



DOT Biz Journal

The official publication of the U.S. Department of Transportation's Office of Small and Disadvantaged Business Utilization

www.osdbu.dot.gov

From the Desk of the Director

In this Fall Edition of the DOT Biz Journal, we highlight a number of initiatives and efforts that have been underway to assist the small business community in gaining opportunities to contract and subcontract with the federal Department of Transportation, as well as the state and local levels. One of these initiatives includes the expansion of the highly successful Women and Girls Internship Program, which was first piloted last year with Spelman College in Atlanta and is now available to students in colleges throughout the country. A second initiative is the addition of the eleventh Small Business Transportation Resource Center - West Central Region, managed by the Denver Metro Chamber of Commerce, which further expands the reach of OSDBU's technical assistance and training services across the country.



In addition, OSDBU has continued to host events for the small business community to learn about the various programs for small businesses, contracting opportunities at the DOT and opportunities for entrepreneurs to network with one another. OSDBU hosted another successful Vendor Day on November 18th and we provide some highlights from the event.

We are very proud of the effectiveness of these programs and our continued commitment to expanding small business opportunities. We also are proud to report that DOT recently received an "A" rating for the fourth year in a row from the Small Business Administration for small business contracting accomplishments for FY 2009.

I hope you find this edition of the DOT Biz Journal informative and helpful as you continue to expand your business while helping the nation's economy grow.

Brandon Neal, Director
Office of Small and Disadvantaged
Business Utilization (OSDBU)

DOT Receives "A" Rating from SBA

The U.S. Small Business Administration (SBA) recently released its Small Business Procurement Scorecard reflecting federal agencies' contracting accomplishments for Fiscal Year (FY) 2009. The Department of Transportation (DOT) received an "A" rating for its small business achievements. This is the fourth consecutive year DOT has received the highest rating.

The annual Scorecard rates federal agency performance in meeting the prime and subcontracting small business goals for small and small disadvantaged businesses, women-owned small businesses, HUBZone small businesses and service disabled veteran-owned small businesses (SDVOSB). Procurement goals for federal agencies may vary because the SBA negotiates individual goals with each federal procuring agency. *continued on page 6*

White House Cabinet Secretary & Secretary LaHood Headline OSDBU Small Business Vendor Day



Christopher Lu addresses Vendor Day attendees

On November 18, the OSDBU presented the DOT Small Business Vendor Day, which focused on procurement opportunities announced in the FY 2011 Procurement Forecast with an emphasis on Small and Disadvantaged Businesses (SDBs). This event provided an opportunity for SDBs and other small businesses to learn about DOT procurement and meet with representatives of contracting agencies.

The Small Business Vendor Day included Secretary LaHood; Christopher Lu, Assistant to the President and Cabinet Secretary; and a panel of small business owners currently *continued on page 7*

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President Obama Signs Small Business Jobs Act into Law

On September 27th, President Obama signed the Small Business Jobs Act. The law provides \$30 billion for small business lending, \$12 billion in tax breaks to small companies, and aims to create 500,000 jobs. The act also establishes a number of tax breaks to encourage small businesses to purchase new equipment, help incentivize venture capital firms to invest in small businesses, and motivate entrepreneurs to start their own businesses.

Provisions outlined in the act include:

- **New \$30 billion small business lending fund:** The act establishes a new \$30 billion small business lending fund by providing capital to small banks with incentives to increase small business lending.
- **Increase of Section 179 - extension and expansion of small businesses' ability to immediately expense capital investments:** Businesses could previously write off up to \$250,000 worth of equipment for their company. The recently signed act extends this benefit through 2011, and the maximum has increased to \$500,000.
- **Extension of 50% Bonus Depreciation:** Businesses can opt to recover the cost of capital expenditures by writing off part of the cost over a number of years, following a depreciation schedule.
- **New deduction of health insurance costs for self-employment:** The act allows 2 million self-employed individuals to deduct the cost of health insurance for themselves and their family members. This provision is estimated to provide \$1.9 billion in tax cuts for these entrepreneurs.
- **Help for start-ups:** Entrepreneurs could previously deduct up to \$5,000 in start-up expenses, with that amount being reduced by the amount that the start-up's expenses exceeded \$50,000. The act increases the deduction to \$10,000 and the deduction would be reduced by the amount that an entrepreneur exceeds \$60,000.

