ID # (assigned by CSG): 12-S-14-NC

Please provide the following information, adding space as necessary:

State: North Carolina

Assign Program Category (applicant): Economic Development  (Use list at end of application)

Program Name: Small Professional Services Firm Program (SPSF)
Administrating Agency: North Carolina Department of Transportation
Contact (Name and Title): Terry Canales, PE, State Contractual Services Engineer
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1. How long has this program operated (month and year)? Note: the program must be between 9 months and 5 years old as of April 5, 2012 to be eligible for this year’s award. The final document was completed March 2008, so right at 4 years.

2. Describe the program:
   - Why was it created? The program was originally conceived because our professional services contracts are race and gender-neutral and NCDOT wanted to find a way to give opportunity to small firms. It is easier for larger firms to meet the demands of the proposals that NCDOT advertises, but the small firms may not have the depth in the company to accommodate those demands. At first, the Small Professional Services Firm (SPSF) program was used to encourage the use of small businesses on a contract team by saying that if everything was equal in the evaluation of the submitted proposals, that the consultant team who had an SPSF was given preference. Just recently we asked our NC General Assembly to pass legislation to allow for advertising of SPSF projects up to $250,000. The NCDOT felt this was an exceptional way for small businesses to gain the experience of working with NCDOT and build their capacity. It passed! This program now gives the opportunity for small businesses to compete only against each other. We also approached our Federal partners to allow SPSF contracts using federal funds. It was approved! Now NCDOT is committed to providing these contractual opportunities to professional firms deemed eligible to participate in the SPSF program.
   - Why is it a new and creative approach or method? Much focus is currently being placed on the construction side of the Transportation world. But many of the projects being pushed through are “shovel ready” which does not provide opportunity for professional services firms to submit on the work. There is also an effort underway for STEM (Science, Technology, Engineering and Math) across the USA, but NCDOT wanted to find a way to support those that we have worked
with in high school bridge building competitions and smart city workshops so they have a way to build opportunity and gain experience. What better way than a small program for small businesses!

- What are the specific activities and operations of the program in chronological order?
  1) The first step is for the firm to become “certified” as an SPSF. They must meet the business standards of independence, as well as the US Small Business Administration NAICS specifications. To accurately depict what is reviewed, I have attached our current guidelines for the SPSF program.
  2) Once approved as an SPSF, the firm must also prequalify their company with NCDOT to ensure that they have the proper experience to do the work in the specific disciplines that they chose. The SPSF program is an opportunity for small companies to get business, but is not an “on the job training” program. NCDOT will assist them in areas such as layout of our design plans, etc, but it is not intended to teach them how to do the design.
  3) NCDOT will advertise projects on our web site and on the Interactive Purchasing System (IPS) for SPSF firms only to compete on. They must submit their proposals to comply with the request on the advertisement. They must be SPSF certified in order for the submitted proposal or Letter of Intent to be considered on these projects. If they are not, their documentation will not be reviewed.
  4) The firm addressing the requirements of the advertisement the best will be considered for the project. NCDOT has a review team to look over the submitted information and the firms are rated based on up front criteria.

- Is it effective? Provide tangible results and examples. NCDOT has been delegated a significant program to improve our deficient bridges from our NC General Assembly. With so many bridges under the maintenance of NCDOT, there was a concern that we would not have the capability to meet the demands in the tight time frame imposed. NCDOT took the SPSF program and used it to put out many small bridge designs to small businesses which will build on their current expertise and in turn provide NCDOT, and the state of North Carolina, a deeper pool to draw from for future bridge design projects.

3. Did this program originate in your state? If YES, please indicate the innovator’s name, present address, telephone number, and e-mail address. We had a SBE (Small Business Enterprise) program on the construction side and we used it as a template for the professional services SPSF program. To my knowledge we are the only state that does this on the professional services side. The “inventor” of this program is many. Some names are Debbie Barbour, PE, MSC 1538, Raleigh, NC 27699-1538, 919-707-2540, dbarbour@ncdot.gov, Odessa McGlown, MSC 1502, Raleigh, NC 27699-1502, 919-508-1761 omcglown@ncdot.gov, Scott Blevins, PE, MSC 1592, Raleigh, NC 27699-1592, 919-707-7132, sblevins@ncdot.gov, and myself.

4. Are you aware of similar programs in other states? If YES, which ones and how does this program differ? I am not aware of any other professional services programs like this in other states.

5. What limitations or obstacles might other states expect to encounter when attempting to adopt this program? The biggest one that we had to overcome is with the bigger firms because we are basically taking opportunities away from them, but with discussions we calmed their fears noting that not every project was going to be let as a SPSF project, but a chose few will be. We worked very closely with our NC American Council of Engineering Companies (ACEC) on this.

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Use these as guidelines to determine the appropriate Program Category for your state’s submission and list that program category on page one of this application. Choose only one.

**Infrastructure and Economic Development**
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- Transportation

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- Administration
- Elections
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- Public Information
- Revenue
- Telecommunications

**Health & Human Services**
- Aging
- Children & Families
- Health Services
- Housing
- Human Services

**Human Resources/Education**
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- Labor
- Management
- Personnel
- Training and Development
- Workforce Development

**Natural Resources**
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- Environmental Protection
- Natural Resources
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- Water Resources

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