



TENNESSEE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

BUSINESS ENTERPRISE RESOURCE OFFICE (BERO)

ANNUAL REPORT TO  
TENNESSEE GENERAL ASSEMBLY

(TENNESSEE CODE ANNOTATED § 4-3-729)



**STATE OF TENNESSEE**  
**DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT**  
**STRATEGY DIVISION**  
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[www.tn.gov/ecd/bero](http://www.tn.gov/ecd/bero)

January 17, 2014

To:     The Honorable Ron Ramsey, Lieutenant Governor and Speaker of the Senate  
          The Honorable Beth Harwell, Speaker of the House of Representatives  
          The Honorable Mark Norris, Senate Majority Leader  
          The Honorable Jim Kyle, Senate Minority Leader  
          The Honorable Gerald McCormick, House Majority Leadership  
          The Honorable Craig Fitzhugh, House Minority Leadership  
          The Honorable Jack Johnson, Senate Commerce and Labor Committee Chair  
          The Honorable Pat Marsh, House Business and Utilities Committee Chair

Greetings:

Please find herein the annual report and legislative suggestions submitted by the Business Enterprise Resource Office (BERO) within the Department of Economic and Community Development pursuant to Tennessee Annotated Code § 4-3-729.

Thank you for your consideration of this report. Please do not hesitate to contact me at [Wisty.Pender@tn.gov](mailto:Wisty.Pender@tn.gov) or 615.741.8914 (direct).

Respectfully submitted,

A handwritten signature in black ink that reads "Wisty Pender". The signature is written in a cursive, flowing style.

Wisty Pender  
Director, BERO

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ANNUAL REPORT TO TENNESSEE GENERAL ASSEMBLY

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TENNESSEE CODE ANNOTATED § 4-3-729

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## INTRODUCTION

The report herein is required by Tennessee statute per Tennessee Annotated Code (T.C.A.) § 4-3-729 and addresses public funding received by state agencies to assist small businesses. If the proposed recommendations are implemented, the report generated under T.C.A. § 4-3-729 will become a valuable tool for legislators and government officials, drawing attention to ways in which state government can provide better assistance to Tennessee's small businesses. See section V. for recommendations.

The report herein is pursuant to the following statute:

Title 4 State Government  
Chapter 3 Creation, Organization and Powers of Administrative Departments and Divisions  
Part 7 Department of Economic and Community Development  
Tenn. Code Ann. § 4-3-729 (2013).

*Annual reports.*

*(a) Each agency that receives public funding to assist small businesses shall file an annual report with the department of economic and community development. The reports filed by each such agency shall include an analysis detailing the accomplishments of the agency, including, but not limited to, the number of businesses served, the status of those programs it is charged with administering, and the status of each business the agency has assisted.*

*(b) The office of minority business enterprise or other appropriate department, office or division of the department of economic and community development shall prepare a report to be filed with the commissioner compiling an analysis of all the data required to be filed by this section by each such agency. The commissioner shall annually report the results of such data to the general assembly.*

*(c) For purposes of this section, "small business" means a business with a sales volume of two hundred thousand dollars (\$200,000) or less or that employs fewer than fifteen (15) persons.*

*(d) Nothing in this section shall require any small business as defined in subsection (c) either to answer any question or to complete any form.*

*HISTORY: Acts 1988, ch. 620, § 1.*

([www.lexisnexis.com/hottopics/tncode](http://www.lexisnexis.com/hottopics/tncode))

## DEPARTMENT AND AGENCY LIST

For the purposes of this report, the thirty-one (31) state departments and agencies, consistent with the list utilized by the Office of the Small Business Advocate (§ 8-4-703), were asked to provide any available data required under the aforementioned statute.

- Department of Agriculture
- Department of Children's Services
- Department of Commerce and Insurance
- Department of Corrections
- Department of Economic and Community Development
- Department of Education
- Department of Environment and Conservation

- Department of General Services
- Department of Health
- Department of Human Services
- Department of Intellectual and Developmental Disabilities
- Department of Labor and Workforce Development
- Department of Mental Health
- Department of Military
- Department of Revenue
- Department of Safety and Homeland Security
- Department of State
- Department of Tourist Development
- Department of Treasury
- Department of Veterans' Affairs
- Office of the Comptroller, Small Business Advocate
- Tennessee Alcoholic Beverage Commission
- Tennessee Department of Financial Institutions
- Tennessee Department of Transportation
- Tennessee Education Lottery Corporation
- Tennessee Health Services and Development Agency
- Tennessee Higher Education Commission
- Tennessee Human Rights Commission
- Tennessee Regulatory Authority
- Tennessee Student Assistance Corporation
- Tennessee Wildlife Resources Agency

## RESPONSE

The Business Enterprise Resource Office (BERO) received responses from twenty-nine (29) of the thirty-one (31) governmental agencies listed above. Of those, an overwhelming majority responded that the respective agency did not receive public funds to support small businesses. It is worth noting here that there are a variety of definitions for “small business” across the departments and agencies as well as within statute, and further the “sales volume” determinant defined in the statute (§ 4-3-729) is not a standard. See section “IV. Recommendations” for specific examples.

The following departments and agencies that administer programs for small business, provided the information below regarding their respective program(s):

### A. DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT (ECD)

ECD manages a variety of programs, both directly and indirectly, targeting entrepreneurs and small businesses. The programs fall into two main categories (1) business assistance and (2) access to capital. Some of the programs dictate specific definitions for “small business,” based on their respective statute and/or the governing funding agency, while others allow the program to set the guidelines.

## 1. Business Assistance

A key area to the success of small businesses and entrepreneurs is access to business assistance. The following are programs managed within ECD and affiliated with ECD.

- a. The Business Enterprise Resource Office (BERO) publishes the TN Smart Start Guide, a startup and small business guide. It is available online and in hard copy.  
([www.tn.gov/e cd/bero](http://www.tn.gov/e cd/bero))
- b. The Tennessee Main Street Program is a program of ECD and a coordinating partner of the National Trust for Historic Preservation's National Main Street Center. There are 27 designated Main Street Communities statewide. In calendar year 2012, 23 of the Tennessee Main Street communities reported reinvestment statistics that included 604 net new jobs, 107 net new businesses and a combined public (\$20,661,307)/ private (\$62,081,591) investment of \$82,742,898 within their program districts. A new community was added in FY2012 and FY2013.  
([www.tennessee mainstreet.org](http://www.tennessee mainstreet.org))
- c. TNTrade officially launched in December 2011, and is a statewide initiative intended to help achieve Gov. Haslam's goal of making Tennessee the No. 1 location in the Southeast for high quality jobs by boosting exports of small and medium-sized businesses (SME). Exporting companies grow faster and hire more workers than non-exporting companies, yet less than 2 percent of Tennessee businesses are exporters. Tennessee's exports totaled roughly \$30 billion in 2011 and approximately 20 percent of the state's manufacturing jobs depend on exports.

STEP Grant FY2011: TNTrade was initially developed with two primary components geared towards increasing exports by Tennessee's "small businesses," based on the SBA definition: (1) the Market Access Program (MAP), and (2) leading trade missions to foreign markets.

ECD was awarded \$375,000 by the US Small Business Administration (SBA) as part of the State Trade and Export Program (STEP) pilot. The grant period consisted of four quarters from October 1, 2011 to September 30, 2012; the grant was extended for two additional quarters, running through March 31, 2013. As the STEP and state fiscal years are different, the fourth, fifth and sixth quarters of the 2011 grant occurred in the state's FY2013. The award became the foundation for the Tennessee Trade Initiative, TNTrade.

MAP was launched in January 2012. It was a reimbursement program designed to enhance export readiness and sales activities in foreign markets for qualifying Tennessee small and medium-size businesses. MAP provided a 50 percent reimbursement up to \$5,000 per year toward approved export activities. MAP funds were awarded to 15 companies during FY2013. Funds awarded in FY2013 totaled \$51,833.91. One woman business enterprise (WBE) was awarded a reimbursement of \$3,175.00. Two minority business enterprises (MBEs) were awarded reimbursements totaling \$5,110.26. Remaining FY2011 grant funds were used for six vendors and one contractor, none of which were classified as MBEs or WBEs.

STEP FY2012: The award was used for two primary purposes: (1) travel for RFP reviews of oral proposals and contract payments for ECD's Export Development Office, and (2) a trade mission to Paris for health care companies co-sponsored by the Nashville Area Chamber of Commerce and ECD.

ECD was awarded \$604,551.00 by the SBA for STEP FY2012. The grant period consisted of four quarters running from October 1, 2012 to September 30, 2013; quarters one and two of the FY2012 STEP grant overlaps with quarters five and six of the FY2011 STEP grant. As the STEP and state fiscal years are on different calendars, the first, second and third quarters of the 2012 grant occurred in the state's FY2013

A total of four vendors received federal funds in STEP FY2012, none of which were classified as MBEs or WBEs. Five contractors received STEP funds. One contractor that received \$9,999.99 was both an MBE and WBE. The remaining four contractors were international companies and therefore could not be considered a MBE or WBE.

([www.tn.gov/e cd/tntrade](http://www.tn.gov/e cd/tntrade))

- d. Regional Entrepreneurial Accelerators program is designed to assist promising entrepreneurs with the resources necessary to propel their companies along the spectrum of business growth and job creation. Further, the goal for the accelerators is to become a foundational component of each the nine Jobs4TN Jobs Base Camp's economic development strategy while creating a network of partnerships and mentors within the local business community, the statewide investor base, higher education, non-profits and government. Accelerators are located in each of the nine regions, and were selected through a competitive grant application process. The grant funding is a combination of state and federal dollars and contingent upon each accelerator providing at minimum in local matching support. The program is managed by LaunchTN.

To date, regional accelerators hosted over 300 entrepreneurial events, engaged over 400 mentors, screened over 700 companies, accelerated over 100 companies, and facilitated over \$16 million in seed capital investment to the accelerated startup companies.

([www.launchtn.org](http://www.launchtn.org))

## 2. Access to Capital

Access to a robust capital ecosystem is critical to the success of Tennessee's DBEs. Finance programs that meet the needs of the state's DBEs ensure the best possible opportunities for startup and growth.

### a. Access to Capital: Programs Managed within ECD

- TNInvestco: This fund is a state-sponsored, "venture capital type" program that provides capital to high-growth transformational businesses in Tennessee. The goals are to develop entrepreneurial infrastructure, bring additional capital into the state and diversify the state's economy. The TNInvestcos are authorized to invest funds in qualifying Tennessee businesses. As of January 1, 2013, the 10 authorized TNInvestcos had funded 118 companies, deploying over \$91 million with almost \$188 million in follow-on capital received by invested companies. The funded companies have employed 1,391 full-time employees of which 558 (40 percent) were filled by women and minorities.

([www.tn.gov/e cd/tninvestco](http://www.tn.gov/e cd/tninvestco))

- Rural Small Business and Entrepreneur Loan Fund:  
This program did not receive public funds in the last fiscal year.

Overview: In an effort to provide a greater level of service to rural communities, BERO started the ECD-BERO Revolving Microloan Program (a.k.a. Rural Small Business and Entrepreneur Loan Fund). This program was established with seed funding from USDA Rural Development with the goal to expand economic opportunities in rural Tennessee through entrepreneurship and small business growth. Small loans, or microloans, of \$500 - \$20,000 are available for working capital and the purchase of equipment, inventory, and/or fixed assets. Loans are very low interest and collateral is required on loans over \$5,000. To qualify, applicants must operate their business in a rural area; have fewer than 10 employees; and agree to technical assistance from resource providers during the term of the loan.

As of June 2013 the total principal loaned was \$246,744 and an available fund balance of \$120, 456. The loan program has maintained a low total loan loss rate. ([www.tn.gov/e cd/bero/loan.html](http://www.tn.gov/e cd/bero/loan.html))

b. Access to Capital: ECD Affiliate Programs Managed Outside of ECD

- INCITE: Developed by ECD and managed by LaunchTN, the Innovation, Commercialization, Investment, Technology and Entrepreneurship (INCITE) Co-Investment Fund is backed entirely by a \$29.7 million award through the U.S. Department of Treasury's State Small Business Credit Initiative (SSBCI). The fund is a key component of Gov. Haslam's \$50 million INCITE initiative to raise Tennessee's profile in innovation-based economic development and increase the number of knowledge-based jobs by assisting companies with access to early-stage capital. The INCITE Fund provides funding to supplement investments (or a co-investment) in Tennessee companies made by venture capital funds and investors from across Tennessee and around the country. In calendar year 2012, LaunchTN reported that the INCITE Co-investment Fund had provided capital to 18 Tennessee-based companies who received \$7 million in INCITE Fund capital and \$19 million in private sector matching capital.

([www.launchtn.org/incite](http://www.launchtn.org/incite))

- Rural Opportunity Fund (ROF)/ Small Business Jobs Opportunity Fund (SBJOF)/ Energy Efficiency Loan Program: In 2008, the Tennessee ROF, a rural economic development fund, was launched and in 2010 launched the SBJOF. The funds were created through a partnership between the state of Tennessee, the Tennessee Bankers Association and Pathway Lending, a not-for-profit community development financial institution. ROF provides loans and technical assistance to small, disadvantaged and early-stage businesses in rural Tennessee and the SBJOF provides loans of up to \$2.5 million to small businesses statewide. The Tennessee General Assembly approved a \$1.25 million appropriation directed through ECD for the \$10 million ROF, and \$10 million for the \$25 million SBJOF. The ROF is fully deployed, and as the capital revolves it will be re-deployed. In addition, efforts continue to raise additional investments to support the SBJOF.

