

Subject: DEPARTMENT OF TRANSPORTATION ORGANIZATION MANUAL, OFFICE OF
SMALL AND DISADVANTAGED BUSINESS UTILIZATION

1. PURPOSE. This Order replaces the Department of Transportation Organization Manual for the Office of Small and Disadvantaged Business Utilization to reflect new organizational functions.
2. CANCELLATIONS.
 - a. DOT 1101.7A, Department of Transportation Organization Manual, Office of Small and Disadvantaged Business Utilization, dated November 18, 2004.
3. BACKGROUND.
 - a. Pursuant to Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), every Federal agency is required to have an Office of Small and Disadvantaged Business Utilization (OSDBU) to ensure that small and disadvantaged businesses are provided maximum practicable opportunity to participate in the agency's contracting process. Section 15(k) of the Small Business Act establishes the duties and responsibilities for the OSDBU Director.
4. REFERENCES.
 - a. Pub.L. 83-163, as amended, the Small Business Act of 1953
 - b. 49 U.S.C. § 332, Minority Resource Center (MRC)
 - c. 31 U.S.C. §§ 3901-3907, the Prompt Payment Act
 - d. 15 U.S.C. § 657f, the Veterans Benefit Act of 2003
 - e. 15 U.S.C. §§ 637(a) and 644
 - f. 49 CFR §§ 1.42, 1.43
5. DEFINITIONS.
 - a. Small business concern means in accordance with the Small Business Act, as amended, a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards set forth in 13 CFR part 121.

- b. Disadvantaged Business Enterprises (DBEs) are for-profit small business concerns where socially and economically disadvantaged individuals own at least a 51% interest and control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.

6. EXPLANATION OF CHANGES.

- a. This order is being updated to reflect the current organizational structure and responsibilities of the Office of Small and Disadvantaged Business Utilization.

7. MISSION. The OSDBU Director ensures that the Department's small and disadvantaged business policies and programs are developed in a fair, efficient, and effective manner. OSDBU is responsible for the Department's implementation and execution of the functions and duties under the Small Business Act, and providing opportunities, technical assistance, and financial services to the small and disadvantaged business community. The Federal Aviation Administration is statutorily excluded from the provisions of this Act. This responsibility includes, but is not limited to:

- a. Implementation and execution of the Department of Transportation's (DOT) activities on behalf of small businesses and businesses owned and controlled by disadvantaged persons in accordance with the Small Business Act, as amended. This includes assisting the Departmental Office of Civil Rights (DOCR) and Operating Administrations (OAs) with implementing the provisions of the DBE program.
- b. Administration of 49 U.S.C. § 332, Minority Resource Center (MRC), which includes advocacy, outreach and financial advisement to assist small and disadvantaged businesses.
- c. Administration and management of cooperative agreements with chambers of commerce and trade associations which offer a comprehensive delivery system that targets services toward small and disadvantaged businesses, and assists these firms in becoming successful transportation industry competitors.

8. FUNCTIONS.

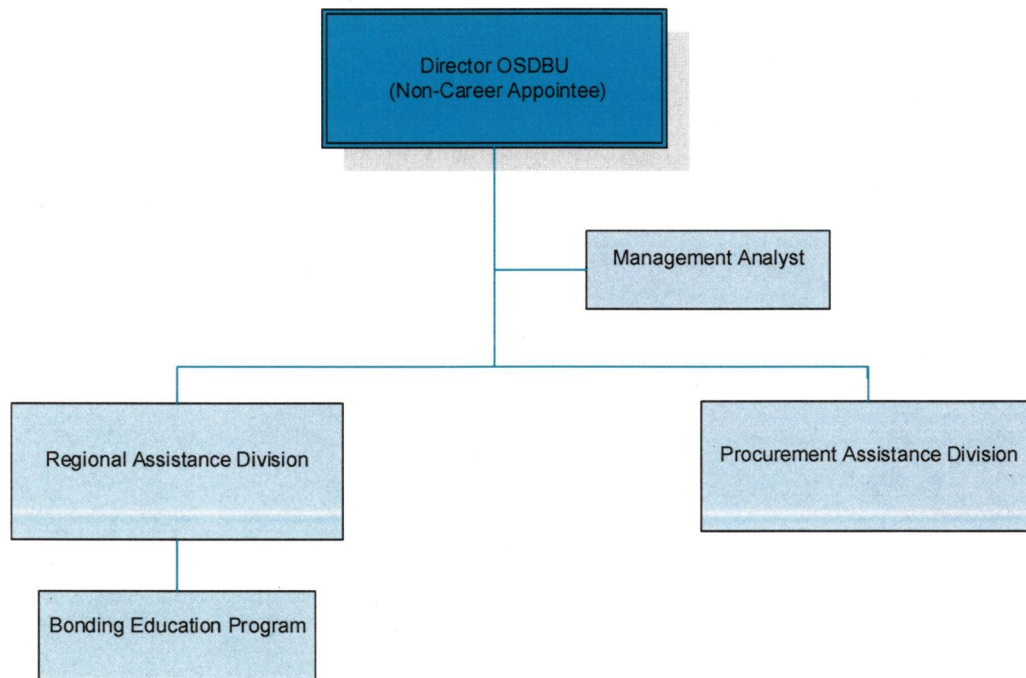
- a. Provides leadership, direction, and guidance on all DOT small business programs and functions, which involve all programs authorized under the MRC. This includes consultation, cooperation and coordination with the Small Business Administration with respect to carrying out the functions of the office pursuant to the Small Business Act, as amended, including negotiating small business goals on behalf of the Department.
- b. Provides counsel to the Secretary regarding changes in policy and procedures to better serve the small business community.

