



ALABAMA DEPARTMENT OF TRANSPORTATION
COMPLIANCE AND BUSINESS OPPORTUNITIES BUREAU
Disadvantaged Business Enterprise (DBE)
2720 GUNTER PARK DRIVE WEST
MONTGOMERY, ALABAMA 36109



Robert Bentley
GOVERNOR

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TRANSPORTATION
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Guidelines for Requests Supportive Services (SS) Proposals
Alabama Department of Transportation (ALDOT) Disadvantage Business Enterprise (DBE) Program

Submission

Proposals submitted in response to an ALDOT DBE/SS Program Request for Proposal (RFP) Announcement are to be sent via email to:

Huffmanjo@dot.state.al.us and Meadowss@dot.state.al.us or via U.S. mail to:

Mr. John L. Huffman
Compliance and Business Opportunities Bureau
Alabama Department of Transportation
DBE Unit
2720 Gunter Park Drive West
Montgomery, Al 36109

Important Note: Proposals are **ONLY** to be submitted to the ALDOT Compliance and Business Opportunities Bureau’s DBE Unit.

Deadlines

The deadline for receiving proposals as shown in the RFP Announcement has been established and extensions will not be granted. In order to be considered, proposals must be received by the ALDOT’s DBE Unit no later than the deadline of May 20, 2016 at 5:00 p.m. Without exception, all proposals postmarked later than the preceding deadline date and time will be rejected.

To Prospective Proposal Applicants

The Alabama Department of Transportation (ALDOT) is giving notice that we are in need of Request for Proposals (RFP) regarding the delivery of Supportive Services (SS) in the form of a Business Development Program (BDP) for Disadvantaged Business Enterprises (DBE) within the state of Alabama. ALDOT has been allocated \$240,593 in federal funds to implement a DBE/SS Business Development Program. The time frame for program implementation will be defined as the performance period. Performance period will be a minimum of one year unless an extension is approved by ALDOT. The RFP will be evaluated according to the criteria that is stated in the following guidelines. That contract will run for one year after its execution.

Electronic submissions of proposals are preferred, but submissions of a 10 page hardcopy are also allowed. Adherence to the 10 page limit is required and should be typewritten using 12 font in single spaced format. The 10 page limit does include attachments and/or exhibits, not the cover page. Each proposal submitted will be reviewed for content and conformance that is governed by 23 CFR 230, Subpart B. Proposals will also be reviewed and evaluated based on:

SECTION (1): PROGRAM DESIGN

A. Commitment to Business Development Program

The Alabama Department of Transportation (ALDOT) is committed to providing Disadvantaged Business Enterprises (DBE) training, assistance, and services to DBE firms certified in the DBE program. Additionally, ALDOT's Business Development Program (BDP) will have as components, developmental and transitional stages to aid DBEs to move into non – traditional areas of work and/or compete in the marketplace outside the DBE program. ALDOT's BDP will not have a preset time for selected DBEs to participate in either the developmental or transitional stages. Their enrollment time in the program will be figured on the number of years considered necessary in the normal progression of a DBE firm to achieve its established goals and objectives. Items such as, but not limited to, the number of contracts received, aggregate amount of contracts received, years in business etc. could be used to define the enrollment period for a DBE firm in either stage of the BDP.

ALDOT will identify a service provider to operate its BDP. The criteria which will enhance the selected candidate's completion of the BDP is referenced in the following sentences:

- Service provider will be determined by who is selected as the winner from the RFP submission. Firm's program participation is contingent on it remaining eligible based on criteria in 49 Code of Federal Regulations (C.F.R.) Part 26.
- The anticipated selection process for identifying eligible DBEs to participate in the developmental phase of the BDP are depicted in the chart on page four (months 2 – 3):
 - ❖ Must demonstrate potential for success.
 - ❖ Must remain eligible for program participation in adherence to the following requirements:
 - Must be a small business according to the current SBA size standards.
 - Annual status which affirms that DBE participant has successfully completed requirements which maintains their continued certification status must be up-to-date.
 - By no later than 6 months of program entry, the participant (DBE) with the aid of selected provider should develop and submit to the recipient (ALDOT) a comprehensive business plan as identified in 49 CFR Part 26 appendix C setting forth the participant's business targets, objectives and goals.
 - The participant (DBE) will not be eligible for program benefits until such business plan is submitted and approved by the recipient.
- How and when the selected provider will analyze and evaluate each participating DBE in specific areas of financial, managerial, technical and business plan development are depicted in chart on page four (months 2 – 5):

