

owned, small and disadvantaged business enterprises. This Request for Proposal contains information concerning: (1) The principal objectives of the competition, eligible applicants, activities and factors for an award; (2) the application process, including how to apply and the criteria used for selection; and (3) a checklist of application submission requirements.

DATES: Proposals must be received at U.S. Department of Transportation, Office of Small and Disadvantaged Business Utilization, 400 7th Street, SW., Room 9414, Washington, DC 20590, by March 24, 2003, 4 p.m., eastern standard time. Proposals received after the deadline will be considered non-responsive and will not be reviewed. Due to security concerns, proposals should be submitted via overnight courier.

FOR FURTHER INFORMATION CONTACT: Mr. Arthur D. Jackson, Office of Small and Disadvantaged Business Utilization, U.S. Department of Transportation, 400 7th Street, SW., Room 9414, Washington, DC 20590, Tel. 202-366-2852 or 800-532-1169, ext 6-2852.

SUPPLEMENTARY INFORMATION: Send proposals to Arthur Jackson, Office of Small and Disadvantaged Business Utilization, U.S. Department of Transportation, 400 7th Street, SW., Room 9414, Washington, DC 20590.

Dated: February 26, 2003.

Sean M. Moss,

Director, Office of Small and Disadvantaged Business Utilization.

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1. Introduction

1.1 Background

The United States Department of Transportation (DOT) established the Office of Small and Disadvantaged Business Utilization (OSDBU) in accordance with Public Law 95-507, an amendment to the Small Business Act and the Small Business

Investment Act of 1958. The OSDBU administers the Department's Small and Disadvantaged Business Enterprise (DBE) Program which is designed to ensure that small, women-owned and disadvantaged businesses have an equitable opportunity to participate in DOT's procurement and Federal financial assistance programs and that they receive a fair share of the resulting contract awards. Because DOT's policy is to encourage and increase the participation of small, women-owned and disadvantaged businesses in the contracts and programs that it funds during FY 2002, awards to small businesses totaled \$2.5 billion in DOT's direct procurement.

The mission of OSDBU is to promote customer satisfaction through successful partnerships that result in an inclusive and effective small business procurement process. To accomplish this mission, OSDBU has organized its responsibilities, programs and activities under four lines of business: Advocacy, Outreach, Financial Services, and Organizational Management. DOT/OSDBU has a strong commitment to the small business community and offers advocacy, outreach and financial programs to small businesses.

The OSDBU develops Department-wide policy and administers a number of programs and activities to implement the OSDBU's Congressional mandate expanding the level of participation of small, disadvantaged businesses in the Federal financial assistance and direct contracting programs of all modal administrations of DOT and DOT-assisted state and local transportation agencies. The OSDBU is responsible for the development and implementation of an effective program of activities directed at ensuring small business participation in the Department's direct procurement and Federal financial assistance activities. The OSDBU monitors all DOT procurement activities that involve the participation of small, minority, women-owned and disadvantaged businesses, including the goal settings and procurement practices of DOT financial assistance recipients, namely, state and local transportation agencies. The OSDBU also serves an important role in assisting firms in their marketing of the Department and all of its operating administrations. The OSDBU is responsible for developing and administering programs to encourage, stimulate, promote and assist small businesses to obtain and manage transportation-related contracts, subcontracts and projects. The OSDBU administers the Short Term Lending Program (STLP) and the Bonding Assistance Program, two financial assistance efforts that provide assistance in obtaining short-term working capital and surety bonding on transportation-related projects. Under the STLP, guarantees of lines of credit up to \$500,000 are available at prime plus 1% to finance accounts receivable for transportation-related contracts. The Bonding Assistance Program enables DBEs to apply for bid, performance and payment bonds on contracts up to \$1,000,000. The fee for performance and payment bonds is 2.5%.

1.2 Program Description and Goals

An area where the OSDBU has focused considerable efforts has been that of

increasing small, minority, women-owned and disadvantaged businesses access to DOT financial assistance programs and contracting opportunities through the Transportation Equity Act Model (TEAM) program. This initiative utilizes Cooperative Agreements to provide liaison services between DOT, its grantees, recipients, contractors, subcontractors and small businesses. The TEAM includes activities such as information dissemination, outreach services, conference and seminar participation and referrals to technical assistance agencies (*i.e.*, Minority Business Development Centers (MBDCs), Small Business Development Centers (SBDCs), Procurement Technical Assistance Contractors (PTACs) and State DOT highway supportive services contractors) which offer management and technical assistance in financial assistance, marketing and other business areas. In addition, the TEAM provides one-on-one business counseling to small firms to increase their participation in mega projects emanating from the DOT, its grantees/recipients and to assist small businesses to participate in other agency initiatives such as Aviation, Security, and Surface Transportation Safety. Information dissemination and outreach include the distribution of the following DOT marketing materials: DOT Bonding Assistance Program information; DOT Short-Term Lending Program information; Procurement Forecasts; DOT Small Business Subcontracting Opportunities Directory; and Contracting with the United States Department of Transportation Booklets. A compilation of these materials is available in the DOT's Marketing Information Package, a comprehensive document which serves as a resource and reference tool.

The TEAM concept was established by the OSDBU in May 2000 in response to the continuing need to outreach to the small and disadvantaged business communities and increases their participation in DOT contracting and financial assistance programs. To address this need, the TEAM seeks (1) to increase the number of small and disadvantaged businesses that enter into transportation-related contracts; (2) to increase the participation of small, women-owned and disadvantaged businesses in mega projects funded largely from DOT Federal assistance; and (3) to increase the number of small, women-owned and disadvantaged businesses that receive DOT STLP lines of credit and bonding assistance.

The TEAM will:

(1) Work with prime contractors, Federal, State and local agencies, and DOT grantees and recipients to create opportunities for small, women-owned and disadvantaged businesses.

(2) Establish a communications link between DOT, its grantees, recipients, contractors, subcontractors and the small, disadvantaged business community. Increase awareness of contracting opportunities with mega projects by developing an aggressive outreach initiative to identify and refer qualified candidates to service providers and contracting agencies.

(3) Develop structured, consultative relationships with the private sector financial