- c. Identifies proposed solicitations that call for significant contract bundling of contract requirements, and works with the agency acquisition officials and the Small Business Administration to revise the procurement strategies for such proposed solicitations, where appropriate. These efforts are undertaken to increase the probability of participation by small businesses as prime contractors, or to facilitate small business participation as subcontractors and suppliers, if a solicitation for a bundled contract is to be issued.
- d. Assists small business concerns to obtain payments, late payment interest penalties, or information due to such concerns from DOT organizations or its contractors in conformity with Chapter 39 of Title 31, U.S.C, Prompt Payment Act, or any other protection for contractors or subcontractors, including suppliers, contained in the Federal Acquisition Regulations (FAR), the Transportation Acquisition Regulations (TAR) or the Transportation Acquisition Manual (TAM).
- e. Exercises supervisory authority over DOT personnel related to functions and duties under Small Business Act, as amended.
- f. Cooperates and consults on a regular basis with the Small Business Administration concerning the carrying out of the functions and duties described under Small Business Act, as amended.
- g. Reviews contract requirements and makes recommendations to OAs and OST Contracting Officers (COs) as to whether a contract requirement should be awarded pursuant to Section 8(a) of the Small Business Act. The failure of the COs to accept any such recommendations shall be documented and included within the appropriate contract file.
- h. Carries out market research, planning, economic and business analysis, and feasibility studies to identify business opportunities for minority entrepreneurs and businesses, and assists these firms in obtaining bonds, investment capital and debt financing.
- i. Designs and carries out programs to encourage, promote, and assist minority entrepreneurs and businesses participation in DOT contracts and subcontracts, and develops support mechanisms such as venture capital, surety bonds and management and technical services that will enable minority entrepreneurs and businesses to take advantage of DOT business opportunities.
- j. Participates in programs designed to provide financial management, technical assistance, and other forms of support and assistance to minority entrepreneurs and businesses to carry out the duties and functions of 49 U.S.C. § 332.
- k. Administers the DOT contract opportunities program for Service-Disabled Veteran-Owned Small Businesses pursuant to the provisions of the Small Business Act, the Veterans Benefit Act of 2003 (15 U.S.C. § 657f) and FAR Subpart 19.14 Service-Disabled Veteran-Owned Business Procurement Program.

- l. Provides executive direction over the:
 - 1) Procurement Assistance Division; and,
 - 2) Regional Assistance Division.

9. ORGANIZATION.

OST Office of Small & Disadvantaged Business Utilization



a. Procurement Assistance Division

1) Mission. The Procurement Assistance Division (PAD) provides planning, analysis, evaluation and management of the Department's Small Business Procurement Program. The Division ensures that small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses are provided maximum practicable opportunities to participate as contractors and subcontractors in the contracts awarded by the Department. It also ensures that the Department complies with the Small Business Act, counsels and assists small business firms concerning DOT contract opportunities, and ensures that Departmental organizations place a fair proportion of contracts for supplies and services with small businesses.

2) Functions.