- ❖ DBE will complete a business plan development by the sixth month of program enrollment. Completed business plans will contain items such as:
 - An analysis of market potential, competitive environment and other business analyses estimating the program participant's prospects for profitable operation during the term of program participation and after graduation from the program.
 - An analysis of the firm's strengths and weaknesses, with particular attention paid to the means of correcting any financial, managerial, technical, or labor conditions which could impede the participant from receiving contracts other than those in traditional areas of DBE participation.
 - Specific targets, objectives, and goals for the business development of the participant during the next two years, utilizing the results of the analysis conducted pursuant to paragraphs (C) and (D)(1) of Appendix C to 49 C.F.R. Part 26-DBE Business Development Program Guidelines.
 - Estimates of contract awards from the DBE program and from other sources which are needed to meet the objectives and goals for the years covered by the business plan.
 - Other information as the recipient may require.
- DBEs will have an initial and six month mid-evaluation to determine their strengths, weaknesses and growth potential. This process will prepare each DBE for enrollment in training sessions to achieve targeted goals.
- How and when the selected provider will create and implement training for participating DBEs assessed as mid-tier based on their level of development are depicted in the chart on page four (months 6 – 11):
 - Mid-tier DBEs are defined as those firms in business no more than 10 years and based on their assessment and training have the ability to bid work and demonstrated some success in obtaining contracts.
 - Training will address assessed deficiencies in such areas as lack of skill to enhance revenue, sales and marketing, financial management and instruction on access to bonding, management practices of owners.
- How and when the selected provider will conduct a final assessment on the success of DBE firms enrolled in the initial or developmental phase of the BDP. Contingent upon success in achievement of targeted goals, the ALDOT will notify the DBE firm in writing which serves as notice of its intent to graduate them from this area of training. ALDOT's written notice will inform the DBE firm of a 45 day period from receipt date to submit in writing information that would explain why the proposed basis of graduation is not warranted. DBE firms deemed to have weaknesses in training areas within the developmental phase will contingent upon resources and other factors (e.g. number of candidates desiring program entry) be permitted to reenroll. Upon reenrollment, ALDOT will inform the DBE firm that access to training may be discontinued based on a pattern of poor performance. The DBEs' training will be monitored monthly by selected provider.
- How and when the selected provider will graduate designated DBEs from this area of training into the transitional phase of the BDP. DBEs designated as graduates will submit a business plan that includes changes in the firm's structure and forecast of needs (e.g. contract awards for upcoming years). ALDOT, in collaboration with the provider, will conduct reviews of business plans at designated intervals. Designated DBEs will include within their business plan an

element or transition plan which outlines specific steps to promote profitable business operations in areas (e.g. cities, counties, other federal agencies with DBE programs or similar responsibilities, etc.) other than traditional areas of DBE participation after graduation from the program. Additionally, as stated in preceding sentences, DBEs selected to participate in the transitional stage should ensure that their business plan contains at a minimum the following measures they will take to continue development after expiration of the contract (e.g. forecasts are to be done annually).

- The aggregate dollar value of contracts to be sought under the DBE program, reflecting compliance with the business plan.
- The aggregate dollar value of contracts to be sought in areas other than traditional areas of DBE participation.
- The types of contract opportunities being sought, based on the firm's primary line of business.
- Other information as may be requested by the recipient to aid in providing effective business development assistance to the participant.