During FY2013, the Tennessee Energy Efficiency Loan Program transitioned from ECD to the Department of Environment and Conservation (TDEC) as part of the Energy Policy Division effective January 1, 2013. The loan program continues to provide low interest loans to qualified commercial, industrial or nonprofit Tennessee-based businesses of up to \$5 million. In March 2013, the interest rate was reduced to two percent in order to make the program more beneficial and accessible to Tennessee businesses. The interest rate is available on five-year loans to businesses that undertake energy projects that include energy-saving measures;

whereas standalone renewable energy projects are eligible to receive ten-year loans at five percent interest. Originally, all loans were offered with an interest rate of five percent.

In their 2012 annual report Pathway states, "More than 40 Tennessee Bankers Association Member Banks have partnered with Pathway Lending to support community development lending practices and help underserved businesses who would otherwise have fewer opportunities to grow."

([www.pathwaylending.org](http://www.pathwaylending.org))

c. Advisements and Community Development Block Grants

ECD awards Community Development Block Grants (CDBG) to communities who then contract with an individual company for its performance. The information gathered regarding the award recipients of contracts results from the annual, federally required Title VI reporting. The employee numbers and total sales receipts for these subcontractors are unknown.

During FY2012, of the 34 CDBG subcontracts awarded to nine firms, eight of those firms were woman-owned. The contracts awarded to women-owned firms totaled \$1,799,200, or 79 percent of the total dollar amount, and 88 percent of the total number of subcontracts available. The average total award for the nine companies was \$254,635.56. There was no minority participation. (Relative to reporting for § 4-3-728.)

**B. DEPARTMENT OF ENVIRONMENT AND CONSERVATION, SMALL BUSINESS ENVIRONMENTAL ASSISTANCE PROGRAM (SBEAP):**

The 1990 Clean Air Act Amendments, Title V, Section 507 required the establishment of an environmental compliance assistance program in each state to support small businesses in understanding and complying with environmental regulations. Tennessee's Program provides free confidential assistance. Services include permitting assistance, onsite visits, training, a toll free hotline, regulatory notifications, outreach, and preventing and eliminating non-compliance situations. A small business has 100 or fewer employees, not a major stationary source, and meets the federal Small Business Act's definition of a small business.

([www.tn.gov/environment/apc/sbeap](http://www.tn.gov/environment/apc/sbeap))

1. Required Program Components

a. State Ombudsman (Advocate)

The Small Business Ombudsman represents small business in regulatory matters, identifies, and proposes solutions to small business technical and compliance problems.

b. Environmental Technical Assistance

Technical Assistance staff provides technical, administrative, and permitting assistance. Staff informs businesses of regulatory requirements in easy-to-understand language. When needed staff conducts onsite visits and provide training opportunities.

c. Compliance Advisory Panel (CAP)

An advisory panel comprised of individuals appointed by the Governor, the legislature and one Department representative is required. The Panel advises and provides technical, administrative and evaluation assistance to the program. Six appointments have been made. One additional appointment is needed.

2. Program Activities

a. New Regulations/Sources

- Staff review regulations, determine potentially impacted sources, develop a strategy for notification and assistance, develop compliance assistance tools, conduct training programs and work with regulatory programs on outreach activities. The Program is currently addressing three large industry groups: surface coating (residual requests), reciprocating internal combustion engines and area source boilers.
- Staff assist potentially new companies in understanding regulatory requirements
- Staff participates in monthly conference calls on regulations with other SBEAPs and EPA.

b. Existing Sources

- Staff respond to small business compliance and permitting questions.
- Staff monitor enforcement reports to determine sectors with compliance problems and develop compliance assistance strategies
- Staff assist companies in meeting permit conditions, including developing tools to meet recordkeeping requirements.
- Staff assist companies in resolving non-compliance issues and will assist in utilizing the Department's self-disclosure audit policy

3. Highlights: July 2012 – June 2013:

- a. Linda Sadler, manager of the SBEAP and the Small Business Ombudsman retired in November of 2012. Vicki Lowe of APC Mobile Air Resource Management was named the new manager. SBEAP will transfer to Office of External Affairs with Meredith Benton, Nashville Regional Director for External Affairs, as manager on July 1, 2013.
- b. Alan Sparkman, a Compliance Advisory Panel member and the Executive Director of the Tennessee Concrete Association, serves on the National Compliance Advisory Panel.
- c. Staff served on the David Draughon Excellence Award Selection Committee.
- d. The Small Business Ombudsman served as the contact for the Comptroller of the Treasury's Small Business Advocate. She facilitated resolution of small business environmental questions/ concerns /assistances received by the Comptroller's Office. Following Linda Sadler's retirement, SBEAP in collectively acted as the Small Business Ombudsman.
- e. Staff were part of the team for the SIP revision of 1200-03-18-.24 Gasoline Dispensing Facilities - Stage I and II Vapor Recovery. EPA issued guidance that Stage II could be discontinued if states could justify removal according to Sections 110(I) and 193 of the Clean Air Act Amended 1990.
- f. Staff worked with APC for revision of Title V and Non-Title V application forms.
- g. Staff worked with the Office of External Affairs on the Small Business Survey. 489 small businesses were emailed concerning the survey using information gathered from the SBEAP assistance database.

4. Projects: Regulatory Notifications/Compliance Assistance:

- a. The Nine Metal Fabrication (6X) rule: Following notification of the rule's promulgation to potentially affected sources, staff assisted small businesses in determining the applicability to their facility. Staff maintained a web page to assist sources in

determining applicability and needed compliance steps. Compliance assistance information was collected and shared. Affected facilities were assisted with their annual compliance certification requirements.

- b. Autobody/collision repair shops/Miscellaneous metal surface coating facilities and Paint stripping facilities (6H): Staff assisted sources subject to the rule to obtain compliance. Some referrals to the Program were made by enforcement staff. Staff partnered with paint suppliers and supplied them with information and training materials to assist their efforts to help customers with rule compliance. Materials were distributed to the TN Technology Centers that are conducting required painter training.
  - c. Gasoline Dispensing Facilities (6C): Staff continued efforts to assist compliance for gasoline dispensing facilities. Staff submitted articles for inclusion in the TN Fuels and Convenience Store Association newsletters.
  - d. Boiler area source rule (6J): A workshop was conducted on the rule at the Ready-Mix Concrete meeting. Staff developed and implemented a regulatory compliance notification for area source boilers that took into account changes in notification dates and mailed out. Meetings, discussions were held with potential partners to assist compliance with the rule's tune-up requirements. Assistance materials and web page were developed and revised to keep up to date with compliance information.
  - e. Reciprocating Internal Combustion Engines (4Z): Staff developed a web page and rule support information. Staff are keeping up to date on changes to the rule and how we can assist potentially affected sources.
  - f. Chromium Electroplating (N): Staff identified 54 potentially affected businesses and mailed a postcard type notification concerning changes to the emission limits at Chromium Electroplaters made due to a residual risk review by EPA. A fact sheet and revisions to the website were developed.
  - g. Chemical Manufacturing (6V): Staff identified 5 facilities that had stated in the Initial Notification that they were affected by 6V. These facilities were notified directly by email or phone to remind them of the need to submit the Notification of Compliance Status report due October 29, 2012.
  - h. Drycleaners: Staff worked with Petroleum based drycleaners on recordkeeping requirements. Staff are reviewing materials to keep them updated for dry cleaning training classes.
5. Meetings/Conference Calls:
- a. Staff conducted monthly regional calls with State SBEAPs and EPA Region IV small business liaison
  - b. Staff participate in monthly National Steering Committee conference calls with State SBEAPs from across the country and EPA Small Business and Enforcement DC Offices
  - c. Staff participate in monthly Technical Subcommittees calls to discuss and provide input on area source rule development and small business compliance matters. Often rule writers will attend the call to provide guidance.
  - d. As needed meetings are held with APC staff on notifications, assistances, material development, and rule implementation
  - e. Staff attend APC Board meetings.
6. Workshops: Conducted Training for 17 individuals  
Staff facilitated one workshop on Boilers in association with the TN Concrete Association

7. Events: Staff participated in one event with 250 contacts  
Participated in two Earth Day sessions at Nashville State Technical College
  
8. Permit Application and General Assistance  
Staff provided direct permitting and compliance assistance to over 110 individuals. Those assisted were individual businesses or citizens that contacted the SBEAP directly or were referenced from regulatory agencies. Of the 110 specifically assisted small businesses, 18 were able to be positively identified as meeting the [§ 4-3-729 (c)] definition of a small business. Several assistance requests were from individuals that may or may not have represented a small business. Most of the assistances were through phone calls or e-mails. The assistance included help with form(s) completion, understanding rule requirements, identifying steps needed to comply with regulations and steps needed to remedy non-compliance. Web pages on multiple industrial sectors were maintained that had 6,426 web views from 3,640 unique individuals.

C. **DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT (LABOR-WFD)**

Labor-WFD engages businesses statewide in multiple ways including, but limited to, those listed below:

1. Awarded Incumbent Worker Training Grants, which met the lay-off aversion criteria for the program:

Program Year 2013	GRANT AMT	TRAINEES	COUNTY	END	Total emp.
2 grants	\$4,710.00	3	Lawrence	9/30/2013	6
	\$20,900.00	7	Bedford	9/30/2013	7
<b>Total 2013:</b>	<b>\$25,610.00</b>	<b>10</b>			<b>13</b>
<b>Program Year 2012</b>					
7 grants	\$24,340.00	5	Knox	9/30/2012	5
	\$13,915.00	5	Dickson	9/30/2012	5
	\$24,900.00	9	Blount	9/30/2012	9
	\$3,650.00	10	Hamilton	9/30/2012	10
	\$21,000.00	11	Anderson	9/30/2012	11
	\$23,240.00	5	Hamilton	9/30/2012	12
	\$25,000.00	10	Shelby	9/30.2012	14
<b>Total 2012:</b>	<b>\$136,045.00</b>	<b>55</b>			<b>66</b>

2. Other services that benefit small businesses include job matching/referrals that include staff assistance, veterans' employment, and Work Opportunity Tax Credits.

3. Employer registration in the system for job orders from 1/1/2013 – 12/19/2013 follows:

Number of Employees	Total
1 – 4	501
5 -9	504
10-19	494

**D. DEPARTMENT OF TRANSPORTATION (TDOT), CIVIL RIGHTS OFFICE**

The TDOT Civil Rights Office Small Business Development Program (SBDP) primary goal is to increase the number of minority and female businesses in the highway and bridge construction industry. The SBDP provides quality technical assistance, resources, guidance, and any other information for TDOT-certified DBEs, which are traditionally small businesses.

Public funding for this office is disseminated annually through a combination of FHWA and state funding. The amount of funding received by FHWA is based on the annual Statement of Work proposed by the SBDP Office and is calculated through a formula-based approach, therefore each year differs. The most current amount of funding we received from FHWA was \$209,051. We also received state money in order to meet our office goals. The amount we receive annually (based on the current contract for our Supportive Services contractor) is \$211,952.67. This money goes toward business training and support for TDOT-certified Disadvantaged Business Enterprises (DBEs).

These funds are utilized by TDOT’s Supportive Services contractor to help level the playing field in regards to TDOT-certified DBEs. These DBEs are small businesses who are historically underutilized in the road construction industry. Each DBE in the program is encouraged to complete a Needs Assessment Survey in order to gauge what type of additional services, if any, are needed to help their business grow. Those in need of additional assistance are encouraged to contact Supportive Services. While some DBEs may need this additional support, not all require or request this benefit. Nevertheless, all DBEs will receive notifications of upcoming contracting opportunities, newsletters and publications, and other information that this office and our Supportive Services contractors offer.

Currently, there are 466 DBEs eligible for TDOT help through public funds. DBEs are required to be certified by TDOT to receive training and support through our Supportive Services. Other state DBEs and small businesses are encouraged to bid on TDOT contracts but are ineligible for the full range of services from Supportive Services (as indicated by the contract). TDOT office personnel are available to provide help and services to these other businesses as needed, but note these non-TDOT certified DBEs and small businesses do not utilize public funding.

Some of the services offered to TDOT-certified DBEs this year include:

- One-on-one training
- Classroom/group training
- Electronic Newsletter
- News & procurement notices
- E-mail alerts
- Training/workshops at DBE Annual Meeting

- State, Federal, SBA, OSDBU, etc., e-mail alerts and opportunities sent out
- Bonding/banking/finance seminars
- Outreach Event/ Speaking Engagements
- QuickBooks, Business Planning, Marketing, Contract Review, Executive Leadership Development, etc.

In the 2012-2013 fiscal year, 364 prime and sub-contracts were awarded to DBEs in the amount of \$49,488,719.241. The scope of work for these businesses ranges from concrete to landscaping to engineering. TDOT, through its Supportive Services contract, is responsible for the training and other needed services for these DBEs. Besides documenting who requests assistance as well as which DBEs are utilized on TDOT projects, no further tracking mechanisms are in place for the current status of DBEs involved in the program.

([www.tdot.state.tn.us/civil-rights/smallbusiness/default.htm](http://www.tdot.state.tn.us/civil-rights/smallbusiness/default.htm))

The following departments and agencies work with small business, but do not receive public funds.

**A. COMPTROLLER OF THE TREASURY, OFFICE OF THE SMALL BUSINESS ADVOCATE (OSBA)**

The enabling legislation which created the OSBA was done within the existing resources of the Comptroller of the Treasury. Therefore the agency does not specifically receive public funds to assist small businesses. However, the OSBA does assist small businesses with fifty (50) or fewer employees by providing information, answering questions, and serving as an informal mediator between state agencies and small businesses. The annual report can be found on the website.

