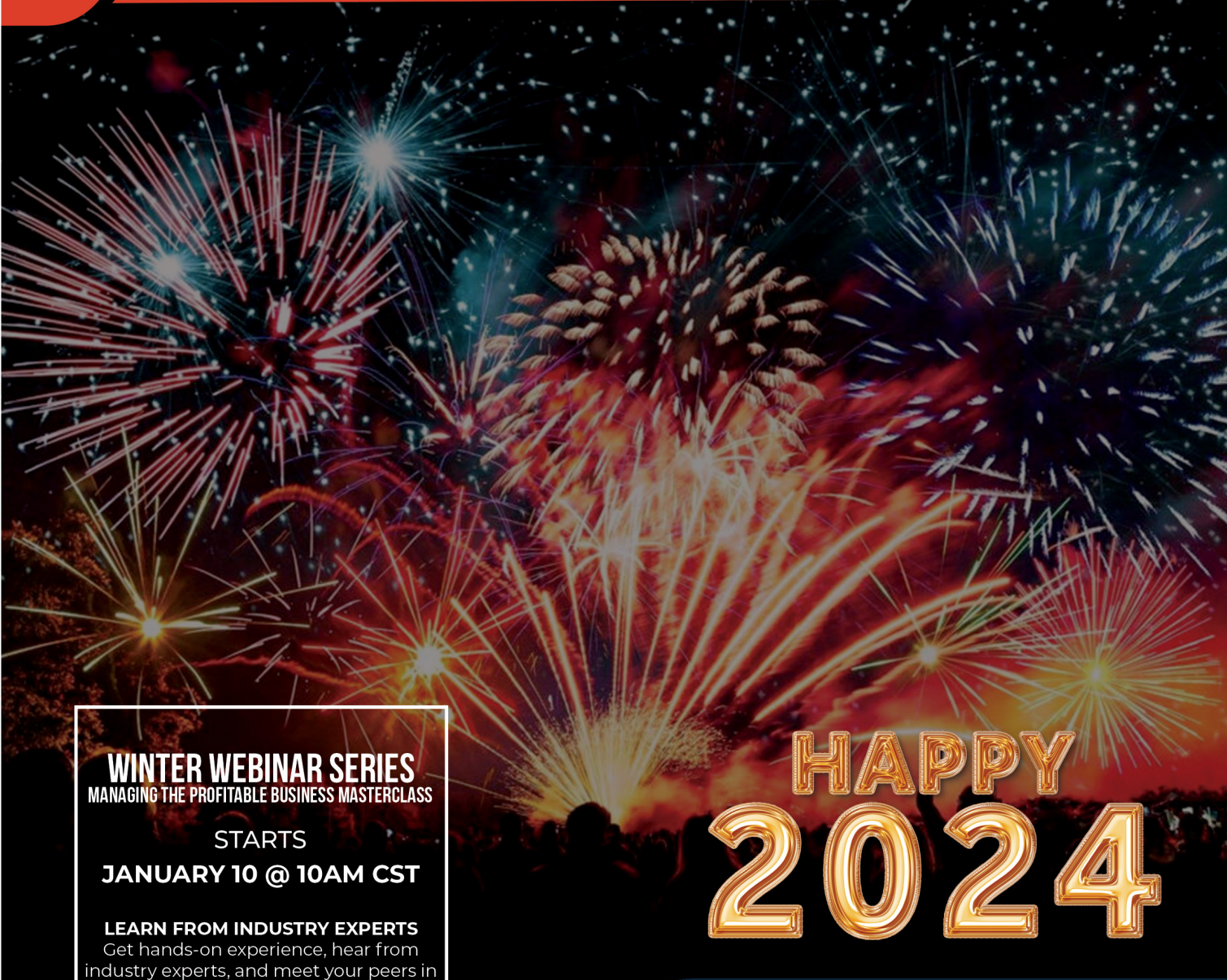


DBE ACCESS

IF UTILIZED EFFECTIVELY, AI WILL FREE YOU UP FROM ADMINISTRATIVE TYPE TASKS, SAVE THE PRECIOUS COMMODITY OF TIME AND EFFICIENCY...MORE ON PAGE 5



WINTER WEBINAR SERIES MANAGING THE PROFITABLE BUSINESS MASTERCLASS

STARTS
JANUARY 10 @ 10AM CST

LEARN FROM INDUSTRY EXPERTS

Get hands-on experience, hear from industry experts, and meet your peers in the industry during this virtual learning experience. Industry experts will guide you through the business management fundamentals.