Selected provider will implement the transitional stage of program participation for designated DBEs who have completed initial BDP requirements. Annual review of business plans and forecasting at designated intervals by selected provider and ALDOT. DBEs selected as program participants are depicted in the chart below (month 12):

Activity	Time Frame
Initial and periodic meetings as needed with representatives from the Selected Provider, ALDOT, Contractor Association, and others to discuss program design and measures for implementation.	Month one (1)
Initial Assessment of program candidates.	Months two (2) – three (3)
Vetting Period and enrollment of selected candidates into initial BDP phase.	Months four (4) – five (5)
Development and submission of Business Plans.	Months three (3) – five (5)
Development and implementation of training derived from assessments and meetings.	Months six (6) – eleven (11)
The first phase is the developmental phase, after completion, the next phase will be the transitional phase. The anniversary date for review of the business plan and contract forecasts will be 12 months after completion of the business plan.	Month twelve (12)

B. Purpose Statement

ALDOT will utilize the \$240,593 in federal funding to enhance the growth and development of its BDP to increase the capacity of participating DBE firms to successfully participate on heavy highway contracts. ALDOT’s BDP will focus on the faceted education and development of DBEs. Additionally, ALDOT’s BDP will provide each designated DBE firm specialized_business training, counseling, and marketing assistance tailored to their assessments. This will enhance firms’ opportunities for obtaining contracts and success within the heavy highway construction industry.

C. Program Goals

The goal of DBE/SS is to develop and implement a successful BDP through the usage of the following measures. Provide business training derived from assessed growth level of selected DBEs in targeted areas designed to increase the total number of active DBE firms participating in the highway construction program. Contribute to the growth and eventual self-sufficiency of selected DBEs to enhance profitability, sales and marketing, financial management and instruction on access to bonding, management practices of owners. Provide targeted assistance to the DBE firms in preparing applications to secure bonds. Schedule and coordinate training sessions with identified DBE firms to enhance their technical expertise/credentials in areas such as bidding, marketing, small business management fundamentals, and relationship building. Selected service provider will conduct meetings as needed to ensure the success of the program; assessments will be conducted at designated intervals to ensure the success of the program and each participant.

D. Result Oriented Objectives

Objective 1: Establish BDP to help DBE firms compete in the marketplace outside the DBE program.	
ACTIVITY	PERFORMANCE MEASURES
Recruit potential applicants statewide by contacting current DBE/SS providers, contractor associations for recommended firms.	<ul style="list-style-type: none"> Identify 10 DBE firms who will commit to participate in the program.

Objective 2: Conduct an assessment on each participating DBE to determine their needs.	
ACTIVITY	PERFORMANCE MEASURES
Conduct a detailed and comprehensive needs assessment on each of the DBE firms participating in the Developmental stage of the BDP. Identify DBE firms who have common training needs.	<ul style="list-style-type: none"> 10 DBE firms in the Developmental stage of the BDP that have completed a comprehensive needs assessment. 10 DBE firms and their training needs identified.

Objective 3: Identify DBE firms who will participate in program.	
ACTIVITY	PERFORMANCE MEASURES
Use data from needs assessment, supportive service provider training data, contract acquisition and recommendations to identify program participants.	<ul style="list-style-type: none"> Identify 10 DBE firms that will participate in the Developmental stage of the BDP.

Objective 4: Submit business plan to selected provider and ALDOT for review.	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities (e.g. SBTRC, SBDC) committed to partnering in this endeavor to develop workshops, seminars and training sessions designed to assist DBE in submitting their business plans to selected provider and ALDOT.	<ul style="list-style-type: none"> • 10 firms assisted in reviewing/updating their business plans to ensure identification of business targets, objectives and goals. • 10 firms submit business plans which capture required information for enrollment in the transitional program.

Objective 5: Create training plan for each DBE based on their assessed level of development.	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities (e.g. SBTRC, SBDC) committed to partnering in this endeavor to develop workshops, seminars and training sessions to meet DBE training needs. Based on the assessed needs of DBEs, schedule and conduct training session.	<ul style="list-style-type: none"> • 10 firms assisted in reviewing/updating deficient areas (e.g. enhance revenue, sales and marketing, financial management and instruction on access to bonding, management practices of owners) identified within their assessment. • 10 firms will be enrolled in training sessions based on their assessed deficiencies.