For additional information on the Small Business Act visit:

www.whitehouse.gov/the-press-office/2010/09/27/background-small-business-bill-signing-today

New Resource Center to Serve Small Businesses in West Central Region

OSDBU recently announced the addition of the new West Central Region of the Small Business Transportation Resource Center (SBTRC) Program located in Denver, Colorado. The Metro Denver Chamber of Commerce was selected to serve as the SBTRC for the region that includes Colorado, Nebraska, North Dakota, South Dakota, Utah, and Wyoming.

West Central Region Contact Information

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The West Central Region is the 11th SBTRC and the second new region added in 2010. It joins the Mid South Atlantic region, served by the Greater Atlanta Economic Alliance, as the two most recent additions to the SBTRC program.

SBTRCs offer a comprehensive delivery system of business training, technical assistance, and dissemination of information targeted towards transportation-related small business enterprises within their respective regional areas. The SBTRCs assist in furthering the mission of OSDBU by increasing the number of small businesses that are prepared to compete for, and enter into, transportation-related prime and subcontract opportunities.

OSDBU is proud to add to the network of regional offices throughout the country and welcome the staff of the West Central SBTRC: Ms. Lavonna Stathes, Project Director, and Mr. Andra Hargrave, Project Coordinator, both of whom are available to support the transportation small business community.

To learn more about SBTRCs or about the SBTRC in your specific region visit: www.osdbu.dot.gov/regional/index.cfm

OSDBU Gathers Banks and Resource Centers from Around the Country to Enhance Short Term Lending Program

On November 17, OSDBU hosted “Partnering for Success: DOT Participating Lenders & Small Business Transportation Resource Centers Training.” The purpose was to build on the success of DOT’s Short Term Lending Program (STLP) by developing a stronger working relationship between OSDBU’s Financial Assistance Division, Participating Lenders, and Small Business Transportation Resource Centers (SBTRCs).

Participating lenders and SBTRCs from across the country took part in team-building exercises designed to improve the lending process and better serve the small business

community. The training, which took place at DOT Headquarters, included 20 Participating Lenders, 11 regional Small Business Transportation Resource Centers, six state project managers and DBE managers, and representatives from the operating administrations of FAA, FTA, and FHWA.

STLP helps small businesses gain access to the financing they need to participate in transportation-related contracts. It provides certified disadvantaged business



Participants take part in team-building exercises.

enterprises (DBEs) and other certified small businesses short-term working capital financing at competitive interest rates for DOT or DOT-funded contracts and sub-contracts. The loan guarantee provides a revolving line of credit for work on transportation-related contracts.

For more information on the DOT OSDBU’s Short Term Lending Program go to:
www.osdbu.dot.gov/financial/stlp.cfm

OSDBU Expands Women and Girls Internship Program

Transportation Secretary Ray LaHood recently announced the expansion of the Entrepreneurial Training Women and Girls Internship Program designed to encourage young women to pursue careers in transportation. The internship program has now expanded from a single school into a national program. The Program will be administered through DOT’s 11 Small Business Transportation Resource Centers (SBTRC). SBTRCs are located throughout the nation. They provide resources, technical assistance and outreach to all 50 states and U.S. territories. Each SBTRC is responsible for placing qualified female college students into transportation-related internships in their regions.

The expanded program is based on a successful pilot with Spelman College, introduced in 2009, and is part of

a broader effort led by the White House to increase the number of young women in the transportation workforce.

Earlier this year, Secretary LaHood also signed a Memorandum of Cooperation with the Women’s Transportation Seminar International to engage women as they begin to think about their future and help encourage them to pursue careers in transportation through undergraduate and graduate degrees in science, technology, engineering and mathematics. These on-going efforts are focused on attracting and retaining a new generation of women in transportation professions.

