

U.S. DEPARTMENT OF TRANSPORTATION

Agency Priority Goal | Action Plan | FY 2024 – Quarter 1

Equity

Goal Leaders



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Goal statement

Equity: Increase wealth creation opportunities for underserved communities. By September 30, 2025, DOT commits to raise the small disadvantaged business utilization contract award dollars from 18.2% in FY 2021 to 21.5%.

Problem to Be Solved

DOT aims to increase wealth creation opportunities for underserved communities through direct procurement mechanisms. In 2021, DOT adopted its new Strategic Plan establishing a commitment to pursuing a comprehensive approach to advancing equity for all. DOT is taking actions to advance this Strategic Goal in four focus areas – wealth creation, power of community, interventions, and expanding access. This Agency Priority Goal (APG) is focusing on the first of these, removing barriers to wealth creation opportunities for underserved communities through increased US DOT contracts. In FY 2021, when the Strategic Plan was adopted 18.2% of all DOT contract dollars went to SDBUs. In FY 2023, that percentage was 20.5%. This APG seeks to raise the bar even higher to 21.5%

 Government-wide, approximately 11 percent of Federal agencies' total eligible contracting dollars go to small disadvantaged businesses, a category under Federal law for which Black-owned, Latino-owned, and other minority-owned businesses are presumed to qualify.

- Increasing the amount of Federal spending reaching underserved businesses not only helps more Americans realize their entrepreneurial dreams, but also narrows persistent wealth disparities.
- We are continuing to identify and remove barriers that hinder the inclusion of small disadvantaged businesses in Federal contracting.

The Equity Action Plan (EAP) outlines how the Department of Transportation is working to ensure that all communities receive the benefits of transportation. The EAP has five areas focus: 'Wealth Creation', 'Expanding Access', 'Institutionalizing Equity', 'Power of Community, and 'Proactive Intervention, Planning and Community Building'. The Equity APG aligns with the Wealth Creation Pillar which includes procurement, expanding net asset ownership, community wealth building, and plans for increasing wealth creation opportunities for underserved communities.

What Success Looks Like

Achieving success with this APG would mean an increase in the number of new small and disadvantaged businesses securing contracts with DOT. Accomplishing this goal would assist small and disadvantaged businesses in building capital, expanding business networks, and providing innovative solutions and expertise through DOT contracts.

Goal Target

	Achievement statement	Key indicator(s)	Quantify progress					Frequency
	We will	Name of indicator (units in parentheses)	Start value	As of (Date)	Target value FY 2024	Current value	As of (Date)	Update cycle
1	Increase contract awards to small disadvantaged businesses to 21% by September 30, 2024.	USDOT direct contract dollars to small disadvantaged businesses (OSDBU)	18.2%	9/30/21	21%	20.58%*	12/31/23	Quarterly

**Data retrieved from sam.gov on January 10, 2024

Narrative—FY 2024 Quarter 1

Connections Marketplace: OSDBU created and kicked off the Connections Marketplace (CMP) series initiative in Fiscal Year 2022. Since the program kick off in February 2022, OSDBU has hosted 39 sessions with more than 4,200 small businesses participating. During FY24 Q1, OSDBU hosted 2 sessions – the "Buyer Side Chat" session included the small business specialist and acquisition staff from the Federal Railroad Administration and a "Meet the Mentors" session with speakers from the Virginia APEX Accelerator. One hundred small business representatives attended these sessions. Through these virtual sessions, OSDBU provided an overview of the Federal contracting process, how to navigate DOT's procurement forecast, upcoming opportunities, technical assistance, and available resources for small businesses.

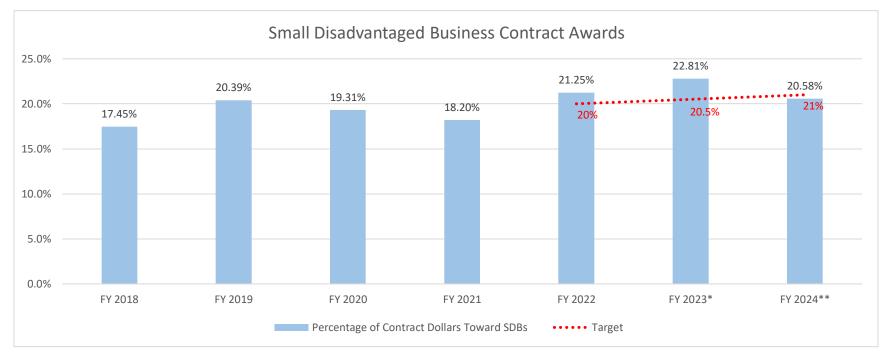
Service Disabled Veteran Owned Small Business (SDVOSB) event: On November 15, 2023, OSDBU hosted a successful, in-person SDVOSB Event, entitled "Small Business Summit: Highlighting Veterans and Transportation Innovation." This inaugural event included panel sessions with subject matter experts on how to do business with USDOT, best practices for federal contracting, and how to increase SDVOSB utilization. Additionally, the event held a business expo and included in-person 1-on-1 matchmaking. This matchmaking included 41 buyers which conducted over 450 meetings with small business concerns to discuss about potential upcoming contract opportunities. With over 350 small businesses registered and 210 in attendance, the event was a success.

