



U.S. Department  
of Transportation

**Federal Highway  
Administration**

# Memorandum

Subject: **ACTION: Due August 31, 2018**  
Fiscal Year 2018 (FY18)  
Disadvantaged Business Enterprise  
Supportive Services (DBE/SS) Call for  
Statements of Work

Date: July 30, 2018

In Reply Refer To:  
HCR-30

From: Martha Kenley *mk*  
Team Leader  
DBE & Contractor Compliance

To: Directors of Field Services  
Division Administrators  
Civil Rights Specialists

The Federal Highway Administration (FHWA) Office of Civil Rights (HCR) requests that State Departments of Transportation (State DOTs) submit their FY18 Disadvantaged Business Enterprises Supportive Services (DBE/SS) Statements of Work (SOW) to their respective FHWA Division Office (Division) for review and approval. Divisions should then submit the DBE/SS SOW package to HCR's [SharePoint](#) by **August 31, 2018**.

Should a State DOT decide not to participate in the DBE/SS program for FY18, the State DOT's Chief Executive Officer, or designee, must submit a written statement on agency letterhead of the State DOT's intention to decline the FY18 DBE/SS allocation. Please submit the letter of decline to HCR's [SharePoint](#) by **August 31, 2018**.

## **PROGRAM FUNDING**

HCR anticipates the FY18 allocations will approximate the program annual allocation of \$10M (see [Table 1](#) attached).

## **BUSINESS DEVELOPMENT PROGRAMS**

HCR now requires that every State DOT accepting DBE/SS funds implement a Business Development Program (BDP). The purpose of a BDP is to evaluate and provide a structured process for DBEs to receive firm-specific training and technical assistance to increase opportunities for successful participation as primes or subcontractors on highway-related

contracts. Regulation 49 CFR Part 26, Appendix C sets forth the parameters of a BDP. For additional information on BDPs, please refer to a [report](#) developed from a Peer Exchange among FHWA, FTA, recipients, and stakeholders.

## **STATEMENT OF WORK SUBMISSION PROCESS**

HCR requires each State DOT to design an effective and feasible metric-based DBE/SS program for the purpose of increasing the capacity and to improve the overall business practices of DBEs. We expect State DOTs to develop their own SOWs. State DOTs must not use the services of a consultant or future service provider to create the SOW. The SOW must outline the State DOT's proposed budget (approximated, based on FY 2018 funding). It is important to know that HCR will accept amendments to the budget and SOW after HCR publishes the FY18 final allocation amounts.

State DOTs must describe how the program will deliver business development services for identified DBEs and the process of how staff selects DBEs for the program. The SOW should contain goals and objectives tailored to the development of each identified DBE participant. State DOTs must submit only one SOW per Federal fiscal year, although each SOW may include multiple concepts within a single submission. For example, the SOW may include an element of a concluding program and an additional Business Development element. The SOW should not exceed ten pages in total, excluding attachments and/or exhibits.

State DOTs should announce all DBE/SS solicitations on their public website and must solicit proposals from qualified sources in such a way as to ensure the competitive nature of the procurement (23 CFR § 230.204 (e)).

## **EVALUATION PROCESS**

Divisions will review and evaluate the State DOT's SOW submission to ensure it meets the intent of the DBE/SS program. Divisions must submit SOWs and supporting documents to HCR by **August 31, 2018**. Supporting documents include:

- An intent to approve letter;
- A detailed budget; and
- A copy of the entire SOW.

Examples of all of these supporting documents are on the [HCR DBE/SS SharePoint Site](#). The Division must submit the SOW and all supporting documents to the corresponding [State folder](#) located on the HCR DBE/SS SharePoint site.

## **ALLOCATION AND PERFORMANCE PROCESS**

Based on the availability of funds and concurrence with the Division's recommendation, HCR will allocate the funds. Then, the State DOT will need to request obligation of the funds in the Fiscal Management Information System (FMIS). From there, the Division will provide authorization to proceed via FMIS (23 CFR § 630.106). When the State DOT awards the contract and once approved in FMIS by the Division, the 12-month performance period for the DBE/SS contract begins (*DBE/SS contracts may contain an option to renew for up to two years conditioned upon documented satisfactory performance and availability of funding*). Finally, the State DOT must obligate and expend all of the allocated funds by the end of the designated performance period, unless given written approval to extend by the Division. The Divisions must notify HCR of all extension approvals. State DOTs must de-obligate all unexpended balances within 90-day of the end of the performance period, unless given written approval to extend the date by the Division.

To ensure the success of the DBE/SS program, all Divisions must maintain a sufficient level of program oversight to measure progress, success, and to address shortfalls promptly. State DOTs must also ensure appropriate DBE/SS program oversight, regularly track progress, and demonstrate achievement of program goals/objectives. State DOTs must submit timely and accurate reports to their respective Division. Divisions will need to submit a short narrative report to HCR at the end of the performance period.

If you have any questions, please feel free to contact Tracy Duval at (202) 366-1604 or [tracy.duval@dot.gov](mailto:tracy.duval@dot.gov).

**Table I: Approximate FY18 DBE/SS Estimated Allocation**

State	FY18 Estimated Allocation
Alabama	\$ 190,391
Alaska	\$ 125,831
Arizona	\$ 183,611
Arkansas	\$ 129,928
California	\$ 921,066
Colorado	\$ 134,192
Connecticut	\$ 126,043
Delaware	\$ 42,451
Dist. of Col.	\$ 40,041
Florida	\$ 475,466
Georgia	\$ 324,028
Hawaii	\$ 42,444
Idaho	\$ 71,777
Illinois	\$ 356,788
Indiana	\$ 239,118
Iowa	\$ 123,332
Kansas	\$ 94,833
Kentucky	\$ 166,739
Louisiana	\$ 176,130
Maine	\$ 46,324
Maryland	\$ 150,805
Massachusetts	\$ 152,413
Michigan	\$ 264,219
Minnesota	\$ 163,640
Mississippi	\$ 121,371
Missouri	\$ 237,571
Montana	\$ 102,964
Nebraska	\$ 72,535
Nevada	\$ 91,125
New Hampshire	\$ 41,463
New Jersey	\$ 250,563
New Mexico	\$ 92,156
New York	\$ 421,233
North Carolina	\$ 261,729
North Dakota	\$ 62,303
Ohio	\$ 336,379
Oklahoma	\$ 159,156
Oregon	\$ 125,432
Pennsylvania	\$ 411,745
Rhode Island	\$ 54,882
South Carolina	\$ 168,042
South Dakota	\$ 70,771
Tennessee	\$ 212,061
Texas	\$ 913,563
Utah	\$ 87,140
Vermont	\$ 50,932
Virginia	\$ 255,372
Washington	\$ 170,122
West Virginia	\$ 109,669
Wisconsin	\$ 188,822
Wyoming	\$ 64,289
Somoa	\$ 22,500
Guam	\$ 22,500
Northern Mariana	\$ 22,500
Puerto Rico	\$ 35,000
Virgin Islands	\$ 22,500
Estimated Allocation Total	\$ 10,000,000