([www.comptroller.tn.gov/OSBA/publications.asp](http://www.comptroller.tn.gov/OSBA/publications.asp))

**B. DEPARTMENT OF GENERAL SERVICES, GOVERNOR’S OFFICE OF DIVERSITY BUSINESS ENTERPRISE (GO-DBE)**

Go-DBE does not receive public funds to assist small business. The annual report is at [www.tn.gov/businessopps](http://www.tn.gov/businessopps).

Note:

The following services have been provided to small business enterprises by Go-DBE:

1. They have been registered in the state of Tennessee’s Edison portal for current procurement opportunities.
2. The businesses have been approved as small, minority- , woman- or service-disabled veteran-owned businesses.
3. They receive procurement referrals from agencies seeking to utilize products and/or services from certified businesses.
4. The businesses are included in the certified directory on Go-DBE website for use by state agencies and departments seeking to achieve their agency internal goals.

**C. DEPARTMENT OF REVENUE**

Revenue does not receive public funds for small business assistance.

Note:

Revenue devotes many resources to taxpayer education. Free tax workshops for new businesses are offered bimonthly in Nashville, Chattanooga, Johnson City, Knoxville and Memphis. Annual tax seminars for businesses are offered through universities statewide. A Speakers Bureau is also available through the department for certain types of organizations at no charge.

([www.tn.gov/revenue/education/index.shtml](http://www.tn.gov/revenue/education/index.shtml))

**D. DEPARTMENT OF TOURIST DEVELOPMENT**

[Tourist Development] does not receive public funding that supports small businesses directly or individually, but all businesses do benefit and are recipients indirectly from our statewide marketing and tourism programs that try to bring more and sustainable economic development to each region of the state.

([www.tnvacation.com](http://www.tnvacation.com)) ([www.tncivilwar150.com](http://www.tncivilwar150.com))

**E. DEPARTMENT OF TREASURY, SMALL AND MINORITY OWNED BUSINESS LOAN PROGRAM (SMOB)**

SMOB has not received any appropriated funds since 2006.

**Overview:**

The principle function of the Small and Minority-Owned Business Assistance Program (SMOB) is to provide a significant statewide platform through a support structure that fosters the expansion of small and minority-owned businesses in Tennessee. SMOB consists of two components: loans (including lines of credit) and program services. The loans provided must be for a specific project. Acceptable purposes for loan proceeds include:

- acquisition of machinery and equipment
- working capital
- supplies and materials
- inventory
- certain other business-related activity

There are certain types of businesses that are deemed ineligible to receive assistance from the SMOB Program. Ineligible businesses include:

- churches
- non-profit organizations
- insurance companies
- real estate contractors
- real estate developers
- night clubs and any similar entertainment-oriented business
- businesses that do not create or provide jobs
- businesses not incorporated or located in Tennessee

Lenders for SMOB are:

- Chattanooga Neighborhood Enterprises
- East Tennessee Development District
- Nashville Minority Business Development Loan Fund
- Pathway Lending
- South Central Tennessee Development District
- Tri State Bank of Memphis

Outstanding loans for the SMOB Program are depicted below as of June 2013:

Race	Male	Female	No. of Loans	Total Loans by Race
African-American	\$621,241	\$730,365	30	\$1,351,606
White	302,501	211,135	16	513,636
Other	58,104	117,050	4	175,154
Total Loans	\$981,846	\$1,058,550	50	\$2,040,396

## RECOMMENDATIONS

The following recommendations remain essentially the same as in the previous year's report:

We would like to offer a few suggestions related to the clarification of T.C.A. § 4-3-729 for consideration by the General Assembly. If these changes are implemented, the report generated under § 4-3-729 will become a valuable tool for legislators and government officials, drawing attention to ways in which state government can provide better assistance to small businesses.

- A. The first suggestion is to clarify the reporting requirement to the General Assembly. The current statute requires that "the office of minority business enterprise or other appropriate department, office or division of the Department of Economic and Community Development" make the report to "the General Assembly." We would like to suggest that "the department" should make this report to "the Speaker of the Senate, the Speaker of the House of Representatives, the Chair of the Senate Commerce and Labor committee, and the Chair of the House of Representatives Business and Utilities committee." This reporting requirement is similar to the requirements for BERO's annual report, which is found in T.C.A. § 4-26-105.
- B. The second point of clarification is the definition of "small business" in § 4-3-729(c). The current definition is not found anywhere else in T.C.A. and does not align with the parameters upon which departments and agencies currently report. Several agencies responded to the request for information stating that their records were not kept in such a way as to allow them to readily identify small businesses as defined in the statute. Some of the current definitions for "small business" within statute, which may or may not also include "sales volume" benchmarks, are as follows:
  - Title 4 State Government  
Chapter 3 Creation, Organization and Powers of Administrative Departments and Divisions  
Part 23 Department of Transportation  
Tenn. Code Ann. § 4-3-2305 (2013)

4-3-2305. Compliance.

Small business shall be defined to include certified disadvantaged business enterprises as defined by 49 CFR Part 26, and business enterprises that satisfy all the requirements of a disadvantaged business enterprise under Part 26, including but not limited to, requirements of business size and net worth of owners, other than the requirement that the owners of the business qualify as members of the groups identified in subsection 2 of the definition of socially and economically disadvantaged individuals in 49 CFR Part 26.5. The commissioner may promulgate rules to implement the purpose of this section.

*(Pursuant to section 3 of the Small Business Act and U.S. Small Business Administration (\*SBA) regulations implementing it (13 CFR part 121) that also does not exceed the cap on average annual gross receipts specified in § 26.65(b).)*

- Title 4 State Government  
Chapter 31 Tennessee Local Development Authority Act  
Part 1 General Provisions

Tenn. Code Ann. § 4-31-102 (2013)

4-31-102. Chapter definitions.

(16) "Small business concern" means an enterprise that constitutes a "small business concern" under federal law and the criteria used by the administrator of the small business administration of the United States as the same may be amended from time to time.

*(This refers to the \*SBA's definitions.)*

- Title 8 Public Officers And Employees  
4 Comptroller of the Treasury  
Part 7 Small Business Advocate

Tenn. Code Ann. § 8-4-701 (2013)

8-4-701. "Small business" defined.

For purposes of this part, "small business" means a business entity, including its affiliates, that employs fifty (50) or fewer full-time employees.

- Title 13 Public Planning And Housing  
Chapter 11 Uniform Relocation Assistance Act of 1972

Tenn. Code Ann. § 13-11-103 (2013)

13-11-103. Chapter definitions.

(3)(A)(ii) On which such person is a residential tenant or conducts a small business, a farm operation, or a business defined in subdivision (1)(D), as a direct result of rehabilitation, demolition, or such other displacing activity as the governor or the governor's designee may prescribe, under a program or project undertaken by a state agency or with federal financial assistance in any case in which the head of the displacing agency determines that such displacement is permanent; and

*(No reference to or specific definition for "small business" provided.)*

- Title 29 Remedies and Special Proceedings  
Chapter 37 Equal Access to Justice  
Tenn. Code Ann. § 29-37-103 (2013)

29-37-103. Chapter definitions.

(3) (A) "Small business" means a business entity that is:

(i) A natural person who is licensed by one (1) or more state agencies or boards and whose claim under this chapter arises from such licensing, but the person shall not have a net worth of more than three hundred thousand dollars (\$300,000) at the time the civil action is filed;

(ii) A sole proprietor of an unincorporated business that meets each of the following conditions:

(a) Whose annual gross receipts do not exceed one million dollars (\$1,000,000) during the twelve (12) months immediately preceding the date the civil action was filed; and

(b) Who does not employ more than fifteen (15) persons on a full-time basis on the date the civil action was filed; or

(iii) A partnership or corporation that meets each of the following conditions:

(a) Whose annual gross receipts do not exceed two million dollars (\$2,000,000) during the twelve (12) months immediately preceding the date the civil action was filed; and

(b) Who does not employ more than thirty (30) persons on a full-time basis on the date the civil action was filed; and

(B) "Small business" also includes any neighborhood or homeowners' association which is an entity that:

(i) Is not-for-profit;

(ii) Is supported solely by contributions, membership fees assessed to residents of a defined geographical area and/or fund-raising activities sponsored by the association; and

(iii) Does not employ more than ten (10) persons on a full-time basis on the date the civil action was filed; and

- Title 45 Banks And Financial Institutions  
Chapter 8 Small Business Investment Development  
Part 1 Small Business Investment Companies

Tenn. Code Ann. § 45-8-101 (2013)

45-8-101. Functions and powers -- Supervision.

Small business investment companies chartered by the secretary of state and licensed by the small business administration shall be authorized to perform all the functions and exercise all the powers in this state and be subject to all the limitations as prescribed by the Small Business Investment Act of 1958, Public Law 85-699, 85th Congress, second session, 72 Stat. 689, and all rules and regulations promulgated under that act. So long as the company is licensed, regulated, supervised and inspected by the small business administration, it shall not be subject to supervision by agencies of the state, except by the department of commerce and insurance under title 48, chapter 1, part 1.

*(This refers to the \*SBA's definitions.)*

*\*For reference the U.S. Small Business Administration (SBA):*

SBA defines a small business concern as one that is independently owned and operated, is organized for profit, and is not dominant in its field. Depending on the industry, size standard eligibility is based on the average number of employees for the preceding twelve months or on sales volume averaged over a three-year period.

Examples of SBA's general size standards include the following:

- Manufacturing: Maximum number of employees may range from 500 to 1500, depending on the type of product manufactured;

- Wholesaling: Maximum number of employees may range from 100 to 500 depending on the particular product being provided;
- Services: Annual receipts may not exceed \$2.5 to \$21.5 million, depending on the particular service being provided;
- Retailing: Annual receipts may not exceed \$5.0 to \$21.0 million, depending on the particular product being provided;
- General and Heavy Construction: General construction annual receipts may not exceed \$13.5 to \$17 million, depending on the type of construction;
- Special Trade Construction: Annual receipts may not exceed \$7 million; and
- Agriculture: Annual receipts may not exceed \$0.5 to \$9.0 million, depending on the agricultural product.

For other sectors and industries visit [www.sba.gov/content/what-sbas-definition-small-business-concern](http://www.sba.gov/content/what-sbas-definition-small-business-concern).

- C. Lastly, the removal of section (d) from the statute is suggested. Section (d) states that no small business is required to answer any questions or complete any forms relative to this report. Several agencies responded that due to section (d), they did not have enough data available for the report. If this section is removed, agencies will be able to collect the data they need in order to meet the reporting requirement of § 4-3-729.

CONTACT INFORMATION
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[www.tn.gov/ecd/bero](http://www.tn.gov/ecd/bero)

**About BERO:** The Business Enterprise Resource Office (BERO) is housed within the Department of Economic and Community Development. BERO serves as a voice for and advocate of disadvantaged businesses (DBE); analyzes, disseminates and promotes best practices and access to capital to service providers; and reports on status of DBEs statewide.

**About ECD:** The Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth.



Tennessee Department of Economic and Community Development,  
Authorization #330012 - 10,000 copies, January 2014. This public  
document was promulgated at a cost of \$2.71 per copy.



**REPORT TO THE TENNESSEE GENERAL ASSEMBLY**

**PER TENNESSEE CODE ANNOTATED § 4-3-729**



**STATE OF TENNESSEE**  
**DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT**  
**BUSINESS DEVELOPMENT DIVISION**  
312 ROSA L. PARKS AVENUE, ELEVENTH FLOOR  
NASHVILLE, TENNESSEE 37243  
TELEPHONE: 615.741.2626 — FAX: 615.741.5829  
[www.tn.gov/ecd/bero](http://www.tn.gov/ecd/bero)

February 6, 2013

To: The Honorable Ron Ramsey, Lieutenant Governor and Speaker of the Senate  
The Honorable Beth Harwell, Speaker of the House of Representatives  
The Honorable Mark Norris, Senate Majority Leader  
The Honorable Jim Kyle, Senate Minority Leader  
The Honorable Gerald McCormick, House Majority Leadership  
The Honorable Craig Fitzhugh, House Minority Leadership  
The Honorable Jack Johnson, Senate Commerce, Labor and Agriculture Committee Chair  
The Honorable Pat Marsh, House Business and Utilities Committee Chair

Greetings:

Please find herein the annual report, including legislative suggestions, submitted on behalf of the Department of Economic and Community Development by the Business Enterprise Resource Office (BERO) pursuant to Tennessee Annotated Code 4-3-729.

Thank you for your consideration of this report. If you have any questions regarding this report, please do not hesitate to contact me at [Wisty.Pender@tn.gov](mailto:Wisty.Pender@tn.gov) or 615.741.8914 (direct).

Respectfully submitted,

  
Wisty Pender  
Director, BERO

REPORT TO TENNESSEE GENERAL ASSEMBLY PER TENNESSEE CODE ANNOTATED § 4-3-729

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**Tennessee Department of Economic and Community Development  
Business Enterprise Resource Office (BERO)**

**I. Report Background**

The report herein is pursuant to the following statute:

Title 4 State Government  
Chapter 3 Creation, Organization and Powers of Administrative Departments and Divisions  
Part 7 Department of Economic and Community Development  
Tenn. Code Ann. § 4-3-729 (2012).