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BUTCH ELEY

Deputy Governor
& Commissioner of
Transportation

JESSICA STARLING

Director, TDOT Civil Rights
Division

DAVID NEESE

Director, Small Business
Development Program

DBE SUPPORTIVE SERVICES

Tyler Construction Engineers,
P.C.



DBE ACCESS



TDOT
Department of
Transportation

WINTER 2023

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Happy New Year





JESSICA STARLING,

Director,
TDOT Civil Rights Division



Three, Two, One- Happy New Year! While it's not exactly time yet to countdown, people either look forward to the new year or dread it. Which one are you? Let's move the needle toward excitement for what's to come.

The biggest hurdle is creating a detailed plan. How is one able to implement this, you ask? By setting a New Year's Resolution.

Rest assured, resolutions are not one size fits all but they can indeed boost businesses in the right direction if done correctly. As a small business, every dollar counts so let's evaluate how we can maximize our efforts. Here are some tips:

KEEP IT SIMPLE

Don't try to revamp your business model all at once. Make small measurable achievements. Whether investing in one new marketing strategy per quarter or tweaking logo design to something that allows you to stand out greater from competition.

EVALUATE THE LOCAL MARKET

Determine if there has been a shift in competitor products and/or customer demand. There may be an upsell opportunity with one of your existing products, leverage this to create a feeling of exclusivity or luxury!

FINE TUNE NICHE

If there was a high performing division of your business, then increase it by as little as 10%. Many think the more products you put out there the more money you make. That's not necessarily true, less can be more! Find your niche, do it well, and repeat.

STREAMLINE PROCESSES

The word outsource sometimes has a scary connotation; however, it simply means to transfer duties to another party other than yourself. Remember, the goal is to grow the business while increasing profits. The more free time you have from daily operations, the more time you'll have to orchestrate and follow-through with the growth of your business model.

EMBRACE UPDATED TECHNOLOGY

Social media and technology continue to be ever changing. No matter what generation category you are in, GenX, GenZ, or in between, you will have to welcome the opportunities that come along with changing technology. Do not allow these systems to intimidate your enterprise. Instead, find an existing employee who excels in this area or consider outsourcing.

Overall, some current small business owners may feel lost in the maze of more work with less staff, while others are wondering how they can afford to outsource work. Regardless of where you are on the spectrum, remember the only way to get to your destination is to start going in that direction. Don't let the new year be another year where you write down visions and become too timid to fulfill the dreams that propelled you to start the business in the first place.

HOW LIQUID IS YOUR BUSINESS?

JAY B. MERCER,
QuickBooks Pro-Advisor,
TDOT Supportive Services Consultant

Liquidity in business has nothing to do with water, milk, or juice! It describes how quickly you can sell an asset and convert it into cash. Cash is the most liquid asset of all. Real estate, in contrast, is not quite as liquid because it could take months to sell to a new owner. Liquidity is essential to all businesses. It affects your credit score and how much you can borrow. It's a measure of whether you can pay your bills on time. It is also one of many measures of the overall financial health of your business.

If your business contracts a project that takes a long time to complete, liquidity can be extremely challenging and should be carefully managed. Contract accounting often has phase payments that drain the cash flow.

LIQUIDITY RATIOS

A couple of financial metrics can quantify your business's liquidity. First, the Current Ratio is computed as follows:

Current Ratio = Current Assets / Current Liabilities

The most significant components of current assets include cash, cash equivalents, accounts receivable, and any other asset that is expected to be converted to cash within one year. The most significant components of current liabilities include credit card balances, accounts payable, taxes due, interest payable, and the amount of any loan due within one year. You can find both current assets and current liabilities on your balance sheet.

Companies with a current ratio of less than 2:1 are considered less liquid, while companies with a current ratio of more than 2:1 are more liquid. However, current ratio values and whether they are "good" or "bad" vary by industry, so before you panic, check out your industry benchmarks.