Objective 6: Provide targeted assistance to the DBE firms in measures to enhance their revenues.	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities committed to partnering in this endeavor to develop revenue enhancement strategies that will allow DBE firms to begin establishing record of increased profitability.	<ul style="list-style-type: none"> • 10 firms enrolled in revenue enhancement classes based on their assessments. • 10 firms receive training for a designated number of sessions to integrate strategies into their business practices to enhance revenue.

Objective 7: Provide targeted assistance to the DBE firms in measures to enhance their sales marketing.	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities committed to partnering in this endeavor to develop revenue enhancement strategies that will allow DBE firms to begin establishing record of marketing and sales.	<ul style="list-style-type: none"> • 10 firms enrolled in marketing and sales enhancement classes based on their assessments. • 10 firms receive training for a designated number of sessions to integrate strategies into their business practices to enhance marketing and sales.

Objective 8: Provide targeted assistance to the DBE firms in financial management and instruction on access to bonding.	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities committed to partnering in this endeavor to develop financial management strategies with surety firms that will allow DBE firms to begin establishing record of accomplishment acceptable for bonding.	<ul style="list-style-type: none"> • 10 firms enrolled in financial management sessions based on their assessments. • 10 firms received assistance through completion of training, completed bond and financial applications. • 10 DBE firms with increased bonding capacity.

Objective 9: Provide targeted assistance to the DBE firms and, provide targeted technical assistance to develop and improve the capabilities of DBE firms in technical skills in order to increase the number of DBE firms bidding on Federal-aid highway projects.	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities committed to partnering in this endeavor to provide DBE firms with estimating and bidding assistance to improve their success rate in obtaining contracts.	<ul style="list-style-type: none"> • 10 DBE firms enrolled in bid related training based on assessments. • 10 DBE firms complete bid related training. • 10 DBE firms submit bids which are checked for completeness by selected provider and contractor association representative.

Objective 10: Schedule and coordinate training sessions with certified DBE firms to enhance their technical expertise/credentials based on assessed weaknesses in areas such as small business management fundamentals and relationship building with customers (e.g. highway construction contractors).	
ACTIVITY	PERFORMANCE MEASURES
Access resources of entities committed to partnering in this endeavor to develop and conduct, workshops, seminars and training sessions to meet DBE training needs.	<ul style="list-style-type: none"> • 10 DBE firms enrolled in training sessions. • 10 DBE firms attend training sessions. • 10 DBE firms complete training sessions.

Objective 11: Meetings will be scheduled as needed throughout the contract period to ensure the program participants and stakeholders have an awareness of the program objectives.	
ACTIVITY	PERFORMANCE MEASURE
Initial and periodic meetings with representatives from the Selected Provider, ALDOT, Contractor Association, and others to discuss program design and progress.	<ul style="list-style-type: none"> • 3 meetings to be held within the contract period.

Objective 12: Assessments will be conducted at scheduled intervals throughout the contract period to monitor participants' completion of program objectives.	
ACTIVITY	PERFORMANCE MEASURES
Selected provider will conduct assessments.	<ul style="list-style-type: none"> • 10 initial assessments to be done on program participants by month 3 of the contract. • 10 periodic assessments to be done on program participants between months 4 and 11 of the contract. • 10 final assessments to be done on program participants in month 12 of the contract.

E. Scope of Work

Activity	Time Frame
Initial and periodic meetings with representatives from the Selected Provider, ALDOT, Contractor Association, and others to discuss program design and implementation.	Month one (1)
Initial Assessment of program candidates.	Months two (2) – three (3)
Vetting Period and enrollment of selected candidates into initial BDP phase.	Months four (4) – five (5)
Development and submission of Business Plans.	Months three (3) – five (5)
Development and implementation of training derived from assessments and meetings.	Months six (6) – eleven (11)
The first phase is the developmental phase, after completion, the next phase will be the transitional phase. The anniversary date for review of the business plan and contract forecasts will be 12 months after completion of the business plan.	Month twelve (12)

The goal will be achieved by developing each DBE firm participant's technical and business skills in accordance with 49 Code of Federal Regulation (CFR) Part 26, Appendix C through the insertion of BDP guidelines into the Statement of Work.