*Annual reports.*

*(a) Each agency that receives public funding to assist small businesses shall file an annual report with the department of economic and community development. The reports filed by each such agency shall include an analysis detailing the accomplishments of the agency, including, but not limited to, the number of businesses served, the status of those programs it is charged with administering, and the status of each business the agency has assisted.*

*(b) The office of minority business enterprise or other appropriate department, office or division of the department of economic and community development shall prepare a report to be filed with the commissioner compiling an analysis of all the data required to be filed by this section by each such agency. The commissioner shall annually report the results of such data to the general assembly.*

*(c) For purposes of this section, "small business" means a business with a sales volume of two hundred thousand dollars (\$200,000) or less or that employs fewer than fifteen (15) persons.*

*(d) Nothing in this section shall require any small business as defined in subsection (c) either to answer any question or to complete any form.*

*HISTORY: Acts 1988, ch. 620, § 1.*

[www.lexisnexis.com/hottopics/tncode](http://www.lexisnexis.com/hottopics/tncode)

**II. Department and Agency List**

For the purposes of this report, the thirty-four (34) state departments and agencies, consistent with the list utilized by the Office of the Small Business Advocate (§ 8-4-703), were asked to provide any available data required under the aforementioned statute.

- Department of Agriculture
- Department of Children's Services
- Department of Commerce and Insurance
- Department of Corrections
- Department of Economic and Community Development
- Department of Education
- Department of Environment and Conservation
- Department of Finance and Administration
- Department of General Services
- Department of Health
- Department of Human Services
- Department of Intellectual and Developmental Disabilities
- Department of Labor and Workforce Development
- Department of Mental Health
- Department of Military

- Department of Revenue
- Department of Safety & Homeland Security
- Department of State
- Department of Tourist Development
- Department of Treasury
- Department of Veterans' Affairs
- Tennessee Alcoholic Beverage Commission
- Tennessee Board of Probation and Parole
- Tennessee Bureau of TennCare
- Tennessee Department of Financial Institutions
- Tennessee Department of Transportation
- Tennessee Education Lottery Corporation
- Tennessee Health Services and Development Agency
- Tennessee Higher Education Commission
- Tennessee Human Rights Commission
- Tennessee Regulatory Authority
- Tennessee Student Assistance Corporation
- Tennessee Wildlife Resources Agency
- TRICOR

### III. **Response**

The Business Enterprise Resource Office (BERO) received replies from thirteen (13) of the thirty-four (34) governmental agencies listed above. Of those, an overwhelming majority responded that their agency either (a) did not receive public funds to support small businesses, or (b) were unable to compile the requested data due to ambiguity in the statute. While several agencies work with small businesses one reason for ambiguity can be connected to the variety of definitions for "small business" across the departments and agencies. Further the "sales volume" determinant defined in the statute (§ 4-3-729) is not standard either. See section IV. Recommendations for further explanation of size differences found in code.

Of the departments and agencies that administer programs for small business, the following provided information specific to their program(s).

- A. Department of General Services, Governor's Office of Diversity Business Enterprise (Go-DBE)  
Go-DBE utilizes the statutory definition of "small business" as codified in T.C.A. § 12-3-801-808. The following services have been provided to small business enterprises by Go-DBE (See Attachment 1):
1. They have been registered in the state of Tennessee's Edison portal for current procurement opportunities.
  2. The businesses have been approved as small, minority-, woman- or service-disabled veteran-owned businesses.
  3. They receive procurement referrals from agencies seeking to utilize products and/or services from certified businesses.
  4. The businesses are included in the certified directory on Go-DBE website for use by state agencies and departments seeking to achieve their agency internal goals.  
([www.tn.gov/businessopps](http://www.tn.gov/businessopps))
- B. Department of Economic and Community Development (ECD)  
ECD manages a variety of programs, both directly and indirectly, targeting entrepreneurs and small businesses. The programs fall into two main categories (1) business assistance and (2) access to capital. Some of programs dictate specific definitions for "small business," based on their respective statute and/or the governing funding agency, while others allowed the program to set the guidelines.

1. Business Assistance

A key area to the success of small businesses and entrepreneurs is access to business assistance.

- a. Access to Technical Assistance in Business Formation (Accelerators): In FY2012, an accelerator was selected in each of the nine Jobs4TN Jobs Base Camp regions to assist area entrepreneurs as they develop business plans and launch companies that have the potential to create new jobs. The goal for the accelerators is to become a foundational component of each region's economic development strategy while creating a network of partnerships and mentors within the local business community, the statewide investor base, higher education, non-profits and government. A \$250,000 grant was awarded to each accelerator through a competitive grant application process. The grant funding is a combination of state and federal dollars and contingent upon each accelerator providing at minimum an additional \$250,000 in local matching support. The accelerator program was developed by ECD and is managed by LaunchTN. The FY2013 report will highlight their progress. ([www.launchtn.org](http://www.launchtn.org))
- b. Access to Assistance with Business Promotion and Technical Assistance: The Tennessee Main Street Program is an ECD program and a coordinating partner of the National Trust for Historic Preservation's National Main Street Center. There are 24 certified Main Street Communities statewide. According to the 2011 reinvestment statistics, 23 of the Tennessee Main Street communities reported on their reinvestment statistics. They reported 617 net new jobs, 135 net new businesses and a combined public (\$41,446,188)/private (\$48,102,466) investment of \$89,548,654. ([www.tennesseemainstreet.org](http://www.tennesseemainstreet.org))

2. Access to Capital

Access to a robust capital ecosystem is critical to the success of Tennessee's DBEs. Finance programs that meet the needs of the state's DBEs ensure the best possible opportunities for startup and growth.

- a. Access to Capital: Programs Managed within ECD
  - i. Rural Small Business and Entrepreneur Loan Fund: In an effort to provide a greater level of service to rural communities, BERO started the ECD-BERO Revolving Microloan Program (a.k.a. Rural Small Business and Entrepreneur Loan Fund). This program was established with seed funding from USDA Rural Development with the goal to expand economic opportunities in rural Tennessee through entrepreneurship and small business growth. The loan program is for entrepreneurs and small businesses in rural Tennessee. Small loans, or microloans, of \$500 - \$20,000 (as of July 1, 2012) are available for purchasing equipment, inventory, working capital and/or fixed asset purchases. Loans are below market interest rates and collateral is required on loans of \$5,000 or more. To qualify, applicants must operate their business in a rural area and have fewer than 10 employees. Applicants agree to technical assistance from resource providers during the term of the loan.

As of January 1, 2013, ECD approved a total of \$258,000 in microloan projects and closed \$224,805.84 of the loans. The \$33,194.16 variance in approved loans will not be closed as certain conditions of the loan agreement(s) were not met by the borrowers and/or adjustments related to modification of loans. The \$250,500 in microloan projects were funded/allocated by the original \$125,000

USDA RBEG, \$30,000 in state funding, the \$100,000 USDA ARRA-RBEG and program income. Five (5) loans totaling \$40,500 in principal were completed successfully. ([www.tn.gov/ecd/bero/loan.html](http://www.tn.gov/ecd/bero/loan.html))

- ii. TNInvestco: This fund is a state-sponsored, venture capital program that provides capital to high-growth transformational businesses in Tennessee. The goals are to develop entrepreneurial infrastructure, bring additional capital in the state and diversify the state's economy. The TNInvestcos are authorized to invest funds in qualifying Tennessee businesses. As of January 1, 2012, the 10 TNInvestcos had funded 76 companies, deploying more than \$55 million. The funded companies employed 751.5 full-time employees of which 270 were filled by women and minorities.  
([www.tn.gov/ecd/tinvestco](http://www.tn.gov/ecd/tinvestco))

b. Access to Capital: ECD Affiliate Programs Managed Outside of ECD

- i. INCITE: Developed by ECD and managed by LaunchTN, the Innovation, Commercialization, Investment, Technology and Entrepreneurship (INCITE) Co-Investment Fund is backed entirely by a \$29.7 million award through the U.S. Department of Treasury's State Small Business Credit Initiative. The fund is a key component of Gov. Haslam's \$50 million INCITE initiative to raise Tennessee's profile in innovation-based economic development and increase the number of knowledge-based jobs by assisting companies with access to early-stage capital. The INCITE Fund provides funding to supplement investments (or a co-investment) in Tennessee companies made by venture capital funds and investors from across Tennessee and around the country. As of June 30, 2012, the fund co-invested approximately \$4 million in 10 companies. These companies employ 44 women and minorities.  
([www.launchtn.org](http://www.launchtn.org))
- ii. Tennessee Rural Opportunity Fund, Small Business Jobs Opportunity Fund and Energy Efficiency Loan Programs: In 2008, the Tennessee *Rural Opportunity Fund* (ROF), a rural economic development fund, was launched; and in 2010 the *Small Business Jobs Opportunity Fund* (SBJOF) was launched. The funds were created through a partnership between the state of Tennessee, the Tennessee Bankers Association and Pathway Lending, a not-for-profit community development financial institution. ROF provides loans and technical assistance to small, disadvantaged and early-stage businesses in rural Tennessee, and the SBJOF provides loans of up to \$2.5 million to small businesses statewide. The legislature approved a \$1.25 million appropriation through ECD for the \$10 million ROF and \$10 million for \$25 million for the SBJOF.

The Tennessee Energy Efficiency Loan Program provides low interest loans to qualified commercial, industrial or nonprofit Tennessee-based businesses. The program allows 100 percent financing for energy efficient technology, energy retrofits and renewable energy systems. It is a collaborative effort between the state of Tennessee, TVA, Pinnacle National Bank and Pathway Lending.

The Energy Division moved from ECD to TDEC on January 1, 2013.  
([www.pathwaylending.org](http://www.pathwaylending.org))

c. TNTrade Market Access Program/Trade Missions

The TNTrade initiatives were made possible by STEP funding from the U.S. Small Business Administration. This program encompassed both access to capital and business assistance.

- i. The TNTrade Market Access Program (MAP), launched in January 2012, was a reimbursement pilot program designed to enhance export readiness, promotion and sales activities in foreign markets for Tennessee's small- to mid-sized companies. MAP provided a 50 percent reimbursement for up to \$5,000 per year for qualified and approved export activities. The program was funded through a grant awarded by the U.S. Small Business Administration and managed by ECD. During FY2012, 22 applications were received and 17 approved. Of those approved, all are small businesses with two minority-owned, one woman-owned and four veteran-owned. The program ended September 30, 2012.
- ii. In FY2012, two trade missions were planned with the second occurring in FY2013. The first trade mission, in April 2012, visited Asia (China and South Korea) and focused on medical equipment and health care companies. The second trade mission, in July 2012, visited Mexico with a focus on the automotive industry. Both trade missions encompassed a variety of activities including trade shows, Gold Key business meetings through the U.S. Commercial Service and networking events and activities. Eleven companies participated on the Asia trade mission; and of those companies, eight were full participants covered by STEP funds, and four were self-pay. All businesses were small business enterprises, and of those, woman- and minority-owned businesses comprised 37.5 percent of company participation. Of the 12 individual participants, minority participants comprised over one-third the total and women one-quarter. ([www.tn.gov/ecd/tntrade](http://www.tn.gov/ecd/tntrade))

The U.S. Small Business Administration guidelines were used in determining "small business" status.

d. Advisements and Community Development Block Grants

ECD awards Community Development Block Grants (CDBG) to communities who then contract with an individual company for its performance. The information gathered regarding the award recipients of contracts results from the annual, federally required Title VI reporting. The employee numbers and total sales receipts for these subcontractors are unknown.

During FY2012, of the 34 CDBG subcontracts awarded to nine firms, eight of those firms were woman-owned. The contracts awarded to women-owned firms totaled \$1,799,200, or 79 percent of the total dollar amount, and 88 percent of the total number of subcontracts available. The average total award for the nine companies was \$254,635.56. There was no minority participation. (Relative to reporting for § 4-3-728.)

e. Tennessee Smart Start Guide

This startup guide and resource, is produced and made available online and in hard copy. The guide and related postcard are distributed across the state via the nine regional offices, county and city officials, chambers of commerce and other resource partners, and through events and inquiries (email, phone, etc.). The guide is linked to on many websites - a button, link and PDF are provided to chambers of commerce and other resource partners upon request. The last guide was promulgated in December 2011 for 3,000 copies at \$1.24 per copy, and postcard in March 2012 for 5,000 copies at \$0.08 per copy. (<http://tn.gov/ecd/bero>)

C. Department of Environment and Conservation, Small Business Environmental Assistance Program (SBEAP): The 1990 Clean Air Act Amendments, Title V, Section 507 required the establishment of an environmental compliance assistance program in each state to support small businesses in understanding and complying with environmental regulations. Tennessee's program provides free, confidential assistance. SBEAP services include permitting assistance, onsite visits, training, a toll-free hotline, regulatory notifications, outreach for the prevention and elimination of non-compliance situations. A small business has 100 or fewer employees, is not a major stationary source and meets the federal Small Business Act's definition of a small business. ([www.tn.gov/environment/apc/sbeap](http://www.tn.gov/environment/apc/sbeap))

1. SBEAP Numbers:

- a. Conducted training for 268 individuals
- b. Staff participated in two events with 183 contacts
- c. Staff provided permitting and compliance assistance to over 234 individuals

2. See Attachment 2 for complete details.

D. Department of Transportation (TDOT), Civil Rights Office

TDOT Civil Rights Offices Small Business Development Program annual funding comes from both state and federal funds used contracting services for the benefit of Disadvantaged Business Enterprises (DBEs).

1. There are currently two ongoing contracts for supportive services and training for DBEs:

- a. Contract one: FA-1031456A, is available for all in-state TDOT-certified DBEs (approximately 200) and provides generalized supportive services including, but not limited to, one-on-one training, business assessments and planning; financial analysis; leadership development; private counseling; one-on-one training; and individual and group training classes (e.g. strategic market planning, accounting software, bidding and estimating, project management, etc.). The funding on this contract is \$211,952.67 in state funds and \$251,047.33 in federal funds.
- b. Contract two: FA-0927332, is similar to the first contract in scope but is only offered to ten DBEs for the contract year. As only a small number of DBEs are accepted into this program, the training is more in-depth and personalized to meet the particular needs of each individual business. This contract is funded solely with Federal Funds for \$316,200.00 annually.