The second measure of liquidity is the Quick Ratio. It measures how equipped a business is to meet its short-term obligations by taking its most liquid assets, cash, receivables, and cash equivalents and using those assets to pay down current debt. Its formula is:

Quick Ratio = (Cash + Cash Equivalents + A/R) / Current Liabilities

This Ratio's value should typically be 1:1.

EMERGENCY FUND

A good common-sense measure you can use to stay on top of your business's liquidity is to build a healthy emergency fund. To calculate your need, determine how much you typically spend each month. You can get that number by reviewing a bank statement and summing all of the withdrawals, including checks paid and online withdrawals. Do this for each bank account as well as other accounts, such as PayPal and Square, if you use them for disbursements.

Go back a few months to calculate an average spend per month. The farther you go back, the more accurate your average will be, especially if you have a lot of large annual payments throughout the year. Your accounting system should give you your total spending per month.

Now that you have your average monthly spending, your emergency fund should be a multiple of that spending. For example, if you spend \$50,000 per month on average, your emergency fund should be \$150,000 at a minimum. According to industry experts, three months' worth in your emergency fund is a worthy goal.

An emergency fund will not only make your business more liquid, but it will also protect you if disaster strikes. According to the Federal Emergency Management Agency (FEMA), 90% of small businesses that experience a disaster will fail within a year unless they can resume operations within five days. An emergency fund will increase the odds of your business continuing despite a disaster or hardship.

If you have questions about your business's liquidity or starting an emergency fund, do not hesitate to contact one of our subject matter experts at Tyler Group, who can guide your project-based company through the steps of becoming a liquid company.



CONTACT US

Email us at: DBE_Supportive_Services@tyler-engineers.com

Call us at: 615-469-5398

ALIGN AI WITH YOUR SMALL BUSINESS HUMAN CAPITAL RESOURCES

TERESA C. DANIEL, PHR, SHRM-CP,

TDOT Supportive Services Consultant

Small business owners have been called on many times to provide innovative and creative solutions for the small business community. More than ever before small business leaders will need to forge ahead once again and learn how to navigate the Artificial Intelligence (AI) space to compete and succeed. It is imperative that small business leaders once again step up to meet the opportunities and challenges that AI will continue to bring to the marketplace. Specifically, when it comes to your human capital resources. AI can be a game changer for your business when you understand and embrace a few of the points outlined below.

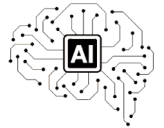
- Knowledge is power: continue to learn, educate yourself and your team
- Understand your pain points
- Vet the latest AI & technology to meet your human capital resources needs
- Do not purchase a system with all the bells & whistles and not know your specific needs
- Dive in, be curious, practice on the free version of Chat GPT, and have fun!
- Learn to leverage the value of AI and how it can provide solutions to your customers
- Invest to leverage your ROI

In addition, small business leaders and entrepreneurs should recognize the benefits of aligning AI with compliant human resources functions to support the foundation of the business. It is critical to understand the complexity and best practice of AI components to assist in managing your human capital and resources functions.

Studies show that 26% of small business owners report they use AI technologies to support their business operations. In addition, 28% of small businesses who use AI technologies have forecasted an estimated savings of \$5000 over a twelve-month period.

If utilized effectively, AI will free you up from administrative type tasks, save the precious commodity of time and efficiency along with the following benefits;

- Create smarter workflow & workspaces
- Compliance with laws & regulations
- Cybersecurity & safeguards to protect valuable data
- Enhanced recruitment process for both small business owners & candidates
- Compliant employee life cycle
- Meaningful employee engagement



So, what can small business owners do to move the needle in a positive direction? One of the most important steps is to not be afraid that AI will replace people, your most valuable asset. AI can never truly replace the human touch, reach or passion that fuels the authenticity of the small business community. Second, be on the front end to have a voice regarding industry regulations that impact your business. Finally, have enthusiasm that your expertise can help shape how AI will impact your industry and business.

Although there is still much to learn, investigate, and question; small business leaders must build that virtual bridge between AI and the small business community for a successful partnership. If anything can make this happen, it is the small business leader's essential entrepreneurial spirit that led you to create your own space.