To learn more about the Women & Girls Program please click on the following link,
www.osdbu.dot.gov/WG/history.cfm

procurement assistance page

Procurement Forecast

Checking out the recently released FY 2011 Procurement Forecast is a “must-do” for all OSDBU customers to gain knowledge of DOT’s best estimate of what each administration will be buying in the coming year. The Forecast is set up to be user-friendly and can be searched by quarter, industry category, Operating Administration and key words. For example, are you interested in knowing what projects the Federal Transit Administration is planning to fund in the 3rd quarter of FY 2011? Just check under the “Operating Administration” tab of the Forecast. Do you want to know which offices will be requesting construction or engineering services in the coming year? Simply click on “Procurement Category.” Use the “Advanced Search” function to find out if DOT offices anticipate a need for more specific services. This helps you focus your mar-

keting efforts according to the information acquired during your search. Searching the Procurement Forecast has proven to be a valuable tool in helping small businesses grow and succeed.

For more information check out the Procurement Forecast under the “OSDBU Services” link of the OSDBU website. OSDBU’s Procurement Forecast includes information for all operating administrations except for the Federal Aviation Administration (FAA), which issues its own Procurement Forecast.

The FAA’s Procurement Forecast can be found at the following website:
www.sbo.faa.gov/sbo/ProcurementForecast.cfm

Secretary LaHood Announces \$11.6 Million in Grants for Minority- and Women-Owned Businesses

This past August, U.S. Transportation Secretary Ray LaHood announced \$11.6 million in grants to help disadvantaged business enterprises (DBEs) compete for federal highway contracts in 30 states and Puerto Rico. The grants, from the Federal Highway Administration’s (FHWA) Disadvantaged Business Enterprise/Supportive Services (DBE/SS) program, provide federal aid to DBE firms to improve their ability to compete for and fulfill federal highway contracts

DBEs are for-profit small businesses owned by minorities, women, or socially and economically disadvantaged individuals. In the case of a corporation, 51 percent of the stock must be owned by one or more such individuals. In addition, the daily business operations must be controlled by at least one of the socially and economically disadvantaged owners.

For over 25 years the FHWA has promoted the participation of DBEs in federal-aid highway contracts through state-managed programs. The DBE/SS grants are part of an ongoing federal effort to help state departments of transportation train certified DBE firms on a variety of business management practices, including procurement assistance and guidance on securing bonding. The goal of the program is to help DBEs run better businesses, which in turn will enable them to successfully compete for and acquire federal highway contracts.

OSDBU Develops a Technical Assistance Working Group in Support of Small Businesses

This past summer, OSDBU organized and held its first Technical Assistance Working Group meeting. The Working Group, which is comprised of representatives from the tri-state area of MD, VA and DC, met to discuss the major challenges and barriers among small, women-owned, and disadvantaged business enterprises. They also took the opportunity to discuss effective outreach to the business community and share best practices.

Membership of the Working Group is voluntary and represented by entities such as OSDBU’s Small Business Transportation Resource Center, Procurement Technical Assistance Centers (PTAC), Small Disadvantaged Business Concerns (SBDC), DC Department of Transportation, Maryland Department of Transportation, Virginia MEGA Projects, U.S. Department of Commerce’s MBDA and the FHWA.

The Working Group has been meeting on a monthly basis and offers technical assistance providers the opportunity to coordinate available resources and reduce duplication of efforts on behalf of small, women-owned, and disadvantaged business enterprises.

To learn more about OSDBU’s Technical Assistance Working Group visit: www.osdbu.dot.gov/News/newsDetail.cfm?RecordID=660

DOT Recovery Act Funding

In February 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA) in an effort to jumpstart the economy, create or save millions of jobs, and provide a way to address challenges so the nation can thrive in the 21st century. DOT, through the use of ARRA funding, has emphasized sustainable investment and invested in jobs to expand transit capacity and modernize transit systems. To date, DOT has invested in projects such as allowing Amtrak to add and modernize cars and engines and upgrade tracks; expand airport capacity and make safety improvements; build and rehabilitate roads, highways, bridges and ports; and launch high-speed rail in America.