BIL Funding Showcase: During FY24, OSDBU will participate in BIL project showcases across the country at multiple small business events to feature contracting opportunities for small businesses pertaining to the implementation of BIL-funded transportation infrastructure projects. These events will be supported by OSDBU staff, as well as USDOT's network of regional SBTRCs. Additional participants will include State DOTs, prime contractors, and capital providers.

Goal Team



- The DOT Office of Small and Disadvantaged Business Utilization (OSDBU) will work with program offices to enhance procurement forecasting tools, ensure adequate training, and assist with vendor outreach and engagement.
- The Federal Aviation Administration (FAA) will add an economically disadvantaged womenowned business set aside category to the Acquisition Management System (AMS).
- DOT will hold strategic conversations with internal stakeholders to target opportunities in the acquisition planning phases (as well as through the procurement forecasting activity) to highlight contract opportunities and increase small disadvantaged and minority-owned business participation. These strategic conversations will be conducted through forums including, but not limited to, the Acquisition Strategy Review Boards (ASRB), Strategic Acquisition Council (SAC), Acquisition Planning Working Group (APWG), and Procurement Management Reviews (PMR).
- DOT will target outreach to increase small disadvantaged and minority-owned business participation.



USDOT Direct Contract Dollars to Small Disadvantaged Businesses (OSDBU)

* FY2023 Data; Source: SAM.gov; considered preliminary until certified by the SBA.

** FY2024 Data for transactions between 10/1/2023 through 12/31/2023; Data retrieved on 1/10/2024; Source: SAM.gov

Milestone Summary

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
Connections Marketplace Program (CMP)	9/30/2024	On Track		Disadvantaged Business Utilization	OSDBU kicked off the Connections Marketplace sessions in February 2022. Enhancements to CMP are in progress to continue making improvement to the utility of the site.
BIL Funding Showcase	9/30/2024	On Track		Office of Small and Disadvantaged Business Utilization (OSDBU) RAD	Showcase events planned to launch in FY24.
Socioeconomic Group Annual Events	9/30/2024	On Track	SDVOSB event was held on 11/15/23	Office of Small and Disadvantaged Business Utilization (OSDBU) PAD	In FY24, and annually moving forward, OSDBU plans to host events for 3 socioeconomic categories – WOSB, HUBZone, and SDVOSB

Sources: Contract Action Report (CAR) reported in the <u>Federal Procurement Data System</u> (FPDS).

Statistical Issues: CARs are manually completed by contracting offices and are subject to data entry issues. The responsibility for the completion and accuracy of the individual CAR resides with the contracting officer who awarded the contract action. CARs in a draft or error status in FPDS are not considered complete. The CAR must be confirmed for accuracy by the contracting officer prior to release of the contract award. The CAR must then be completed in FPDS within three business days after contract award. The Senior Procurement Executive in coordination with the head of the contracting activity is responsible for developing and monitoring a process to ensure timely and accurate reporting of contractual actions to FPDS.

Completeness: Many Federal datasets are not disaggregated by race, ethnicity, gender, disability, income, veteran status, or other key demographic variables. Lack of data impedes efforts to measure and advance equity.

Reliability: DOT's dashboard tracks minority-owned business participation in DOT direct contracts, including contracts awarded to women-owned small businesses by race. The data sets include acquisition, procurement, and contracting data available through USASpending, FPDS, and related sources. The dashboard helps DOT leadership and acquisition practitioners to make data-informed decisions as DOT implements a variety of Procurement-related Executive Order activities.

DOT engages with the Office of the Chief Information Officer (OCIO) and other systems experts in examining and improving processes to enhance procurement forecasting tools. The tools help

identify industries where minority-owned businesses are achieving success in securing DOT contracts and where their participation may be lower than expected.

Scope: The President has set a policy of using Federal contract spending to support small businesses and advance equity. In <u>Executive Order 13985</u>, <u>Advancing Racial Equity and Support</u> for <u>Underserved Communities through the Federal Government</u> (the Executive Order), the President directed agencies to ensure that Federal contracting and procurement opportunities be made more readily available to all eligible vendors and to remove barriers faced by underserved individuals and communities.

In the President's June 2021 speech commemorating the centennial of the Tulsa Race Massacre, he charged every agency to assess available tools to increase opportunities for small businesses and traditionally underserved entrepreneurs to compete for Federal contracts. He set a goal of increasing the share of contracts awarded to SDBs to 15 percent by 2025.

Closing racial gaps in wages, housing credit, lending opportunities, and access to higher education would amount to an additional \$5 trillion in gross domestic product in the American economy over the next 5 years. The Federal Government's goal in advancing equity is to provide everyone with the opportunity to reach their full potential. Consistent with this priority, each agency must assess whether, and to what extent, its programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups. Such assessments will better equip agencies to develop policies and programs that deliver resources and benefits equitably to all.

Contributing Programs

Organizations:

- Office of Senior Procurement Executive
- U.S. Small Business Administration
- Minority Business Development Agency
- DOT Operating Administrations; Federal Aviation Administration, Office of Small Business Programs
- U.S. Department of Commerce's Economic Development Administration

Stakeholder / Congressional Consultations

Our office has increased communication and engagement with national stakeholders, including chambers of commerce, trade associations, State and local governments, and other Federal agencies to enhance our outreach activities in support of the small business community. Also, FAA has issued a public request for information to improve small disadvantaged business access to contracting opportunities.