If you have questions about your human resource strategy, do not hesitate to contact one of our subject matter experts at the Tyler Group, who can guide your company through the steps of becoming a best-in-class employer.

Top 10 Things to do at Year-end Closeout

SANDRA T. WEBB,
QuickBooks Pro-Advisor,
TDOT Supportive Services Consultant

Things to do now:

1. Make sure your payroll software is up to date on local, state, and federal regulations.
2. Make sure you have the correct full legal Name, Social Security number, and address on file for your employees.
3. Ensure that your monthly and year-end payroll expenses match.
4. Make sure you have up to date contact information for your Vendors, Subcontractors and Independent Contractors and a copy of their Liability Insurance and Worker Compensation Insurance, if they have employees.
5. Make sure all projects and orders are invoiced and collected.
6. Make sure that you have paid all unpaid vendors, contractors, employees, and other financial obligations.
7. Make sure that all previous year's expenses are recorded and properly categorized and ready for tax reporting.
8. Make sure that your bank accounts and other accounts reconcile with your income and expenses.
9. If you carry inventory, you should record inventory at the beginning and end of each year. This is also required on tax forms.
10. Print your profit and loss statement and balance sheet. This will give you a good overview of your business's financial position at the end of the year.



WHAT'S IN YOUR TECH STACK FOR 2024?

A technology stack is a collection of apps and software tools that are used to serve a particular business function, build a business's products, carry out its business operations, and monitor its performance metrics. For small businesses, a tech stack can help streamline workflows, improve communication, and increase efficiency. According to the 2021 JBKnowledge ConTech Report, 19% of respondents indicated using six or more construction apps.

In today's economy, the ability to make fact-based decisions faster and with a higher degree of confidence can be the difference between success or failure. The technology tools that are at a user's disposal should increase their confidence to provide and support their decision-making.

To build a tech stack that works for your company, you should start by creating a strategy that aligns with your business goals. You can then identify the specific areas of your business that could benefit from technology solutions, such as accounting, human resources, estimating, project management, or financial analysis.

When selecting your tech stack (software platforms, apps, and digital tools), it's important to consider interoperability, which is the ability of computer programs to exchange information with each other. Interoperability is essential to a successful technology stack, because it makes it easier for you to access data and insights, so you can then put them to good use quicker.

Here are a few broad categories of software solutions that could be part of a tech stack for small contractor businesses:

Construction Management Software that offers takeoff tools, estimating, field collaboration, project management, financial management, quality and safety management, and field productivity tools.

Construction Productivity Software that offers real-time collaboration, document management, resource management, time tracking tools and field management tools.

Construction Accounting Software

Project-Based Accounting Software for architecture and engineering firms.

Please note that this is not an exhaustive list, and you should evaluate your specific business needs before selecting any particular software application or digital tool. If you have questions about your business's starting point in selecting software, do not hesitate to contact one of our subject matter experts at Tyler Group, who can guide your company through the steps of developing your tech stack.

TOP 5 REASONS FOR UTILIZING ADVANCED TECHNOLOGY IN CONSTRUCTION MANAGEMENT SYSTEMS

(Excerpt taken from a 2022 Construction Executive article by Matthew Miller - Senior Advancement Director, Bentley Systems)

Utilizing advanced digital technologies will enable construction and engineering firms to better manage, plan, and coordinate projects throughout their entire lifecycle—from pre-bid and design to construction and handoff.

Advanced technologies can aide in ...

- Maximizing Interoperability with Other Systems, Products, Tools, or Applications
- Managing Complexity
- Boosting Productivity
- Reducing Project Delays and Cost Overruns
- Enhancing Safety and Quality

THE SECRET SAUCE FOR HIGH PERFORMING FIRMS



In 2024, will your firm do everything it can to maximize revenue and profit? Innovative business owners are thinking strategically about how to consistently protect their margins and drive profitability.

What is the secret sauce behind many high performing firm's success?