ALDOT intends to achieve the goals cited in the preceding paragraphs by initiating collaborative actions with the Office of Small and Disadvantaged Business Utilization's (OSDBU) Small Business Transportation Resource Center (SBTRC) which has Alabama as its coverage area, selected supportive service provider, contractor associations (e.g. Alabama Road Builders Association, Alabama DBE Association), minority and women owned businesses, and academic institutions with requisite expertise. Also, small business development centers and ALDOT DBE/SS providers will be used to aid ALDOT in implementing its BDP.

SECTION (2): PROPOSED BUDGET SUMMARY

The ALDOT BDP requires funds in amount of \$240,593 to ensure the occurrence of the preceding activities. The proposed budget has been created and will illustrate in the following paragraph line items designed to facilitate the accomplishment of program goals.

Line items within the attached budget are summarized in the following manner.

- a. **Personnel: (\$77,940.00)**
Funding in the designated amount cited in the preceding budget is requested to cover the costs of salaries inclusive of fringe benefits which will be paid to individuals with direct responsibility for program management during the contract period of 12 months. Their duties will include such areas as project administration and reporting activities.
- b. **Fringe Benefits: (\$23,382.00)**
Fringe Benefits for the salaries of the individuals referenced above is calculated at a rate of 30%.
- c. **Miscellaneous/Other (e.g. Printing): (\$3,233.00)**
Funding amount indicated was requested to cover the costs for printing surveys, mailing materials and posters which advertise upcoming workshops/conferences and other training activities.
- d. **Contractual Services (\$27,000.00)**
Funding amount indicated will be used to cover the costs of anticipated contracts with individuals who can provide mentoring and technical assistance for the program.
- e. **Equipment: (\$4,125.00)**
Items such computers, fax machines, copiers etc. acquired to solely support the administration of the BDP.
- f. **Travel: (\$11,000.00)**
Trips to DBE meetings/conferences held at designated locations within the state and to Montgomery.
- g. **Supplies: (\$3,666.00)**
Funding amount indicated was requested to cover the costs of office materials (e.g. printer cartridges, pens, and paper).
- h. **Stipends: (\$20,225.80)**
Regulated payment to persons associated with training designated personnel within DBE firms for an identified and approved activity during the BDP program contract period. In establishing these relationships, ALDOT realizes that assistance or stipend contingent upon FHWA, Alabama Division approval may be required to offset prime contractor expenses when they use their employees to train DBE owners in areas noted as deficient within assessments.
- i. **Miscellaneous/Other (e.g. workshops 4): (\$18,338.20)**
- j. **Funding** amount indicated will be used to cover the costs (e.g. facility charges, trainers) of conducting at a minimum of four (4) workshops/conferences.
- k. **Administrative Costs:**
Funding amount to cover indirect cost for service provider not to exceed 10% and this **includes cost for ALDOT of \$32,792.00 or 13.63%**. For budget estimating purposes only, a maximum indirect cost for a service provider will be 10% based on historical data. However, after a provider has been selected, the indirect cost must be reviewed, negotiated, and certified in accordance with 2 CFR Part 225. Therefore, the final indirect cost amount may be less than 10%. FHWA and ALDOT have agreed that 13.63% (\$32,792.00) will be the rate charged by ALDOT for program administration this fiscal year in accordance with 2 CFR Part 225.

