contract Work to Small Business Enterprises (SBEs)**

The Small Business Program (SBP) participation goal specified in the notice of advertisement must be made available to certified SBEs. Compliance with the designated SBP participation goal must be met by using SBEs to perform Contract Compliance Monitoring (CCM) as identified in the *Small Business Program Procedures*.

1. Pre-Award. All Bidders must provide the overall SBP percentage they have attained at time of bid within the SBP goal tab of the bid file on all projects with an SBP goal designation.

The two lowest Bidders must submit MDOT Forms 2668 *Contractor Good Faith Efforts (SBE)* and 2668D *Commitment Confirmation for SBE Subcontractors* within 7 calendar days of the bid letting. These forms must be submitted whether or not the Bidders have been able to meet the SBP participation goal. Submit these forms by e-mail to [MDOT-SBESheets@michigan.gov](mailto:MDOT-SBESheets@michigan.gov).

A Bidder who fails to meet the submittal requirements for SBP participation may be deemed ineligible for award of the contract. If a Bidder fails to achieve the SBP participation goal set for a contract, the Department will evaluate the efforts of all Bidders to determine eligibility for award.

2. Post Award. If the Contractor determines during construction that the approved SBP participation goal will not be met, the Contractor must submit updated MDOT Forms 2668 and 2668D to [MDOT-GFE@michigan.gov](mailto:MDOT-GFE@michigan.gov) within 7 calendar days, in accordance with current *Department SBP Program Procedures*.

Prime Contractors may not terminate for convenience an approved SBE.

The Contractor must notify the Department immediately of an SBE's inability to perform any of its work and the Contractor's intent to obtain a substitute SBE by filling out MDOT Form 2672 *Small Business Program (SBP) Removal/Substitution Request*.

3. Reconsideration. Bidders whose Good Faith Efforts (GFE) have been found insufficient may have their GFE reconsidered in accordance with current *Department SBP Program Procedures*.

The Department reserves the right to modify any requirement or shorten any time period when the need to place the project under contract is such that the public interest warrants such action and would be impaired by further delay. If the Department waives any of these requirements, except the length of a time period, it will ensure that no Bidder is given a material competitive advantage by these actions.

4. Reports. The Contractor is required to submit payments to subcontractors and all SBEs on the project in the MDOT approved reporting system to the Engineer in accordance with the contract.

5. Penalties. Failure to fulfill the SBP subcontracting requirement may be considered a breach of contract and may result in the Department's exercising the rights and remedies available in accordance with the provisions of the contract. Remedies may also include suspension, reduction, or removal of the Contractor's prequalification as stated in the *Administrative Rules Governing the Prequalification of Construction Contractors*.

6. For all other SBP requirements, please refer to the *Department SBP Program Procedures*, located on MDOT's SBP Website: [www.michigan.gov/mdotsbp](http://www.michigan.gov/mdotsbp).