- Consistently delivering profitable projects
- Retaining and building efficiencies (using technology more)
- Attracting, training, and retaining key talent
Delivering real client value



WEBINAR UPDATE

“HOW TO DO BUSINESS WITH TDOT”



In October of last year, the TDOT Supportive Services Consultants presented a highly requested seminar, “How to Do Business with TDOT.” Victor Tyler, P.E., led this webinar presentation while the attendees came away with a greater understanding of the TDOT contracting process.

The webinar was targeted toward small business owners/estimators new to the TDOT contracting environment, as well as to those individuals interested in a refresher of the bidding process. Information was provided concerning highway construction, performance maintenance, alternative contracting, and consultant engineer projects advertised for bids by TDOT. Mr. Tyler led the attendees through the bidding process including information on bid requirements, how to bid on projects, and what happens once the bids are opened.

One of the highlights was the course on navigating through TDOT’s website to locate bidding information, as this has often been challenging for many people in the DBE and small business communities.

A few of the topics reviewed were:

- How to navigate TDOT’s website for bidding information
- Become familiar with TDOT Letting requirements
- Gaining an understanding of preparing your bid proposals
- Learning tips on marketing to Prime Contractors
- TDOT advertisements and bid solicitations for construction projects in an effort to open the process to all contractors, sub-contractors, and suppliers. After the bid cutoff date, TDOT will then identify the lowest responsible bidder – the bidder who complies with all prescribed requirements. This process ensures that taxpayers get the best value for their dollars.

If you are a TNUCP DBE firm interested in additional seminars, topics, or interested in one-on-one business assistance make sure you contact TDOT Support Services Consultants at: **Email:** DBE_Supportive_Services@tyler-engineers.com or **Call:** 615-469-5398

WINTER WEBINARS SERIES

MANAGING THE PROFITABLE BUSINESS MASTERCLASS

For Contractors, DBEs, A/E/P Firms, Material Suppliers, and Small Businesses in the Transportation Construction Industry

RE-STARTING DATE:

**WEDNESDAY, JANUARY 10TH @ 10:00 AM CST
(11:00 AM EST)**

Get hands-on experience, hear from industry experts, and meet your peers in the industry during this virtual learning experience. Industry experts will guide you through the business management fundamentals.

These webinar classes will cover the best practices of managing a small business. Perfect for owners and managers of small design or engineering firms, contracting businesses, material suppliers, and business consultants. And, of course, anyone interested in more exposure to the basics of managing a business related to public infrastructure construction.

CLICK HERE: <https://tylerengineers.com/the-profitable-business> to learn more and register for the masterclass series about the characteristics of the profitable business enterprise.

Session 12: Markup, Overhead & Profit (Bidding)
Wednesday, January 10, 2024, 10 am (CT)

Session 13: Introduction to Developing Your Indirect Cost Rates for Consultants
Wednesday, January 17, 2024, 10 am (CT).

Session 14: Have You Completed Your Planning for the New Year
Wednesday, Wednesday, January 24, 2024, 10 am (CT)

Session 15: Developing A Strategic Business Action Plan
Wednesday, January 31, 2024, 10 am (CT)

Session 16: Dump Truck & Equipment Pricing (Bidding)
Wednesday, February 7, 2024, 10 am (CT)

Session 17: Pre & Post Award and Contract Close-out Preparation
Wednesday, February 14, 2024, 10 am (CT)

Session 18: Small Business Insurance: What Do I Need for My Company?
Wednesday, February 21, 2024, 10 am (CT)

Session 19: Surety Bonds: What Do I Need for My Company?
Wednesday, February 28, 2023, 10 am (CT)

Session 20: Wrap Up: Ask the Experts Roundtable
Wednesday, March 6, 2024, 10 am (CT)



WEBPAGES OF INTEREST:

TDOT HIGHWAY CONSTRUCTION LETTINGS

<https://www.tn.gov/tdot/tdot-construction-division/bid-lettings.html>

TDOT LOCAL PROGRAMS

<https://www.tn.gov/tdot/program-development-and-administration-home/local-programs/current-projects.html>