As of October 1st, over 15,060 transportation projects have been funded through ARRA with a total of approximately \$39.2 billion in investments. Of these investments, more than \$27 billion was used on highway projects, \$8.9 billion for transit projects, more than \$1.9 billion on railroad projects and approximately \$1.3 billion on aviation projects throughout the U.S. and its territories. The deadline for DOT to award remaining ARRA funding was September 30th, though many projects are just starting to break ground. Some recent funding that was awarded includes:

\$50 million for Vermont High-Speed Rail – Funds were used to begin construction to improve 190 miles of track between St. Albans and Vernon on Amtrak's Vermonter line. The improvements will increase speeds, reduce travel time and provide greater reliability. Amtrak's Vermonter service is an integral transportation link between Washington, D.C., New York City, Connecticut, Massachusetts and Vermont. Approximately 80,000 people traveled on the Vermonter in 2009 and more than 80,000 thus far in 2010, with the service showing an average 16.2% increase in ridership. This ARRA grant was awarded under the High-Speed Intercity Passenger Rail (HSIPR) Program.

\$20.2 million ARRA interchange near Otay Mesa, CA – The project will improve traffic flow, reduce congestion and fuel consumption, and is in an area that allows shipments to be loaded on and off nearby rail cars without disrupting area traffic, reducing traffic congestion from commercial trucks. Improvements to the interchange will divert international freight shipping to the SR-905 and away from the heavily congested Otay Mesa Road near San Diego. When completed in 2014, the interchange near the Otay Mesa Port-of-Entry – which accounts for an estimated 1.4 million truck crossings and about \$31 billion in goods each year – will improve safety, accommodate significantly more freight shipments, and reduce emissions from commercial trucks waiting in traffic to unload cargo. This ARRA grant was awarded under the Transportation Investment Generating Economic Recovery (TIGER) Program.

\$2.2 million for Indiana's Greater Lafayette Public Transportation Corporation, or "CityBus" – CityBus will install three wind turbine units that will cut energy costs for three transit buildings in Lafayette, Indiana. The turbines are expected to generate 72,000 kilowatt hours per year, enough to power the entire facility. This grant was awarded competitively under the Transit Investment in Greenhouse Gas and Energy Reduction (TIGGER) Program, which made \$100 million in Recovery Act dollars available for grants to transit agencies for capital projects that reduce the transit agency's energy consumption or greenhouse gas emissions.

For more information on DOT ARRA projects visit www.dot.gov/recovery

DOT RECEIVES "A" RATING...continued from page 1

FY 2009 DOT Small Business Achievements

| Small Business Category | 2009 Goal | 2009 Achievement |
|---|-----------|------------------|
| Small Business | 37.00% | 38.91% |
| Women-Owned Small Business | 5.00% | 10.94% |
| Small Disadvantaged Business | 5.00% | 13.36% |
| HUBZone | 3.00% | 7.08% |
| Service Disabled Veteran-Owned Small Business | 3.00% | 1.71% |

SBA rates 24 agencies on each of the individual goals established by Congress and gives a numerical score to each agency based on how many of the five goals were met or surpassed. This scorecard helps measure progress as federal agencies work to ensure small business opportunities remain an integral part of their acquisition process and continue supporting the small business community.

DOT was one of ten agencies that met or surpassed their goals in four of the five small business categories. These accomplishments reflect the DOT's ongoing commitment to providing the small business community the greatest possible access to federal contracting opportunities and ensuring that DOT's procurement officers have the information and tools needed to connect with these innovative small businesses. While the level of SDVOSB participation was below the department's goal, dollars to this community held steady from the previous year. DOT made significant efforts to engage SDVOSBs through the use of outreach, set-asides, and training, and will continue to actively reach out to ensure they are given every opportunity to fully participate in the DOT's contracting and subcontracting opportunities.

