

# Small Business Enterprise Program

The Small Business Enterprise (SBE) Program is a new program designed to help maximize the participation on highway transportation contracts by small businesses other than, and in addition to, disadvantaged business enterprises. The SBE program was established by TDOT to enhance business opportunities for small, women- and minority-owned businesses and to ensure a level playing field for these small businesses in Tennessee. The program was developed by TDOT's Civil Rights Office in accordance with Federal Highway Administration rule [49 CFR 26.39](#).

TDOT has partnered with the Governor's Office of Diversity Business Enterprise ([Go-DBE](#)) as the certifying agency for these small businesses. [SBE certification](#) must be current and on file with the Go-DBE Office in order to receive goal credit on any TDOT contracts for which the small business may perform. Any work performed by a certified small business will be counted toward non-goal (race neutral) participation towards the overall Departmental DBE Goal.

LINKS:

[SBE Frequently Asked Question \(FAQ\)](#)

[Connecting with Prime Contractors](#)

[State Contracting Opportunities and Assistance](#)

[Overview of Small Business Enterprise Rules \(49 CFR 26.39\)](#)

## TDOT Small Business Enterprise FAQs

Q: What is TDOT's Small Business Enterprise (SBE) Program?

A: The SBE is a program established by TDOT to enhance business opportunities for small, women- and minority-owned businesses and to ensure a level playing field for all small businesses in Tennessee.

Q: Why was the Small Business Enterprise Program created?

A: TDOT's Civil Rights Office (CRO) created the SBE program as a way to help meet the goals of maximizing small businesses other than, and in addition to, disadvantaged business contracting on transportation contracts. The program was developed in response to a Federal Highway Administration mandate ([Federal Requirement 49 CFR 26.39](#)).

Q: Who can qualify as a TDOT SBE?

A: Any business certified by the Governor's Office of Diversity Business Enterprise (GoDBE) as a Small Business Enterprise and listed in the [GoDBE Directory](#).

The business must be a continuing, independent, for profit business which performs a commercially useful function with residence in Tennessee; has total gross receipts of no more than ten million dollars (\$10,000,000) averaged over a three-year period; and employs no more than thirty (30) persons on a full-time basis. Further qualifications for GoDBE Small Business certification may be found [here](#) (a PDF is also available [here](#)).

Q: I am a DBE. Do I also need to be certified as a SBE?

A: No. TDOT-certified DBEs are automatically considered to meet the qualifications of a SBE for the purposes of this program. There is no benefit to becoming registered as both a DBE and a SBE for the intent of working with TDOT on a construction contract. However, if you are anticipate bidding on other State of Tennessee contracts outside of TDOT, please contact [GoDBE](#) for information on being certified with their office.

Q: How does a business become certified as a SBE?

A: Businesses may begin the on-line application at this [link](#). You are strongly encouraged to review [GoDBE's FAQ page](#) prior to starting an application, as well as to [contact](#) the GoDBE Office with any questions concerning Small Business Enterprise certification. TDOT does not handle any of the actual certification, so we will be unable to answer any questions regarding this.

Q: Does my company need to be prequalified?

A: Yes. SBEs will need to be prequalified per the same requirements of any other contractor looking to work on TDOT contracts. Prequalification forms are available on the [TDOT Construction Forms website](#).

Q: What else do I need to do to work with the state of Tennessee?

A: Please review TDOT's [State Contracting Opportunities and Assistance document](#) available on the CRO webpage under the Small Business Development Program (SBDP) link. This page was created to provide a centralized location for information concerning state bidder registration and contracting opportunities, as well as to find agencies that provide certification and specialized assistance to small businesses. The SBDP hopes this information will increase small business participation across the state, as well as ease any barriers and concerns small businesses may have associated with dealing with state government bidding and contracting.

## SBE/DBE – Connecting with Prime Contractors

For a small business, the thought of bidding and working on a state contract project may appear to be a difficult and overwhelming task. Therefore, the TDOT Civil Rights Office has designed this page to give Small and Disadvantaged Business Enterprises (SBEs/DBEs) the best opportunities possible at capturing and successfully completing state transportation contracts.

To a firm unfamiliar with government contracting, the best strategy to “get your foot in the door” is to start out as a subcontractor. Small businesses will increase their chances of obtaining subcontracting work on TDOT projects by networking and establishing business relationships with larger prime contractors. Here are some suggestions for connecting with prime contractors:

- You can locate a listing of all of TDOT’s prime and subcontractors, complete with contact information and a list of the work items they perform, on [TDOT’s Prequalified Contractors List](#).
- Contact [prime contractors](#) who have recently been awarded contracts to see if there are any subcontracting opportunities now or in the future (Click on *any* past letting date and click **Awards**).
- Determine which prime contractors and subcontractors were awarded goal jobs for DBE credit by viewing the [DBE Utilization Memo](#) (Found on any past letting date under the heading **DBE Memo**). These prime contractors are already familiar with using small and/or minority subcontractors and would be an excellent source to market your business.
- Attend conferences, networking events and trade shows to network and build these relationships.

As your business develops more capacity, capital and experience, you may become a prime contractor in the future.