SECTION (3): EVALUATION, MONITORING AND OVERSIGHT PLAN

- ❖ Monitoring will be conducted on each phase of the timeline activities to occur will ensure effective administration of the program. Accordingly, the following activities will occur to provide oversight on the implementation of items identified within the scope of work. They are:
 - Conducting an initial meeting with representatives from the selected service provider, ALDOT, SBTRC, Contractor Association, and others to discuss program design. Collaborative decisions made at this meeting will aid the selection of quality candidates for the program and assign services to each based on assessed needs which can aid their growth. Derivatives based on support of participants at this meeting would foster the creation of training which will aid DBE firms enrolled in developmental and transitional stages of the BDP.
 - Submission of business plan to selected provider and ALDOT which contains developmental and transitional stages.
 - Training being made to allow the identified needs derived from the initial assessment of the DBE firm to be matched with the recognized skill sets of industry professional or prime contractor who will train on these topics (see scope of work chart months 6 -11).
 - Analyzing and evaluating each DBE firm selected to participate in the program business capacity; market potential; and strengths and weaknesses in the areas of financial, managerial, technical, and labor conditions are depicted in scope of work chart (months 6 – 11).
 - Conducting a six month mid-evaluation with DBE firms to determine their strengths, weaknesses and growth potential. This will prepare them for their targeted goals.
 - ALDOT will develop if needed, with the aid of its Legal Bureau, a document (e.g. agreement) which states the responsibilities of participants in this program. The finalized agreement will be signed by all parties for official participation into the program. The finalized agreement will identify the assistance which will be rendered by the prime contractor based on needs assessments to the DBE firm for a defined period of time. The ALDOT BDP is limited to a period not to exceed twelve (12) months from the date in which it is signed. This proposal may have an option for a renewal of one (1) year and expansion into transitional stages for selected firms based on funding available and program progress.
 - Utilizing an approved developmental plan to enhance selected DBE firm's business skills in areas where they have been assessed as deficient. Areas where developmental assistance to address deficiencies in business skills will be labeled as target goals.
 - Installing measures to periodically monitor the achievement of stated goals during the duration of the developmental stage of the Program. Program will be monitored the completion of stated goals on a monthly basis and include at a minimum the following items in periodic updates or status reports (see scope of work chart months 6 -11). They are:
 - Narrative describing the DBE/SS activities that were performed for each week. The narrative should also include concerns and status of the program at that time.
 - Completion of forms (e.g. contact forms, sign in sheets) which document activities.
 - Narrative which describes steps taken to help DBE with their assessed needs (e.g. training in financial management, marketing best practices,

- access to contract opportunity through training in estimating and usage of technology).
- Installing the following performance measures, which list additional criteria that will be used to gauge at designated intervals (e.g. monthly) the successful attainment of goals for the initial stage of ALDOT BDP (see scope of work chart months 6 – 11). They are:
 - Satisfactory progress toward completing the plan (e.g. development plan) which cites activities (e.g. attendance at scheduled training sessions, usage of business related software) identified for completion by the selected provider.
 - Improved skill sets of the DBE in specific areas of highway contracting.
 - Increased financial/bonding/bidding capacity by DBE participant.
 - Increased number of projects by DBE firm with contractors other than mentor.
 - Increased number of quotes for work submitted by selected program participant to ALDOT.
 - ❖ Installing measures to conduct a final assessment of each DBE to determine if it has achieved targeted goals derived from their needs assessment (month 12). ALDOT will review and approve business plans at designated intervals.

SECTION (4): REPORTING REQUIREMENTS

Compile, review for accuracy and submit monthly reports on progress of program elements to ALDOT. Monthly report will identify in a weekly narrative format issues, concerns, and activities completed that impact the achievement of overall program objectives. Offeror selected to perform DBE Supportive Service as outlined in RFP will maintain a listing of accurate contract information (e.g. e-mail address, telephone numbers) for program participants and complete a final report within 30 days of its completion. Additionally, within the final report offeror will provide a summary report that consist of project tasks and accomplishments, lessons learned, and recommendations for future improvement of the program.

EVALUATING PROPOSALS

Upon receipt, proposals will be evaluated based on adherence to criteria cited in the proceeding statements. Evaluation criteria categories will include the following:

- ✓ Timely submission of proposal
- ✓ Page limit
- ✓ Experience/Expertise
- ✓ Budget
- ✓ Method of Performance
 - Program Design
 - Evaluation, Monitoring, and Oversight Plan
 - Reporting Requirements

Please call John Huffman at (334) 244 – 6261 or Shona Meadows at (334) 244 – 6270 or submit an email at the addresses provided if you have any questions regarding the RFP submission.