2. Qualifications for a DBE may or may not be in line with the definition of a "small business" as outlined in section (c) of the referring document (*Tenn. Code Ann. § 4-3-729*). TDOT DBE

qualifications may be found on the [TDOT website](#) as well as in [49 CFR 26.61-26.73 \(Subpart D\)](#). To summarize, a DBE must be an existing and independent “for-profit” business that meets the federal definition of a small business concern; must meet the federal definition of “socially and economically disadvantaged”; DBE owners must be able to show ownership of at least 51 percent of the firm, and possess the expertise to control daily operations; and the owners’ net worth must not be over \$1.32 million. ([www.tdot.state.tn.us/civil-rights](http://www.tdot.state.tn.us/civil-rights))

3. Business status of those served is difficult to quantify as this is a resource available for the DBEs to take advantage of at their own discretion. However, 130 DBEs (64.5 percent) have received a detailed assessment on their company by the supportive services staff, and many of the DBEs regularly take advantage of the vast resources made available to them to help increase their knowledge in the construction industry, as well as to help them vie competitively on state, federal and private sector contracts.
4. The latest report, covering the 2011-2012 Civil Rights Office Small Business Development Office Supportive Services contract period is marked Attachment 3.

#### **IV. Recommendations**

We would like to offer a few suggestions related to the clarification of T.C.A. § 4-3-729 for consideration by the General Assembly. If these changes are implemented, the report generated under § 4-3-729 will become a valuable tool for legislators and government officials, drawing attention to ways in which state government can provide better assistance to small businesses.

The first suggestion is to clarify the reporting requirement to the General Assembly. The current statute requires that “the office of minority business enterprise or other appropriate department, office or division of the Department of Economic and Community Development” make the report to “the General Assembly.” We would like to suggest that “the department” should make this report to “the Speaker of the Senate, the Speaker of the House of Representatives, the Chair of the Senate Commerce, Labor and Agriculture committee, and the Chair of the House of Representatives Business and Utilities committee.” This reporting requirement is similar to the requirements for BERO’s annual report, which is found in T.C.A. § 4-26-105.

The second point of clarification is the definition of “small business” in § 4-3-729(c). The current definition is not found anywhere else in T.C.A. and does not align with the parameters upon which departments and agencies currently report. Several agencies responded to the request for information stating that their records were not kept in such a way as to allow them to readily identify small businesses as defined in the statute. One option would be to use a standard definition, such as that of the Governor’s Office for Diversity Business Enterprise and state procurement requirements as found in § 4-56-103(c)(4)(iii):

*“Small business” means one that is independently owned and operated, 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.*

Some of the current definitions for “small business” within statute, which may or may not also include “sales volume” benchmarks are as follows:

- Title 4 State Government  
Chapter 3 Creation, Organization and Powers of Administrative Departments and Divisions  
Part 23 Department of Transportation  
Tenn. Code Ann. § 4-3-2305 (2012)

4-3-2305. Compliance.

Small business shall be defined to include certified disadvantaged business enterprises as defined by 49 CFR Part 26, and business enterprises that satisfy all the requirements of a disadvantaged business enterprise under Part 26, including but not limited to, requirements of business size and net worth of owners, other than the requirement that the owners of the business qualify as members of the groups identified in subsection 2 of the definition of socially and economically disadvantaged individuals in 49 CFR Part 26.5. The commissioner may promulgate rules to implement the purpose of this section.

*(Pursuant to section 3 of the Small Business Act and U.S. Small Business Administration (\*SBA) regulations implementing it (13 CFR part 121) that also does not exceed the cap on average annual gross receipts specified in § 26.65(b).)*
- Title 4 State Government  
Chapter 31 Tennessee Local Development Authority Act  
Part 1 General Provisions  
Tenn. Code Ann. § 4-31-102 (2012)

4-31-102. Chapter definitions.

(16) "Small business concern" means an enterprise that constitutes a "small business concern" under federal law and the criteria used by the administrator of the small business administration of the United States as the same may be amended from time to time.

*(This refers to the \*SBA's definitions.)*
- Title 8 Public Officers And Employees  
4 Comptroller of the Treasury  
Part 7 Small Business Advocate  
Tenn. Code Ann. § 8-4-701 (2012)

8-4-701. "Small business" defined.

For purposes of this part, "small business" means a business entity, including its affiliates, that employs fifty (50) or fewer full-time employees.
- Title 13 Public Planning And Housing  
Chapter 11 Uniform Relocation Assistance Act of 1972  
Tenn. Code Ann. § 13-11-103 (2012)

13-11-103. Chapter definitions.

(3)(A)(ii) On which such person is a residential tenant or conducts a small business, a farm operation, or a business defined in subdivision (1)(D), as a direct result of rehabilitation, demolition, or such other displacing activity as the governor or the governor's designee may prescribe, under a program or project undertaken by a state agency or with federal financial assistance in any case in which the head of the displacing agency determines that such displacement is permanent; and

*(No reference to or specific definition for "small business" provided.)*

- Title 29 Remedies and Special Proceedings  
Chapter 37 Equal Access to Justice  
Tenn. Code Ann. § 29-37-103 (2012)

29-37-103. Chapter definitions.

(3) (A) "Small business" means a business entity that is:

- (i) A natural person who is licensed by one (1) or more state agencies or boards and whose claim under this chapter arises from such licensing, but the person shall not have a net worth of more than three hundred thousand dollars (\$300,000) at the time the civil action is filed;
  - (ii) A sole proprietor of an unincorporated business that meets each of the following conditions:
    - (a) Whose annual gross receipts do not exceed one million dollars (\$1,000,000) during the twelve (12) months immediately preceding the date the civil action was filed; and
    - (b) Who does not employ more than fifteen (15) persons on a full- time basis on the date the civil action was filed; or
  - (iii) A partnership or corporation that meets each of the following conditions:
    - (a) Whose annual gross receipts do not exceed two million dollars (\$2,000,000) during the twelve (12) months immediately preceding the date the civil action was filed; and
    - (b) Who does not employ more than thirty (30) persons on a full- time basis on the date the civil action was filed; and
- (B) "Small business" also includes any neighborhood or homeowners' association which is an entity that:
- (i) Is not-for-profit;
  - (ii) Is supported solely by contributions, membership fees assessed to residents of a defined geographical area and/or fund-raising activities sponsored by the association; and
  - (iii) Does not employ more than ten (10) persons on a full-time basis on the date the civil action was filed; and

- Title 45 Banks And Financial Institutions  
Chapter 8 Small Business Investment Development  
Part 1 Small Business Investment Companies  
Tenn. Code Ann. § 45-8-101 (2012)

45-8-101. Functions and powers -- Supervision.

Small business investment companies chartered by the secretary of state and licensed by the small business administration shall be authorized to perform all the functions and exercise all the powers in this state and be subject to all the limitations as prescribed by the Small Business Investment Act of 1958, Public Law 85-699, 85th Congress, second session, 72 Stat. 689, and all rules and regulations promulgated under that act. So long as the company is licensed, regulated, supervised and inspected by the small business administration, it shall not be subject to supervision by agencies of the state, except by the department of commerce and insurance under title 48, chapter 1, part 1.

*(This refers to the \*SBA's definitions.)*

*\*For reference the U.S. Small Business Administration (SBA):*

SBA defines a small business concern as one that is independently owned and operated, is organized for profit, and is not dominant in its field. Depending on the industry, size standard eligibility is based on the average number of employees for the preceding twelve months or on sales volume averaged over a three-year period.

Examples of SBA's general size standards include the following:

- Manufacturing: Maximum number of employees may range from 500 to 1500, depending on the type of product manufactured;
- Wholesaling: Maximum number of employees may range from 100 to 500 depending on the particular product being provided;
- Services: Annual receipts may not exceed \$2.5 to \$21.5 million, depending on the particular service being provided;
- Retailing: Annual receipts may not exceed \$5.0 to \$21.0 million, depending on the particular product being provided;
- General and Heavy Construction: General construction annual receipts may not exceed \$13.5 to \$17 million, depending on the type of construction;
- Special Trade Construction: Annual receipts may not exceed \$7 million; and
- Agriculture: Annual receipts may not exceed \$0.5 to \$9.0 million, depending on the agricultural product.

Lastly, the removal of section (d) from the statute. Section (d) states that no small business is required to answer any questions or complete any forms relative to this report. Several agencies responded that, due to section (d), they did not have enough data available for the report. If this section is removed, agencies will be able to collect the data they need in order to meet the reporting requirement of § 4-3-729.

**V. Contact information**

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**About BERO:** The Business Enterprise Resource Office (BERO) is housed within the Department of Economic and Community Development. BERO serves as a voice for and advocate of disadvantaged businesses (DBE); analyzes, disseminates and promotes best practices and access to capital to service providers; and reports on status of DBEs statewide.

**About ECD:** The Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth.

REPORT TO TENNESSEE GENERAL ASSEMBLY PER TENNESSEE CODE ANNOTATED § 4-3-729

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ATTACHMENTS

REPORT TO TENNESSEE GENERAL ASSEMBLY PER TENNESSEE CODE ANNOTATED § 4-3-729

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ATTACHMENT 1

**GOVERNOR'S OFFICE OF DIVERSITY BUSINESS ENTERPRISE**  
**Certified Small Businesses with <16 Employees and Dollars**

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
541	C. BUCKNER & ASSOCIATES			\$0	1
677	SEPARATE WINDS, INC.			\$3,263	1
446	Green & Sustainable Services, LLC			\$8,571	2
348	DJ CONSTRUCTION			\$9,373	3
650	PEETE MANAGEMENT GROUP			\$12,204	1
630	McNeely Civil Engineering			\$17,674	1
668	Relevant Resources Group, LLC			\$23,273	1
591	HARMON, PATRICIA			\$24,527	1
675	SANITAY SYSTEM EVALUATION SURVEY FIELD TECHNICIAN CO.			\$25,359	1
691	TELFORD AC & HEAT			\$26,845	1
646	OLIPHANT ENGINEERING COMPANY, LLC			\$27,270	1
610	JOHN CURRY (ELECTRIC)			\$29,333	1
550	COMPASS POINT PLANNING, LLC			\$29,846	1
480	SABRE CONSTRUCTION COMPANY, LLC			\$31,463	2
595	HIGHER GROUND TRAINING, INC.			\$33,683	1
706	TURNER'S JANITORIAL SERVICE			\$34,727	1
645	OFFICE BEVERAGE SOLUTIONS!!			\$35,421	1
700	Top Value Steam Clean			\$35,965	1
621	LEXINGTON INDUSTRIAL SUPPLY			\$47,416	1
22	Archangel Protective Services, Inc			\$47,617	14
656	PRECISION LEVEL AND SQUARE			\$55,141	1
671	RHEALISTIC			\$56,823	1
203	JD'S UPHOLSTERY			\$57,333	6
418	CivilSmith LLC			\$59,959	2
512	1ST CHOICE TOTAL SOLUTIONS, INC.			\$65,347	1
689	TARA ARMISTEAD LANDSCAPE ARCHITECTURE			\$65,878	1
593	HEALTH FACILITIES PLANNING PARTNERS, LLC			\$67,333	1
718	WIN ENGINEERING/Lori A Walters			\$76,777	1
626	LTA CONSULTING, LLC			\$78,986	1
444	GCM CONSTRUCTION, LLC			\$80,000	2
516	ABEL STRUCTURES			\$89,120	1
681	SIMS STRATEGIC DIVERSITY CONSULTANTS			\$93,157	1
283	D. JOHNSON ENTERPRISES			\$96,667	4
635	MIKE MARTIN TRUCKING, LLC			\$97,756	1
715	WIDE RANGE TECHNOLOGIES, INC.			\$99,836	1
623	LIMPUS COMMUNICATIONS, LLC			\$111,621	1
670	REMNANT MANAGEMENT GROUP, INC			\$113,508	1
154	TerraBuild USA, Inc (FKA Yellansa & Sutherland Engineers, Inc.)			\$118,169	8
401	Alpine Construction			\$122,205	2
582	Galloway's Construction and Pest Management, LLC			\$128,303	1
527	ARCHITECTURAL SIGNAGE CONSULTANTS-DEBORAH A LAYMAN			\$135,333	1
599	INDOORS			\$138,333	1
596	HISPANIC MARKETING GROUP, LLC			\$140,906	1
227	CLASS GLASS, LLC			\$143,106	5
377	SHELLEY'S CLEANING SERVICE			\$144,197	3
219	Amp Electrical Contractors Inc.			\$149,159	5
406	Apex Window Cleaning, Inc.			\$151,229	2
555	COX TRUCKING AND EXCAVATING / HANNAH COX			\$152,134	1
714	Westmont Engineering			\$152,324	1
428	DEVMAR PRODUCTS, LLC			\$157,333	2
479	RIVER VALLEY, INC.			\$163,880	2
639	NASHVILLE NATIVES, LLC/ANDREW SADBROCK			\$169,570	1
716	WILMOT, INC.			\$170,280	1
507	Urban Blueprint, LLC.			\$179,937	2
713	WATSON'S TAEKWONDO PLUS, INC.			\$180,545	1
573	eSense Incorporated			\$190,932	1
300	MODERN DAY WRECKING CO.			\$197,423	4
182	STAFFORD CUSTOM GRAPHICS, LLC			\$198,401	7
464	Miller & Associates			\$199,033	2
331	B & B FILTERS---WILLIAM R HOUSTON			\$208,667	3
290	J. R. Nash Moving & Storage			\$213,463	4
370	REMAR, INC.			\$223,464	3
224	BROADWATER & ASSOCIATES GROUP, INC.			\$235,051	5
579	FORESTECH RESOURCE SOLUTIONS, LLC			\$248,801	1
301	MORGAN & MORGAN, INC.			\$252,208	4
323	WEST KNOXVILLE GLASS			\$253,067	4