- a) Develops and administers an effective program to ensure Departmental compliance with provisions of the Small Business Act, as amended, (15 U.S.C. §§ 637(a) and 644), relating to small and disadvantaged business participation in procurement activities.
- b) Develops and implements appropriate policy, outreach and liaison efforts throughout the Department to encourage, promote, and assist minority business enterprises and small and disadvantaged businesses participation in the Department's procurement assistance activities.
- c) Fulfills the Director's functions and duties as contained in the Small Business Act (15 U.S.C. § 644(k)), as amended and identifies proposed solicitations that involve contract bundling. This includes resolving conflicts associated with contract bundling.
- d) Assists small business concerns in obtaining payments under their contracts, including late payments, interest penalties, or information on contractual payment provisions.
- e) Counsels the Chief Acquisition Officer, the Senior Procurement Executive, and other Departmental heads of contracting activities as to whether a particular acquisition should be awarded under FAR Subpart 19.5 as a small business set-aside, FAR Subpart 19.8 as a Section 8(a) award, FAR Subpart 19.14 as a service-disabled veteran-owned small business set-aside, FAR Subpart 19.13 as a HUBZone set-aside, or FAR Subpart 19.1505 as a Economically Disadvantaged Woman Owned Small Business or Woman Owned Small Business set-aside.

- f) Conducts reviews of contracting activities to assess the extent to which small businesses are receiving a fair share of DOT Federal procurements, including contract opportunities under the programs administered under the Small Business Act.
- g) Supports DOT OAs acquisition planning efforts to ensure small businesses get a fair opportunity to compete and perform in DOT prime and subcontract procurement opportunities.
- h) The Small Business Administration is responsible for the management and oversight of the small business procurement process across the Federal government. PAD assists the OSDBU Director to negotiate with the Small Business Administration for fair and reasonable small business procurement goals for the Department.
- i) On behalf of the OSDBU Director, PAD participates in Departmental and Interagency Working Groups geared towards increasing small business participation in DOT and federal procurement opportunities.

b. Regional Assistance Division

- 1) Mission. The Regional Assistance Division (RAD) provides planning, analysis, evaluation and management of OSDBU's various financial assistance and business training programs. These programs are designed to encourage, promote and assist minority entrepreneurs and businesses to obtain business training, bonding assistance, or financing on DOT direct or recipient contracts, or concession opportunities. The Division also administers the provisions of 49 U.S.C. § 332 regarding the MRC, including advocacy, outreach and financial services.
- 2) Functions.
 - a) Develops support mechanisms, including surety bonding education and management and technical services that will enable minorities, small and disadvantaged businesses to take advantage of transportation business opportunities at the Federal, state and local levels.
 - b) Participates in, and cooperates with, all Federal programs and other programs designed to provide financial, management and other forms of support and assistance to minority entrepreneurs and small and disadvantaged businesses seeking transportation contracts, including assistance in obtaining investment capital and debt financing.
 - c) Assists economically and socially disadvantaged business persons in achieving competitive viability in the transportation marketplace.

- d) Administers the provisions of 49 U.S.C. § 332 (Minority Resource Center also known as Small Business Transportation Resource Centers (SBTRCs)) via cooperative agreements with eligible tax-exempt organizations to provide technical assistance to small businesses including certified DOT DBE firms (49 CFR Parts 23 and 26.)
 - i. The SBTRCs implement OSDBU programs including technical assistance, accounting and marketing services; feasibility studies; marketing/presentation, analyses and advertising expertise; proposal/bid preparation; DOT industry specific technical assistance; and other specialized management training and technical services such as an Executive Education Program for owners and senior officers of DBE, SDB and 8(a) firms.
 - ii. SBTRCs, on behalf of OSDBU, develop and oversee partnerships with chambers of commerce and trade associations to offer a comprehensive delivery system that target services towards DBEs, and assists them in becoming successful competitors in transportation related acquisitions and projects.
- e) Oversight for the Bonding Education Program (BEP) to help small businesses become bond ready pursuant to 49 U.S.C. § 332. The BEP is a hands-on, multi-component program designed to address what businesses need to do to become bond-ready, and to foster one-on-one sessions with local surety bonding professionals to help in assembling the materials necessary for a complete bond application. This program is tailored to businesses competing for transportation-related contracts.
- f) Serves as a central point of contact for the dissemination of program and procurement information, procurement forecasts, forms, data, public laws, orders and other similar information of interest to the small business community.
- g) Fosters the expansion of the number of small and disadvantaged businesses that enter into transportation-related contracts by increasing the number of firms eligible for receiving surety bonds; increasing the number of businesses participating in hands-on-training related to specific disciplines required for obtaining transportation related contracts, or airport concession opportunities; and providing outreach and transportation related contract or airport concessions information.
- h) Conducts a series of Transportation Marketplace Conferences as part of its national outreach effort to provide information to the small business community, including minority and disadvantaged business enterprises, to educate, train, and assist small business owners to obtain DOT-funded procurement and/or airport concessions in DOT-assisted contracting opportunities in targeted areas.

A handwritten signature in black ink, appearing to read "W. D. Allen". The signature is fluid and cursive, with a large initial "W" and a distinct "D" and "A".

Signature Block
(Administrator/Assistant Secretary Level Leadership)