TDOT DESIGN/BUILD CONTRACTS

<https://www.tn.gov/tdot/alternative-delivery/design-build.html>

TDOT AERONAUTICS CONTRACTS

<https://www.tn.gov/tdot/aeronautics/apmm-contract.html>

TDOT CONSTRUCTION MANAGER/GENERAL CONTRACTOR CONTRACTS

<https://www.tn.gov/tdot/alternative-delivery/construction-cm-gc-services.html>

TDOT PERFORMANCE BASED MAINTENANCE CONTRACTS

<https://www.tn.gov/tdot/engineering-operations-division/pbmc.html>

TDOT CONSULTANT ENGINEER CONTRACTS

<https://www.tn.gov/tdot/business-redirect/consultantinfo/currentads.html>

STATE OF TENNESSEE CURRENT PROCUREMENT OPPORTUNITIES

<https://www.tn.gov/content/tn/generalservices/procurement/central-procurement-office--cpo-/go-dbe/current-procurement-opportunities.html>

TDOT 10 YEAR PROJECT PLAN

https://www.tn.gov/content/dam/tn/tdot/build-with-us/Updated%2010-Year%20Project%20Plan_21.pdf



The TDOT Civil Rights Division Small Business Development Program and its Supportive Services Consultants offer a variety of training classes designed to assist USDOT certified DBE firms to succeed in the transportation construction industry. Seminars and informational meetings are made available throughout the state. The primary focus of these seminars is to disseminate industry specific information on estimating and bidding, strategic marketing, job cost accounting, cash flow management, business planning, leadership development directly to your email inbox.

Our Supportive Services Consultants are ready and waiting to assist.

Please Note:

Beginning in 2022 ,TDOT began utilizing AASHTOWare Project Civil Rights & Labor (CRL) as a requirement of contract compliance for submitting and certifying contractor payrolls. **Special Provision 107CP** was added to ALL CONTRACTS that year using this new functionality, which is required for the prime contractor and all subcontractors. The **Certified Payrolls Webpage** gives the contractors guidance on steps they need to take to begin this functionality in AASHTOWare. If you have any questions, please visit our [website](#) or contact us at TDOT.CONSTRUCTIONLaborUsers@tn.gov.

TDOT 2023 Construction Letting Dates:

February 9, 2024

March 22, 2024

May 10, 2024

June 21, 2024

August 16, 2024

October 4, 2024

November 1, 2024 (Mowing & Litter Removal)

December 6, 2024

“YEAR-END BUSINESS PLANNING IS AS MUCH ABOUT MANAGING YOUR BUSINESS AS IT IS CONTROLLING YOUR LOSSES.”

– THOMAS C. SCHLEIFER, PHD, CONSTRUCTION INDUSTRY CONSULTANT

**TDOT Civil Rights Division
Small Business Development Program Team**

Jessica Starling
Jessica.M.Starling@tn.gov
Director, Civil Rights Division

David Neese
David.Neese@tn.gov
Program Director

Barbara Booker
Barbara.Booker@tn.gov
Contract Compliance Officer

Stephanie Brooks
Stephanie.D.Brooks@tn.gov
Contract Compliance Officer

Michael Young
Michael.Young@tn.gov
Transportation Program Monitor II

Trenton Alsbrooks
Trenton.Alsbrooks@TN.gov
Transportation Program Monitor I

Phone: 615.741.3681 or Toll Free: 1.888.370.3647



TDOT Supportive Services Consultant

TYLER
Construction Engineers, P.C.

cost consultants | estimators | management consultants
810 Dominican Drive, Suite 313, Nashville, TN 37228

tel. 615.469.5398 1.888.385.9022

www.tylerengineers.com

DBE_supportive_services@tyler-engineers.com

Victor C. Tyler, P.E.
Program Manager
Construction Estimating & Bidding
Indirect Cost & Pricing of Consulting
Financial Management Analysis

Marshall Tabb
Financial Management Consultant
QuickBooks Accounting Trainer
Leadership Development & Coaching

Curtis Webb
Strategic Marketing Consultant
External Board of Advisors Facilitator

Jay B. Mercer, E.A.
QuickBooks Accounting Trainer
Financial Management Consultant

Sandra T. Webb
QuickBooks Accounting Trainer
Certified Payroll Specialist

Teresa Daniel, PHR, SHRM-CP
Human Resources Consultant
Leadership Development & Coaching

Fairpointe Planning, LLC
Community Engagement and Outreach
Consultant