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
355	HALLERS LANDSCAPING AND LAWN CARE			\$254,026	3
333	BEST DISPOSAL SERVICE			\$265,437	3
492	Strategic Tire Solutions, LLC			\$278,242	2
503	TOLLESONMCCOY			\$281,411	2
484	SEAL CO., INC			\$289,900	2
258	SAICAM PAINTING			\$290,101	5
661	PSRI Technologies, LLC			\$291,941	1
286	ELIZABETH EASON ARCHITECTURE LLC			\$295,333	4
334	Building Company No. 7, INC.			\$295,333	3
429	DF&H Services, PLLC			\$295,333	2
192	ARCHER PLUMBING LLC			\$295,672	6
373	RONALD BARKER & CO., INC.			\$298,228	3
412	Business Resource Group, LLC			\$298,623	2
268	TORRES-MCALISTER ENTERPRISE, LLC			\$311,666	5
58	J.A.FARRINGTON JANITORIAL SERVICES INC			\$319,000	12
240	INDUSTRIAL MICROBIOLOGICAL LABORATORIES, INC			\$335,325	5
330	Automatic Elevator, Inc.			\$339,638	3
295	LIFEFORCE GLASS, INC.			\$349,056	4
242	JILL HERTZ INTERIOR DESIGN			\$355,340	5
684	Southern Comfort Cleaning, LLC			\$356,897	1
472	OHMEGA GROUP LLC (THE)			\$371,667	2
289	J. R. CONSTRUCTION			\$375,224	4
685	SOUTHERN INDUSTRIAL MECHANICAL & STRUCTURAL, INC			\$376,808	1
171	GRACEFUL TABLES			\$377,973	7
253	POWERS HILL DESIGN, LLC			\$379,544	5
234	GUARDIAN MEDICAL			\$400,610	5
613	Jupiter Associates, LLC			\$407,185	1
362	Management Solutions Group, LLC			\$414,961	3
379	SIGN MATTERS, INC.			\$418,069	3
39	CONSTRUCTION SPECIALTIES GROUP, INC.			\$420,011	13
327	ALL THINGS IDENTIFICATION			\$436,393	3
6	CONNECTIONS			\$440,765	15
357	HILLHOUSE GRAPHIC DESIGN, LLC			\$465,220	3
314	TANNER CORPORATE SERVICES, INC			\$471,445	4
157	U-KNO CATERING, INC.			\$479,085	8
298	M & P SPOTLESS SERVICES, INC.			\$481,812	4
363	Medusa Concrete Pumping Co, LLC			\$493,341	3
598	IMPACT WINDOW SYSTEMS			\$495,577	1
704	TRAKO DENTAL & MEDICAL SUPPLY, INC.			\$496,318	1
101	Nationwide Security Forces, Inc			\$498,495	10
557	CROSSROADS CONSULTING SERVICES, LLC			\$508,255	1
296	LifeHealth, LLC			\$522,335	4
209	SEWER BEE			\$535,209	6
252	PensionBenefits, Inc.			\$548,990	5
262	SIRT, LLC			\$549,129	5
12	LEROY PENSON, JR			\$578,154	15
97	Irwin Painting Company, Inc			\$584,486	10
77	MILLER'S INSTALLATIONS, LLC			\$616,074	11
475	Print & More Associates Inc.			\$616,529	2
104	THE SERVICE GUYZ			\$619,667	10
187	TND Printing, LLC			\$630,077	7
180	PROVIDENT SECURITY SERVICES, INC.			\$635,492	7
255	Regency Construction LTD, Inc.			\$645,008	5
435	DORRIS PAINTING AND DECORATING			\$651,640	2
354	H&D MUFFLER SHOP, INC			\$661,758	3
63	United Interior Concepts, LLC			\$673,879	12
26	GRAU GENERAL CONTRACTING, LLC			\$684,514	14
500	The Cansler Group, Llc			\$688,565	2
631	MCPHERSON & ASSOCIATES, INC.			\$698,333	1
322	WARREN AND ASSOCIATES / JERRY B WARREN			\$699,000	4
81	UNIVERSAL ELECTRONICS, INC			\$746,047	11
72	HOSKINS & COMPANY, P.C.			\$746,796	11
1	ALPHA GROUP CONSTRUCTION, INC.			\$753,333	15
195	COLT INCORPORATED			\$766,667	6
313	Strategic Emergency Group LLC			\$770,753	4
140	Ikaso Consulting, LLC			\$785,007	8
297	LOGAN PATRI ENGINEERING, INC.			\$785,057	4
168	ENFOPOINT, LLC			\$796,912	7
155	Thornton & Associates, Inc			\$805,701	8

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
178	MCFARLIN HUITT PANVINI, INC			\$823,470	7
204	LANDSCAPES & IRRIGATION, INC.			\$837,865	6
238	HUNLEY RESOURCES, LLC DBA PRINTCO BUSINESS FORMS			\$844,524	5
202	INNER DESIGN STUDIO			\$859,833	6
392	TSC Marketing			\$884,492	3
50	B & D EQUIPMENT CO., INC.			\$917,552	12
237	HIRE Technologies, Inc.			\$955,583	5
158	VRHABILIS, LLC			\$957,999	8
228	Collaborative Studio, PLLC			\$976,124	5
185	TENNESSEED SOD AND TURF, INC.			\$1,015,838	7
179	PIPEWORKS-PLUS, INC.			\$1,019,171	7
278	CAN DO ENTERPRISES, LLC			\$1,025,433	4
95	HEFFERLIN + KRONENBERG ARCHITECTS			\$1,058,339	10
284	Dayenesi Inc.			\$1,060,704	4
335	By The Numbers Actuarial Consulting, Inc.			\$1,065,304	3
266	TASO DISTRIBUTING CO., INC.			\$1,100,000	5
113	Connico Incorporated			\$1,130,155	9
44	Industrial Strength Marketing, Inc.			\$1,150,757	13
73	ICF BUILDERS AND CONSULTANTS, INC.			\$1,166,667	11
54	Dalton Electric, LLC			\$1,168,309	12
133	AMERICAN STRIPERS, LLC			\$1,244,110	8
473	Petty Construction Co. LLC			\$1,277,851	2
143	NASCO CONSTRUCTION SERVICES, INC			\$1,281,149	8
356	HCI IT SERVICES			\$1,292,696	3
102	POWERCOM SOLUTIONS, LLC			\$1,305,601	10
213	TIH ASSOCIATES LLC			\$1,315,251	6
106	TWO RIVERS ROOFING, INC.			\$1,363,440	10
249	MID-STATE MOBILE CONCRETE, INC			\$1,366,667	5
369	PINNACLE CONSTRUCTION PARTNERS, INC,			\$1,378,581	3
67	BYRDS ELECTRIC MOTOR SERVICE, INC.			\$1,382,226	11
122	KATCHER VAUGHN & BAILEY PUBLIC RELATIONS, INC			\$1,386,441	9
151	S & G STEPHENS CONSTRUCTION, INC			\$1,415,000	8
160	Westside Rental & Sales, LLC			\$1,428,971	8
42	GEOTEK ENGINEERING CO., INC.			\$1,431,208	13
533	Baseline Supply, LLC			\$1,447,399	1
116	H2OPRUF, LLC.			\$1,461,667	9
229	Concrete Pump Partners, LLC			\$1,491,027	5
451	Holliday Promos, LLP			\$1,521,239	2
246	LP ENVIRONMENTAL			\$1,530,000	5
391	THE PARATUS GROUP, LLC			\$1,548,847	3
115	Feltus Hawkins Design, LLC			\$1,623,340	9
33	Self Tucker Architects, Inc.			\$1,624,039	14
117	HARRISON-RAINEY INC., DBA THE FORD SYSTEM, INC.			\$1,645,962	9
88	B. Miller Recycling, LLC			\$1,661,875	10
16	ROSE EQUIPMENT CO., INC.			\$1,667,208	15
86	ASKREPLY, INC.			\$1,688,158	10
206	PERFECT FIT IMAGE APPAREL, INC.			\$1,739,822	6
148	ROBERT B. SHAW, JR.			\$1,766,667	8
161	WIRELESS PLUS, INC.			\$1,783,791	8
260	Schloss Engineered Equipment, Inc.			\$1,835,986	5
75	JOHNSON'S BUILDERS, LLC			\$1,837,412	11
318	Transcend Business Solutions LLC			\$2,006,537	4
368	Partition Specialties, Inc.			\$2,093,220	3
256	RITE QUALITY OFFICE SUPPLIES, INC.			\$2,148,830	5
190	WILDER MOTOR AND EQUIPMENT CO.,INC.			\$2,299,374	7
43	H and H Supply of TN , LLC			\$2,305,572	13
304	Retaining Walls of Tennessee, Inc			\$2,305,692	4
8	FISHER SHOTCRETE, INC.			\$2,324,144	15
308	Silver Wolf Enterprises			\$2,333,333	4
91	D.A.S. ELECTRIC, INC			\$2,402,696	10
265	SUNAGO BUILDERS, INC.			\$2,533,333	5
28	Jones Stone Co., Inc.			\$2,559,505	14
11	HICO Concrete, Inc.			\$2,635,134	15
66	AQUA DESIGN SYSTEMS, INC.			\$2,838,333	11
27	JERRY B. YOUNG CONSTRUCTION, INC.			\$2,897,317	14
40	EMC Structural Engineers, PC			\$3,391,724	13
38	CMS UNIFORMS AND EQUIPMENT, INC.			\$3,495,583	13
36	Boxes Etc II, LLC			\$3,847,120	13
45	MNM LLC			\$4,200,000	13

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
490	SOUTHEASTERN CONSTRUCTORS, LLC			\$4,458,752	2
51	BAC Paving Co Inc			\$4,708,560	12
128	RANGEL'S WORKMAN FORCE SUPPLIER, INC.			\$5,233,333	9
52	Clinical Solutions, LLC			\$5,289,097	12
80	TROJAN LABOR OF NASHVILLE, LLC			\$5,372,816	11
46	Myers Plumbing, Inc.			\$5,423,932	13
70	Expedited Transportation Services, Inc.			\$5,440,939	11
59	Lucille Maud Corporation			\$5,546,963	12
121	J & S Valve, Inc.			\$6,194,813	9
170	Globe Electric Supply Company, Inc.			\$6,357,052	7
152	STEWART TRANSPORTATION SOLUTIONS, INC.			\$6,380,027	8
2	ASE DIRECT, INC.			\$8,680,688	15
99	McInerney & Associates, Inc.			\$9,215,667	10
21	AMERICAN BUSINESS SUPPLIES, INC.			\$9,227,369	14
30	Magnetic Products and Services, Inc.			\$25,787,412	14
5	BLU PHARMACEUTICALS			\$68,900,049	15
10	Guy Brown Management, LLC			\$114,551,149	15
3	AVAZA Language Services			Not Enough Data	15
4	Aztec WFR, Inc	\$1,108,007		Not Enough Data	15
7	Dixon Services, Inc.			Not Enough Data	15
9	GOLDEN CIRCLE PRINTING, INC.	\$1,446,992		Not Enough Data	15
13	MTCM ENTERPRISES, INC., DBA GREENE MILITARY		\$3,148,411	Not Enough Data	15
14	PEARSON SAFETY SERVICES, LLC	\$1,135,000		Not Enough Data	15
15	PREST AND ASSOCIATES, INC.		\$4,142,566	Not Enough Data	15
17	SQUEAKY CLEANING SERVICES, INC	\$238,338		Not Enough Data	15
18	THE REAVES FIRM, INC.		\$2,816,000	Not Enough Data	15
19	UNITED WASTE HAULERS OF TENNESSEE, LLC			Not Enough Data	15
20	ACS INSULATION, INC.	\$1,171,825		Not Enough Data	14
23	ARCHIES STONE & FIREPLACES, LLC			Not Enough Data	14
24	BLAKLEY CONSTRUCTION SERVICES, LLC		\$946,579	Not Enough Data	14
25	Burns Printing, Inc.	\$1,266,730		Not Enough Data	14
29	LOVELL COMMUNICATIONS, INC.			Not Enough Data	14
31	Net Tango, Inc.	\$1,867,039		Not Enough Data	14
32	QVS, INC.	\$4,038,323		Not Enough Data	14
34	THE BARR GROUP, INC.	\$2,692,461		Not Enough Data	14
35	ADVANCED RESTORATION TECHNOLOGY, INC.		\$770,042	Not Enough Data	13
37	CME SYSTEMS, INC			Not Enough Data	13
41	FOX BROS. ELECTRIC MOTOR SERVICE, LLC	\$1,751,812		Not Enough Data	13
47	PROFESSIONAL STAFFING COMPANY	\$1,439,243		Not Enough Data	13
48	RELIABLE BUILDING SOLUTIONS, INC.	\$3,515,025		Not Enough Data	13
49	SMYRNA GRAPHICS	\$1,706,225		Not Enough Data	13
53	D & D Ary Enterprises, Inc	\$1,870,707		Not Enough Data	12
55	E.S. DOCKERY, INC.			Not Enough Data	12
56	EARTH SOLUTIONS, INC.	\$1,372,203		Not Enough Data	12
57	FACILITY PLANNERS, INC.			Not Enough Data	12
60	Multi-Lynx Companies, Inc.			Not Enough Data	12
61	NORTH CENTRAL TOOL & MFG., INC.			Not Enough Data	12
62	Office Co-Ordinators, Inc.			Not Enough Data	12
64	A 1 PRINTING SERVICE, INC			Not Enough Data	11
65	ALPHA MAXX HEALTHCARE, INC.	\$1,155,801		Not Enough Data	11
68	COMSPARK INTERNATIONAL, INC	\$543,301		Not Enough Data	11
69	EGV SERVICES, INC. DBA SEXTON FORD OF MORGAN COUNT	\$4,085,360		Not Enough Data	11
71	GMI GROUP, INC	\$3,541,443		Not Enough Data	11
74	Imagen, LLC			Not Enough Data	11
76	LORI'S TRANSPORTATION & EXCAVATION, LLC	\$1,640,983		Not Enough Data	11
78	SESCO ELECTRIC SUPPLY COMPANY	\$5,838,356		Not Enough Data	11
79	The Vandiver Group, Inc.			Not Enough Data	11
82	ACCENDO LIGHTING, INC.	\$1,731,416		Not Enough Data	10
83	Action Bolt & Screw	\$1,839,246		Not Enough Data	10
84	AFFILIATED GROUNDS MAINTENANCE GROUP, INC	\$5,269,719		Not Enough Data	10
85	AIR QUEST AMERICA	\$1,780,629		Not Enough Data	10
87	AVANKIA, LLC		\$820,061	Not Enough Data	10
89	BEAVER ENGINEERING, INC		\$1,250,556	Not Enough Data	10
90	COOKEVILLE GLASS & MIRROR, INC.			Not Enough Data	10
92	DIRECT MEDICAL SUPPLY, LLC	\$376,262		Not Enough Data	10
93	EMPIRE CHEMICAL SUPPLY CO INC			Not Enough Data	10
94	FLEMING MACHINE & WELDING SHOP, INC.	\$602,000		Not Enough Data	10
96	In10sity Finance, LLC	\$396,495		Not Enough Data	10
98	KENNETH R. CLINE	\$1,268,073		Not Enough Data	10

