



## DOT ACQUISITION POLICY LETTER

This Acquisition Policy Letter is issued under the authority of the Senior Procurement Executive of the Department of Transportation

---

**Subject:** Notice of Short Term Lending Program (STLP)

**References:**

FAR 5.207 Preparation and Transmittal of Synopsis

TAM 1205.207 Preparation and Transmittal of Synopses

### **When is this Acquisition Policy Letter (APL) Effective?**

This APL is effective upon issuance.

### **When Does This APL Expire?**

This APL remains in effect until the resulting policy is incorporated into the Transportation Acquisition Manual (TAM).

### **Who is the Point of Contact?**

Contact Lenita Ahmadi of the Office of the Senior Procurement Executive, Business Policy Division (202) 366-4974 or by email at [Lenita.ahmadi@dot.gov](mailto:Lenita.ahmadi@dot.gov).

Visit our website at <http://www.dot.gov/ost/m60/> for additional information on DOT Acquisition Policy Letters and other policy issues.

### **What is the Purpose of this Acquisition Policy Letter?**

The purpose of this Acquisition Policy Letter (APL) is to provide information and procedural guidance on the Short-Term Lending Program, as provided for in the Transportation Acquisition Manual (TAM) 1205.207 Preparation and Transmittal of Synopses.

### **What is the Background?**

The STLP is a national program designed to lend short-term working capital to Disadvantaged Business Enterprises (DBEs) in order to increase the number of DBEs that enter into transportation related contracts and to strengthen the competitive and productive capabilities of the DBEs that currently do business with the DOT, its grantees, recipients, their contractors and subcontractors. The program is administered under cooperative agreement between the DOT

and one or more banks and is authorized under subchapter 11 of the DOT Act, 49 U.S.C. 332 Pub. L 97-449.

The Office of Small Disadvantaged Business Utilization (OSDBU) is charged with ensuring the achievement of the Department's small business goals. OSDBU administers the DOT STLP. Notice of these programs are currently required in all Requests for Proposal (RFPs) and Requests for Quotes (RFQs) announced by the Department pursuant to the Transportation Acquisition Manual. Pending final program disposition and in lieu of a TAM change the following guidance is issued. In the April 6, 2007 issue of the PMC News, an article entitled Availability Notice of the Short-term Loan Program and the Bonding Assistance Program was published. The article states that the Bonding Assistance Program is no longer available and the STLP maximum loan amount is increased from \$500,000 to \$750,000, this serves as an update.

## What is the Guidance?

- Contracting Officer's should discontinue the use of TAM 1205.207, Preparation and transmittal of synopses

(17) DESCRIPTION. To promote the financial assistance programs available from the OSDBU (S-40), procurement offices must add the following information to Item #17 of each synopsis of an acquisition:

ATTENTION Minority, Women-owned, and Disadvantaged Business (DBEs)! The Department of Transportation (DOT) offers working capital financing and bonding assistance for transportation related contracts. DOT's Bonding Assistance (BAP) offers bid, performance and payment bonds on contracts up to \$1,000,000. DOT's Short-Term Lending Program (STLP) offers lines of credit to finance accounts receivable. Maximum line of credit is \$750,000 with interest at the prime rate, as published daily in the Wall Street journal, plus 1.75 paragraph percent. For further information, call (800) 532-1169. Internet address: <http://osdbuweb.dot.gov/> and instead use the revised STLP information for all solicitations provided herein.

- Contracting Officer's should insert at TAM 1205.207 the following:

Preparation and transmittal of synopses, the following is applicable:

(17) DESCRIPTION. To promote the financial assistance programs available from the OSDBU (S-40), procurement offices must add the following information to Item #17 of each synopsis of an acquisition:

ATTENTION: Small and Disadvantaged (SDB), Women-Owned, and Disadvantaged Business Enterprises (DBEs)! The Department of Transportation's (DOT), Short-Term Lending Program (STLP) offers working capital financing in the form of lines of credit to finance accounts receivable for transportation related contracts.

The Maximum line of credit is \$750,000. The STLP loan has a variable rate, which is connected to the prime rate. The current rate may be found on the OSDDBU website <http://osdbuweb.dot.gov> or call 1-(800) 532-1169.



Denise P. Wright

Acting Director,

Office of the Senior Procurement Executive