

Prime Contractor Small Business Enterprise Participation Plan Drafting Guidelines

Recently, the United States Department of Transportation required recipients of Federal Highway, Federal Transit and Federal Aviation Administration to develop a Small Business Enterprise Program (SBE), per the Requirements of [49 Code of Federal Regulations Part 26.39](#). This program places aspirational or voluntary, ten percent (10%) SBE Goals on federally funded design-bid-build contracts without Disadvantaged Business Enterprise (DBE) Goals. The purpose of this plan is for your company to outline how you will utilize small businesses, certified by the Office of Minority and Women's Business Enterprise (www.omwbe.wa.gov) as SBEs to participate on your construction and public works projects. The requirement of an SBE plan is mandatory; however the 10% SBE goal is not. WSDOT understands and is committed to small business growth and success. We believe that our collective efforts will continue to support our state's economy.

All WSDOT construction contractors with a voluntary SBE goal will now be required to submit a SBE Participation Plan on each contract prior to work commencing. Once your company has completed the SBE Participation Plan please submit it to the Project Engineer Office so it can be transmitted to the Office of Equal Opportunity. If you have any questions about this plan or the voluntary requirement please call (360) 705-7090 or email SmallBusiness@wsdot.wa.gov.

Following are some questions and statements to assist your firm in developing an effective SBE Participation Plan.

1. What is the Contract Number and Title? If the Project is being administered by a local agency (e.g. city or county), please provide the name of the local agency.
2. What is the statement of commitment from the owner?

For example: To ensure that our company establishes and implements business practices and procedures to foster and grow small businesses.

Owner/designee signature

3. What is the mission statement of your companies' SBE Plan?

For example: To ensure SBEs are given the maximum opportunity to participate in WSDOT construction projects. This will be accomplished by normal business practices, outreach, mentoring and by subcontracting normally self-performed bid items.

4. Who will have the authority and responsibility to implement and monitor the plan?
For example:
 - a. Executive(s)
 - Job title(s)
 - Duties and obligations per the plan
 - b. SBE/DBE/EEO/Affirmative Action Officer(s)
 - Duties and obligations per the plan
 - c. Estimators(s)
 - Duties and obligations per the plan
 - d. Marketing/Sales Coordinator(s)
 - Duties and obligations per the plan
 - e. Outreach/training: Who will assist SBE in bidding/estimating/proposal process, if not done by persons otherwise identified?
 - Job title
 - Duties and obligations per the plan

5. What strategic approaches and methodology will your firm take to ensure maximum participation by SBEs? Following are suggestions, which have proven to be effective:
 - a. Personally invite SBEs to attend pre-bid meetings and walk-throughs in which your firm is going to attend and/or bid.
 - b. Send requests for subcontractors to SBEs using the Directory of Certified Firms available at www.omwbe.wa.gov. If you are having difficulty using the Directory to find SBEs, contact OMWBE at toll free at (866) 208-1064 or WSDOT at (360) 705-7090.
 - c. Broaden your firm's base of subcontractors by:
 - i. Hosting targeted outreach events for SBEs.
 - ii. Subcontracting opportunities which your firm would normally self-perform.
 - iii. Create small subcontractable bid items which allows for maximum participation and competition amongst SBEs.
 - iv. Posting opportunities (i.e. requests for subcontractors) in ethnic newspapers.
 - d. Call, mail, and fax SBEs and ask them to bid on projects, giving the firms adequate time (5-7 days) and information to respond.
 - e. Request OMWBE to post subcontracting opportunities on their website.
 - f. If subcontractors you work with seem eligible for SBE certification (a small business with gross receipts less than \$22.41 million – other criteria apply) recommend the firm become certified.
 - g. Solicit bids from as many SBEs as possible. If firms are repeatedly non-responsive and/or non-competitive, provide the names of the SBEs to WSDOT,

Office of Equal Opportunity (SmallBusiness@wsdot.wa.gov or (360) 705-7090) for follow-up and assistance.

- h. Publish and distribute estimator and construction management personnel contact information.
 - i. Provide informational/assistance meetings with SBEs.
 - j. Provide adequate staff to administer the SBE Participation Plan.
6. Staff Training:
- a. Identify who will communicate the policy and procedures to **all** relevant staff.
 - b. Identify if training is necessary, who may need this training and on what topics. WSDOT, Office of Equal Opportunity may be able to provide assistance with these training.
7. What will your firm's process be for monitoring and ensuring prompt payment to all subcontractors? Who will be responsible for ensuring prompt payment?
8. How will your firm handle disputes? Who will be in charge of handling the disputes?
9. How will your firm change its subcontractor prequalification forms and similar documents to allow for the maximum number of SBE participants?
- a. Determine if it is necessary to require "length of time firm/principals have been in business" or is "time of work in field" sufficient?
 - b. Eliminate unnecessary information from the subcontractor prequalification form (e.g. redundant financial statements, high bonding requirements, etc.)
 - c. Consider having more than one individual review subcontractor bid responses.
10. How will your firm monitor its progress and adjust its strategy as necessary?
11. What other measurable steps will your organization take to increase SBE utilization? Identify who will be responsible for these measures.
12. If your firm has identified SBEs to use to fulfill the voluntary SBE goal, please provide the following information:

SBE Firm Name	Contract Amount
ABC SBE, Inc.	\$90,000.00
XYZ SBE, Inc.	\$125,000.00

NOTE: throughout the plan, list only the title of individuals, except for the owner.