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
100	METRO COMMUNICATIONS, LLC		\$2,116,243	Not Enough Data	10
103	Rock-Tenn Contractors, Inc.			Not Enough Data	10
105	TOLES & ASSOCIATES, INC.	\$791,608		Not Enough Data	10
107	W. F. INTERIORS, LLC			Not Enough Data	10
108	ACE Railroad Contractors, Inc.			Not Enough Data	9
109	BOCAVOX, LLC	\$1,361,332		Not Enough Data	9
110	BOZAC TRANSPORTATION, LLC	\$756,794		Not Enough Data	9
111	Business Forms & Supplies, Inc.			Not Enough Data	9
112	CARRIER SERVICES OF TENNESSEE, INC.			Not Enough Data	9
114	DMC, INC		\$893,873	Not Enough Data	9
118	HAYWARD BOLT AND SPECIALTY	\$1,174,258		Not Enough Data	9
119	HETHCOAT AND DAVIS, INC.			Not Enough Data	9
120	IMAGING DIAGNOSTICS, INC. DBA IDI			Not Enough Data	9
123	KNOX-BRADLEY MECHANICAL CONTRACTOR, INC.	\$1,363,853		Not Enough Data	9
124	LASER RECHARGE	\$1,976,758		Not Enough Data	9
125	LEBANON CHEMICALS INC	\$5,804,613		Not Enough Data	9
126	MID SOUTH INSULATION, INC.	\$1,295,205		Not Enough Data	9
127	New York Inkjet, LLC	\$1,300,000		Not Enough Data	9
129	RON FORD'S OFFICE SUPPLY CO., INC.			Not Enough Data	9
130	SHELTON GENERAL CONTRACTORS / PATRICIA ANN SHELTON		\$368,595	Not Enough Data	9
131	Temporary Alternatives Inc	\$5,453,629		Not Enough Data	9
132	WOODSTONE ENERGY LLC	\$7,426,469		Not Enough Data	9
134	BIG MEADOW FARM SUPPLY, INC	\$1,234,526		Not Enough Data	8
135	BOMAR CONSTRUCTION CO., INC	\$5,142,576		Not Enough Data	8
136	Evergreen Solutions, LLC	\$1,506,777		Not Enough Data	8
137	HARA, INC, DBA HOT SHOT DELIVERY	\$1,354,441		Not Enough Data	8
138	HOILMAN CONSTRUCTION COMPANY, INC.			Not Enough Data	8
139	HOLLAND'S LAWN & LANDSCAPING, INC.			Not Enough Data	8
141	INFORM SMALLWOOD AND NICKLE, LLC			Not Enough Data	8
142	LONG ENGINEERING, INC.	\$10,629,385		Not Enough Data	8
144	NASHVILLE HIGH LIFT LLC	\$1,898,619		Not Enough Data	8
145	NYMBUS INTERACTIVE SOLUTIONS, LLC	\$54,399		Not Enough Data	8
146	OFFICE MACHINES AND SUPPLY COMPANY, INC.	\$1,255,541		Not Enough Data	8
147	PROFESSIONAL PAINTING CONTRACTORS			Not Enough Data	8
149	ROUNTREE BUSINESS EQUIPMENT LLC			Not Enough Data	8
150	RPM TRANSPORTATION CONSULTANTS, LLC			Not Enough Data	8
153	SUPERIOR CONTRACTING GROUP, INC.	\$827,230		Not Enough Data	8
156	TRAHAN STAFFING RESOURCES, INC. DBA SPHERION	\$195,650		Not Enough Data	8
159	WAGMORE, INC.		\$102,611	Not Enough Data	8
162	BENEFITS CONNECTION, LLC	\$337,572		Not Enough Data	7
163	BRAD RUSSOM MOTOR COMPANY			Not Enough Data	7
164	COMMERCIAL ENVIRONMENTS, INC			Not Enough Data	7
165	DESIGNSENSORY, INC.			Not Enough Data	7
166	DIAGNOSTIC RESOURCES & SOLUTIONS, LLC	\$506,155		Not Enough Data	7
167	E SOLUTIONS FOR BUILDINGS, LLC			Not Enough Data	7
169	GILLEY TRUCKING, LLC		\$1,933,911	Not Enough Data	7
172	Graphic Creations Inc	\$1,414,606		Not Enough Data	7
173	GRIFFIN & STRONG, P.C.	\$285,758		Not Enough Data	7
174	Helen Duhon & Associates, LLC	\$870,607		Not Enough Data	7
175	IN TO INK, INC.		\$722,677	Not Enough Data	7
176	JOHNSTON TECHNOLOGIES, INC	\$4,464,192		Not Enough Data	7
177	KING'S, INC.	\$750,270		Not Enough Data	7
181	SAS, LLC	\$1,776,932		Not Enough Data	7
183	T.G. INC.	\$1,507,184		Not Enough Data	7
184	TENNESSEE FILTER SALES, INC.			Not Enough Data	7
186	Tesco-Building Maintenance Professionals		\$79,198	Not Enough Data	7
188	VALENTI NECKWEAR CO. INC.		\$44,500,163,721	Not Enough Data	7
189	VERTICAL SOLUTIONS, INC.	\$1,159,117		Not Enough Data	7
191	YOUNGER ASSOCIATES, LLC	\$1,235,325		Not Enough Data	7
193	CARRIER'S CONSTRUCTION, INC.			Not Enough Data	6
194	Claire Bennett Associates DBE Landstory, Inc.	\$350,000		Not Enough Data	6
196	COMPUTER SUPPORT SERVICES CORPORATION	\$3,166,545		Not Enough Data	6
197	CRAIG ELECTRIC, INC.		\$738,264	Not Enough Data	6
198	D AND K PACKAGING, LLC			Not Enough Data	6
199	EAST TN TECHNICAL SERVICES, INC.	\$742,369		Not Enough Data	6
200	GISBIZ, INC.		\$1,702,861	Not Enough Data	6
201	HAIZLIP STUDIO, PLLC		\$244,400	Not Enough Data	6
205	Medgluv Inc			Not Enough Data	6
207	Prism International, Inc.			Not Enough Data	6

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
208	RICH CONSTRUCTION, INC.			Not Enough Data	6
210	SOS COMPUTERS, LLC	\$8,106,434		Not Enough Data	6
211	Southern Global Safety Services, Inc.	\$2,322,126		Not Enough Data	6
212	THE BINGHAM GROUP, INC.	\$640,068		Not Enough Data	6
214	ULTIMATE ACCESS OF FLORIDA. INC	\$455,265		Not Enough Data	6
215	URBANARCH ASSOCIATES, P.C.			Not Enough Data	6
216	Ace Electric Service Company, LLC			Not Enough Data	5
217	ADAMSON DEVELOPERS, LLC		\$710,532	Not Enough Data	5
218	ALEXANDER CONSULTING SERVICES, LLC	\$3,296,083		Not Enough Data	5
220	ANYWAY MAILING SERVICE INTERNATIONAL (DBA AMSI)		\$322,718	Not Enough Data	5
221	Barrier Cable, Inc.		\$62,846	Not Enough Data	5
222	BENEFAST, INC.		\$1,369,031	Not Enough Data	5
223	BOBBY OUTLAW DISPOSAL SERVICE, LLC	\$1,064,286		Not Enough Data	5
225	C.A.R.E. JANITORIAL	\$163,316		Not Enough Data	5
226	CHAMPIONSHIP ENTERPRISES, INC.	\$443,412		Not Enough Data	5
230	Davis Patrikios Criswell, Inc.			Not Enough Data	5
231	DULEY HOPKINS & ASSOCIATES, INC.	\$2,387,412		Not Enough Data	5
232	FIREPRO SALES & SERVICE INC	\$692,891		Not Enough Data	5
233	FITCHWHEELER, INC DBA DYNAMIC DISPLAYS AND GRAPHICS	\$439,105		Not Enough Data	5
235	HEARTBEAT-CPR	\$56,800		Not Enough Data	5
236	HIGH ANGLE SERVICES, LLC	\$613,089		Not Enough Data	5
239	I - GROUP, LLC	\$94,582		Not Enough Data	5
241	JEFFERY K. KELLY CONSTRUCTION			Not Enough Data	5
243	Kamiini LLC	\$140,584		Not Enough Data	5
244	KENESAW MARKETING, INC.			Not Enough Data	5
245	KMF III SERVICES, LLC			Not Enough Data	5
247	MARCH VISION CARE GROUP, INCORPORATED	\$27,294,271		Not Enough Data	5
248	MERCHANDISE PARTNERS	\$19,053,000		Not Enough Data	5
250	MM&I Construction And Design, Inc.	\$1,106,926		Not Enough Data	5
251	MPE ENGINEERING, LLC	\$685,000		Not Enough Data	5
254	QUALITY RX RETURNS, INC.	\$296,615		Not Enough Data	5
257	S & S POWERSPORTS, LLC	\$386,369		Not Enough Data	5
259	SANCHEZ AND BLACK CONSTRUCTION, LLC	\$1,800,000		Not Enough Data	5
261	Sent Software, Inc.	\$542,280		Not Enough Data	5
263	STANDARDIZED SYSTEMS SOLUTIONS, INC.		\$403,824	Not Enough Data	5
264	STREAMLINER CREATIVE Group, Inc.	\$363,722		Not Enough Data	5
267	THE RENAISSANCE GROUP	\$354,132		Not Enough Data	5
269	Trenton Truck Terminal & Warehouse	\$208,000		Not Enough Data	5
270	TRESTLES, LLC		\$416,117	Not Enough Data	5
271	ACCESS MEDICAL, LLC		\$463,795	Not Enough Data	4
272	ALL AROUND PROPERTY PRESERVATION			Not Enough Data	4
273	Bartlett Sawmills	\$2,532,929		Not Enough Data	4
274	BENTCO OFFICE SOLUTIONS	\$614,011		Not Enough Data	4
275	BETTER BUILDING SERVICES, INC.		\$84,000	Not Enough Data	4
276	BINKLEY GARCIA ARCHITECTURE, LLC		\$954,088	Not Enough Data	4
277	C AND L BUS REPAIR SERVICE, LLC	\$186,014		Not Enough Data	4
279	CIRCLESRING, LLC	\$61,392		Not Enough Data	4
280	CLARK-DIXON ASSOCIATES, ARCHITECTS			Not Enough Data	4
281	COMPLETE BUILDERS, LLC			Not Enough Data	4
282	CUMBERLAND LANDSCAPE & DESIGN DBA LUKE LEA ET AL P			Not Enough Data	4
285	ELECTRONIC MEDIA SYSTEMS, LLC	\$417,114		Not Enough Data	4
287	GUY PAYNE AND ASSOCIATES	\$216,260		Not Enough Data	4
288	HOPKINS SURVEYING GROUP	\$424,090		Not Enough Data	4
291	K&J ASSOCIATES, INC.	\$2,400,000		Not Enough Data	4
292	KDR ENTERPRISES	\$244,460		Not Enough Data	4
293	KNOXVILLE OFFICE SUPPLY & DESIGN, INC.	\$25,464		Not Enough Data	4
294	KO PEST CONTROL INC..			Not Enough Data	4
299	MEDFAC ENGINEERING LLC			Not Enough Data	4
302	New Leaf Engineering, LLC	\$86,286		Not Enough Data	4
303	QUESTAR PARTNERS, INC.	\$1,126,021		Not Enough Data	4
305	ROBMARS, INC.,	\$291,072		Not Enough Data	4
306	SENTINEL CONSTRUCTION	\$1,587,000		Not Enough Data	4
307	SEVEN SOLUTIONS MEDICAL PRODUCTS, LLC	\$6,955		Not Enough Data	4
309	SMALLBIZ RESOURCE, LLC	\$1,164,969		Not Enough Data	4
310	SOUTHERN SAFETY SUPPLY LLC			Not Enough Data	4
311	SPECIALIZED SERVICES UNLIMITED, LLC	\$910,000		Not Enough Data	4
312	STRAGISTICS TECHNOLOGY, INC.	\$532,106		Not Enough Data	4
315	THE NASHVILLE RESEARCH GROUP, LLC	\$875,286		Not Enough Data	4
316	THOMAS CALDWELL, ARCHITECT			Not Enough Data	4

