

## **Agency Priority Goal** | Action Plan | FY 2024 – Quarter 3

# **Equity**

## **Goal Leaders**



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### Goal Overview

### 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.

- 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.

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 outlined in the <a href="Equity Action Plan">Equity Action Plan</a> (EAP) – 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%

### 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 will assist small and disadvantaged businesses in building capital, expanding business networks, and providing innovative solutions and expertise through DOT contracts.

### ✓ Tracking the goal

## **Goal Target**

	Achievement statement	Key indicator(s)		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%	19.02%	6/30/24	Quarterly

<sup>\*\*</sup>Data retrieved from sam.gov on August 5, 2024

## Narrative—FY 2024 Quarter 3

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 44 sessions with more than 4,945 small businesses participating. During FY24 Q3, OSDBU hosted 3 sessions – a Small Business Industry Day with the Federal Highway Administration, an information session in partnership with Airport Minority Advisory Council (AMAC), and an Information Technology Industry Day co-hosted with the Office of the Chief Information Officer. The purpose of these virtual events were to provide an opportunity for them to learn about technical assistance resources, capacity building, access to capital, and upcoming DOT opportunities. A combined 877 participants registered for these events. The two industry days also had matchmaking and DOT connected with 400+ with small businesses. Through these virtual events, 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.

**BIL Funding Showcase:** During FY24, OSDBU has participated in various events across the country to feature BIL-funded state and federal contract opportunities for small businesses. OSDBU staff will discuss federal direct award opportunities for transportation infrastructure projects that are funded by BIL. These events were also supported by USDOT's network of

regional Small Business Transportation Resource Centers (SBTRC). OSDBU will present alongside other participants such as Federal Agency partners, State DOTs, prime contractors, and capital providers.

Connect to Capital: The Connect to Capital initiative continues to provide the U.S. DOT Connect to Capital a platform for Small Businesses and Investors to make continued connections. The impetus for the creation of The DOT Connect to Capital was a White House directive issued on July 26, 2022 to expand access to capital for Small Disadvantaged Business working on Bipartisan Infrastructure Law (BIL 2021) contracts by DOT and SBA collaborating to connect SDBs & DBEs pursuing or working on Bipartisan Infrastructure Law contracts to licensed Small Business Investment Companies (SBICs). The goals for Connect to Capital initiative are – to provide an increased understanding of capital uses and access; and to establish relationships with private capital investors. OSDBU hosted Secretary Buttigieg in a fireside chat in Atlanta, GA on April 26, 2024. During the fireside chat, Secretary Buttigieg announced the release of the updated USDOT Connect to Capital virtual platform – formerly, the Virtual Connector. The updated site features the new name, a new virtual library, and an instructional video.

Women and Girls in Transportation Initiative: The USDOT Women & Girls In Transportation Initiative (WITI) continues to offer internship programs to young women from colleges and universities across the country. The WITI internship programs is administered through the department's Small Business Transportation Resource Centers (SBTRC) which provide resources, technical assistance and outreach to all 50 states and U.S. territories. Each SBTRC is responsible for placing qualified female college students in transportation related internships

throughout their regions. 2024 marks the 15<sup>th</sup> anniversary of the WITI program. In April, the USDOT Mid-South Atlantic Region, Small Business Transportation Resource Center (SBTRC) is hosting a commemoration of the program in Atlanta, GA. Students are invited to learn about Securing Internships and careers in transportation.

## Goal Team

## **Pete Buttigieg**

DOT Secretary

Tyra Redus, Director, Office of Small and Disadvantaged Business Utilization (OSDBU)

Philip McNamara, Assistant Secretary, Administration (OST-M)

#### **Senior Leads**

**Leo San Roman**Manager, Procurement Assistance Divisior
(OSDBU)

#### Gibran Mills

Associate Director, Acquisition Policy, Oversight & Business Strategy Division (OSPE)

#### Marvin Poindexter

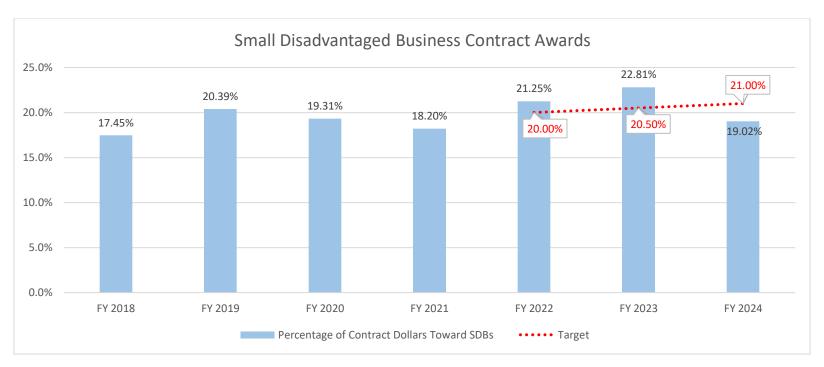
Director, Acquisition and Business Services (FAA)

## Goal Strategies

- 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.
- OSDBU will continue to identify and remove barriers that hinder the inclusion of small and disadvantaged businesses in federal contracting.

## **Key Indicators (SDB Contract Awards)**

### USDOT Direct Contract Dollars to Small Disadvantaged Businesses (OSDBU)



<sup>\*</sup> FY2023 Data; Source: SAM.gov; considered preliminary until certified by the SBA.

<sup>\*\*</sup> FY2024 Data for transactions between 10/1/2023 through 6/30/2024; Data retrieved on 8/5/2024; Source: SAM.gov

## **Key Milestones**

## Milestone Summary

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
Connections Marketplace Program (CMP)	9/30/2024		Hosted 3 events in Q3 – Industry Day with FHWA, Info Session with AMAC, and IT Industry Days with OCIO.	Disadvantaged	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. Hosted 8 events in FY24 with 2,887 registrants. These events will continue monthly in FY25.
BIL Funding Showcase	Funding Showcase 9/30/2024 On Track		N/A	Office of Small and Disadvantaged Business Utilization (OSDBU) RAD	Showcase events planned to launch in FY24.
FY24 Socioeconomic Group Annual Events	9/30/2024	Complete	No change	Office of Small and Disadvantaged Business Utilization (OSDBU) PAD	No additional events will be hosted in FY24. OSDBU is planning the annual SDVOSB event in November 2024.
FY25 Socioeconomic Group Annual Events	9/30/2025		Planning for the 2 <sup>nd</sup> Annual SDVOSB event in November 2024 is underway.	Office of Small and Disadvantaged Business Utilization (OSDBU) PAD	OSDBU is planning for the 3 annual events: 2 <sup>nd</sup> Annual SDVOSB event (Nov 2024) 2 <sup>nd</sup> Annual HUBZone event (February 2025) 5 <sup>th</sup> Annual WOSB event (March 2025)

## Data Accuracy & Reliability

*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 <a href="Executive Order 13985">Executive Order 13985</a>, <a href="Advancing Racial Equity and Support for Underserved Communities through the Federal Government">Federal Government</a> (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.

### Additional Information

### **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.