In its remarks on the scorecard, SBA reported that DOT saw an increase in prime contracting to women-owned small businesses and has directed over 37% of Recovery Act funds toward small businesses. This is above the overall federal government average of 32%.

To review the FY 2009 small business procurement scorecard for DOT, visit the following link:
www.osdbu.dot.gov/News/newsDetail.cfm?RecordID=661

calendar

JANUARY 3-5
6th Annual Texas Transportation Forum
 Austin, TX
www.txdot.gov/ttf/

JANUARY 9-12
Louisiana Transportation Conference
 Baton Rouge, LA
www.ltrc.lsu.edu/ltrc_11/conf_info.html

JANUARY 26-27
U.S. Women's Chamber of Commerce National Small Business Contracting Summit – Southeast Orlando, FL
www.uswcc.org/meetings/national-small-business-contracting-summit.html

FEBRUARY 22-24
2011 GRO-Biz Conference and Idea Expo
 Evanston, WY
www.regonline.com/builder/site/Default.aspx?eventid=908911

MARCH 14-17
25th Annual Reservation Economic Summit (RES 2011) & American Indian Business Trade Fair
 Las Vegas, NV
www.ncaied.org/event-res.php

MARCH 16
St. Louis Business Expo
 St. Charles, MO
www.stlouisbusinessexpo.com/about

Small Business Administration Publishes Final Women-Owned Small Business Rule, Expanding Access to Federal Contracting Opportunities

In early October, the Small Business Administration (SBA) published a final rule to begin implementation of its women-owned small business (WOSB) contracting program. The agency expects the program to be available for WOSBs in early 2011.

The rule is part of the Obama Administration's overall commitment to expanding opportunities for small businesses to compete for federal contracts, in particular those owned by women, socially and economically disadvantaged persons, and veterans. This rule identifies 83 industries in which WOSBs are under-represented in the federal contract marketplace. It opens up more opportunities for WOSBs, and is another tool to help achieve the statutory goal that 5 percent of federal contracting dollars go to women-owned small businesses.

Visit the following website for more information on the rule:
www.sba.gov/aboutsba/sbaprograms/gc/gc_women_procurement.html

Components of the Women-Owned Small Business rule include:

- To be eligible, a firm must be 51 percent owned and controlled by one or more women, and primarily managed by one or more women. The women must be U.S. citizens. The firm must be "small" in its primary industry in accordance with SBA's size standards for that industry. In order for a WOSB to be deemed "economically disadvantaged," its owners must demonstrate economic disadvantage in accordance with the requirements set forth in the final rule.
- Based upon a study commissioned by the SBA, the final rule identifies 83 industries (identified by "NAICS" codes) in which women-owned small businesses are under-represented in federal procurements.
- In accordance with the statute, the final rule authorizes a set-aside of federal contracts for WOSBs where the anticipated contract price does not exceed \$5 million in the case of manufacturing contracts and \$3 million in the case of other contracts. Contracts with values in excess of these limits are not subject to set-aside under this program.
- The proposed rule allows women-owned small businesses to self-certify as "WOSBs" or to be certified via third-party by government entities and private certification groups.

CABINET SECRETARY & SECRETARY LAHOOD HEADLINE OSDBU SMALL BUSINESS VENDOR DAY...continued from page 1

working with DOT. Following the speaker portion, a matchmaking session with procurement specialists, banks and prime contractors allowed small businesses to network and learn about opportunities within DOT and its modal operations.

Director Brandon Neal, Secretary LaHood, and Mr. Lu discussed new regulations and programs affecting small businesses, and the panel discussed successful growth strategies and marketing techniques for Federal procurement. Information was also provided on the major DOT Operating Administrations.



Attendees listening to speakers at Vendor Day.

Small businesses later had the opportunity to network with modal small business specialists, acquisition professionals, technical program managers, SBA Procurement Center Representatives (PCRs), local area Procurement Technical Assistance Center (PTAC) managers, banks and prime contractors.

The event was attended by over 250 people from as far away as California, Texas, and Washington State.