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
317	THOMAS CONSULTANTS, INC.	\$2,800,000		Not Enough Data	4
319	VARALLO PUBLIC RELATIONS	\$391,071		Not Enough Data	4
320	VICK SURVEYING LLC			Not Enough Data	4
321	WAP Sustainability Consulting, LLC.	\$200,428		Not Enough Data	4
324	A-1 WORKFORCE, INC.	\$1,806,016		Not Enough Data	3
325	ADELINES INC	\$325,298		Not Enough Data	3
326	AERIAL INNOVATIONS OF TN, INC.	\$437,336		Not Enough Data	3
328	Alpha Health Inc.	\$120,462		Not Enough Data	3
329	ATLAS MANAGEMENT CORPORATION	\$2,064,479		Not Enough Data	3
332	BD FINANCIAL SERVICES, P.C.		\$64,877	Not Enough Data	3
336	CAPITAL SECURITY SOLUTIONS			Not Enough Data	3
337	CHRICLAR CORPORATION DBA CUSTOM EARTHWORKS	\$156,618		Not Enough Data	3
338	CIA, Civil Infrastructure Associates, LLC	\$92,000		Not Enough Data	3
339	Citizen's Rx, LLC	\$25,201		Not Enough Data	3
340	CLARION SECURITY, LLC	\$967,950		Not Enough Data	3
341	CLEANING SOLUTIONS, LLC	\$290,229		Not Enough Data	3
342	CLINT'S AIR CARE, INC			Not Enough Data	3
343	COLUMBIA DATA SYSTEMS, INC	\$193,514		Not Enough Data	3
344	CONCO SPRAY SOLUTIONS, LLC		\$1,089,500	Not Enough Data	3
345	CRG2, LLC	\$113,669		Not Enough Data	3
346	DALMATIAN CREATIVE AGENCY, INC.	\$426,704		Not Enough Data	3
347	DEVMAR MANUFACTURING, LLC			Not Enough Data	3
349	ETEGRA, INC.		\$150,250	Not Enough Data	3
350	EXTENDLIFE, INC.			Not Enough Data	3
351	FIRST CHOICE SECURITY, LLC			Not Enough Data	3
352	FIRST PLACE FINISH, INC.	\$377,000		Not Enough Data	3
353	FRANKLIN BRONZE PLAQUES, INC			Not Enough Data	3
358	JOHNSON HEATING AND AIR	\$350,568		Not Enough Data	3
359	K . P. ENTERPRISE, INC.	\$143,724		Not Enough Data	3
360	L.A.'S ALL-IN-1 CLEANING SERCVICE	\$61,995		Not Enough Data	3
361	MAC'S LAWN CARE	\$23,590		Not Enough Data	3
364	MICRO PRECISION MACHINING			Not Enough Data	3
365	NATS, Inc.	\$401,293		Not Enough Data	3
366	NORTHCUTT & ASSOCIATES	\$224,416		Not Enough Data	3
367	OUTLOOK LANDSCAPING	\$64,901		Not Enough Data	3
371	RIGHT RESOURCE MANAGEMENT GROUP	\$189,493		Not Enough Data	3
372	RIVER CITY SOAP COMPANY	\$466,115		Not Enough Data	3
374	S3 Consulting LLC			Not Enough Data	3
375	SCP Corporation		\$5,000	Not Enough Data	3
376	Sharon Robinson	\$93,177		Not Enough Data	3
378	SHRED SHOP OF MEMPHIS, LLC	\$133,291		Not Enough Data	3
380	Siler Excavating, LLC			Not Enough Data	3
381	SLOVER'S ELECTRIC SERVICE			Not Enough Data	3
382	SOUTHERN EXTERMINATING, INC.			Not Enough Data	3
383	SPACES GROUP, LLC	\$1,590,352		Not Enough Data	3
384	SRR & ASSOCIATES, PC			Not Enough Data	3
385	STRUCTURAL SERVICES	\$305,094		Not Enough Data	3
386	SUPERIOR PLUMBING, HEATING & A/C CO., LLC			Not Enough Data	3
387	T & M SPECIALTIES, INC			Not Enough Data	3
388	Telescope Communications, Inc			Not Enough Data	3
389	The George Group, LLC			Not Enough Data	3
390	The Green Truck Moving Company LLC			Not Enough Data	3
393	TSS Industrial Packaging, LLC			Not Enough Data	3
394	Vega Concrete, Inc.			Not Enough Data	3
395	VKR CORPORATION	\$67,141		Not Enough Data	3
396	VOLUNTEER EROSION CONTROL, LLC		\$189,556	Not Enough Data	3
397	ACE CONTRACTORS, INC	\$361,224		Not Enough Data	2
398	ADEMI INTERNATIONAL, LLC	\$159,241		Not Enough Data	2
399	ADVANTAGE FIRST AID SERVICE, INC	\$180,589		Not Enough Data	2
400	AJ Media Services LLC	\$10,482		Not Enough Data	2
402	ALTON PARK RECYCLE			Not Enough Data	2
403	AMARO TECHNOLOGIES, LLC.	\$62,960		Not Enough Data	2
404	ANOINTED ONE CONSTRUCTION			Not Enough Data	2
405	Antioch Elevator Co LLC			Not Enough Data	2
407	Bass Annie, Inc.	\$137,680		Not Enough Data	2
408	BIRCHWOOD CONSTRUCTORS, INC	\$1,576,751		Not Enough Data	2
409	BRANHAM & LLOYD, LLC			Not Enough Data	2
410	Brighter Days & Nites Inc			Not Enough Data	2
411	BROWN FENCING---TONYA BROWN	\$80,725		Not Enough Data	2

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
413	BUTLER CLEANING SERVICES	\$30,530		Not Enough Data	2
414	C & J SIGNS AND AWNINGS			Not Enough Data	2
415	CFM SOLUTIONS, INC.	\$245,323		Not Enough Data	2
416	Chocolate Brownies LLC			Not Enough Data	2
417	CIRRUS INTEGRATED SOLUTIONS, INC.		\$68,914	Not Enough Data	2
419	cke interior design llc			Not Enough Data	2
420	CKF EXCAVATING, LLC			Not Enough Data	2
421	ConnectTheDots Staffing			Not Enough Data	2
422	CREATIVE ON CALL	\$300,102		Not Enough Data	2
423	D & J TOOL & SUPPLY	\$84,743		Not Enough Data	2
424	DALE'S CLEANING SERVICE	\$80,898		Not Enough Data	2
425	DARK STAR SECURITY SERVICES, LLC			Not Enough Data	2
426	DAWKINS CONTRACTING, LLC			Not Enough Data	2
427	DAYTON PAINT & GLASS CO.			Not Enough Data	2
430	Diamond Restoration LLC	\$5,500		Not Enough Data	2
431	DigiPoint Solutions Inc.	\$117,004		Not Enough Data	2
432	DIVERSIFIED GLOBAL SOURCING, INC.	\$480,771		Not Enough Data	2
433	DIVERSIFIED, INC.	\$218,659		Not Enough Data	2
434	DOREL SPECIALTIES, INC.	\$77,347		Not Enough Data	2
436	DPM OF NASHVILLE, INC		\$178,457	Not Enough Data	2
437	DRS BATTERIES UNLIMITED, INC		\$142,660	Not Enough Data	2
438	ECF, LLC DBA THE FABRIC MARKET		\$587,505	Not Enough Data	2
439	ED'S AUTO REBUILDERS	\$36,475		Not Enough Data	2
440	ENGINEERED TELECOMM SOLUTIONS, INC.			Not Enough Data	2
441	EXCEL CLEANING SERVICES	\$83,037		Not Enough Data	2
442	F & K VIDEO CONFERENCING			Not Enough Data	2
443	FOURSQUARE CONSULTING GROUP, LLC	\$120,988		Not Enough Data	2
445	GLOBAL INDUSTRIAL SUPPLY, INC.	\$97,184		Not Enough Data	2
447	Grinnell Appreciative Consulting, LLC		\$252,607	Not Enough Data	2
448	HANGING AROUND, INC.			Not Enough Data	2
449	HEALTH FACILITY PARTNERS, INC			Not Enough Data	2
450	HEDSTROM DESIGN, LLC			Not Enough Data	2
452	HRB CLEANING, LLC	\$0		Not Enough Data	2
453	IDEAS ON PAPER, INC	\$113,512		Not Enough Data	2
454	J AND R COMMERCIAL CONTRACTORS, LLC			Not Enough Data	2
455	JST, LLC	\$67,560		Not Enough Data	2
456	KD&R JANITORIAL		\$55,255	Not Enough Data	2
457	KIMBERLY, INC	\$4,778,388		Not Enough Data	2
458	LEARNING CURVE EDUCATIONAL CONSULTING	\$46,261		Not Enough Data	2
459	Lynn Sanford Construction, Inc			Not Enough Data	2
460	MARKETS DEMAND MORE, LLC	\$1,367		Not Enough Data	2
461	MARSHALL & ASSOCIATES, INC.			Not Enough Data	2
462	Martin IT Solutions, Inc			Not Enough Data	2
463	MASTER PLAN SECURITY SERVICES			Not Enough Data	2
465	Mojave Corrections Company LLC			Not Enough Data	2
466	Murphey Promotions, Inc.	\$49,512		Not Enough Data	2
467	Nashville Fabrication & Engineering		\$824,775	Not Enough Data	2
468	NATURE GRAPHICS			Not Enough Data	2
469	NeMARC PROFESSIONAL SERVICES, INC.	\$220,209		Not Enough Data	2
470	NTS PROMEDIA, INC.	\$522,855		Not Enough Data	2
471	NU-TOUCH MAINTENANCE			Not Enough Data	2
474	POLK & ASSOCIATES, LLC (CONSTRUCTION)	\$500		Not Enough Data	2
476	PRIVATE DISPUTE RESOLUTION SERVICES, LLC	\$68,552		Not Enough Data	2
477	RAPID RESCUE & SAFETY EQUIPMENT, INC.	\$65,811		Not Enough Data	2
478	RESOURCE PLANNING AND MANAGEMENT ASSOCIATES, LLC	\$633,798		Not Enough Data	2
481	SAVOR THE FLAVOR CATERING, LLC			Not Enough Data	2
482	SCHOOLHOUSE SUPPLY CO.	\$178,644		Not Enough Data	2
483	SCOTT.GARDNER GROUP, INC.	\$100,107		Not Enough Data	2
485	SECURITY WALLS, LLC	\$7,111,626		Not Enough Data	2
486	SHEARSPPOINT, INC.		\$38,735	Not Enough Data	2
487	SHOW WONG INC.			Not Enough Data	2
488	SMALL BUSINESS SERVICES	\$11,770		Not Enough Data	2
489	SMC ASSOCIATES, LLC	\$11,564		Not Enough Data	2
491	STELL, INC.	\$483,830		Not Enough Data	2
493	STRAY DOG, LLC	\$743,924		Not Enough Data	2
494	SUNAGO SUPPLY CORPORATION			Not Enough Data	2
495	SUPERIOR CLEANING SERVICE	\$72,671		Not Enough Data	2
496	Sustainable Construction and Consulting, LLC			Not Enough Data	2
497	T AND C CORP	\$0		Not Enough Data	2

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
498	TERA INTERNATIONAL	\$112,997		Not Enough Data	2
499	The APAX Group Inc	\$85,000		Not Enough Data	2
501	THE MOTIVE GROUP, LLC	\$31,473		Not Enough Data	2
502	THE NORRIS COMPANY ARCHITECTURAL SIGNAGE	\$143,107		Not Enough Data	2
504	Tri- Shell Enterprises, LLC	\$130,638		Not Enough Data	2
505	Turk Marketing Group	\$79,993		Not Enough Data	2
506	Universal Consulting Partners Inc.	\$204,491		Not Enough Data	2
508	WARD'S CLEANING	\$99,305		Not Enough Data	2
509	WONDERFULLY MADE CATERING, LLC			Not Enough Data	2
510	YOUR SPANISH LINK CO.	\$14,297		Not Enough Data	2
511	180 Link Media			Not Enough Data	1
513	3-D Delivery			Not Enough Data	1
514	901/501/601 Electric			Not Enough Data	1
515	979 Agency, LLC	\$19,983		Not Enough Data	1
517	Action Asphalt Sealcoating			Not Enough Data	1
518	ADAPTATION INTERNATIONAL LLC	\$4,275		Not Enough Data	1
519	ALL PAWS WILDLIFE REMOVAL, LLC	\$363,673		Not Enough Data	1
520	ALLIED LEGAL SUPPORT SERVICES, INC	\$48,936		Not Enough Data	1
521	Ambrico Inc.			Not Enough Data	1
522	AMC Promotional Products			Not Enough Data	1
523	Anderson HOMES LLC			Not Enough Data	1
524	ANDREWS INTERIORS		\$72,893	Not Enough Data	1
525	ANNA DURHAM WINDROW	\$840,600		Not Enough Data	1
526	ANYTHING WITH A LOGO	\$211,382		Not Enough Data	1
528	ASHWORTH ENVIRONMENTAL DESIGN	\$91,177		Not Enough Data	1
529	ASL - AS A SECOND LANGUAGE	\$120,095		Not Enough Data	1
530	AT HOME REALTY	\$634,938		Not Enough Data	1
531	AW ENGINEERING	\$131,193		Not Enough Data	1
532	BASE POINT TECHNOLOGY			Not Enough Data	1
534	BETTY BLACKMAN, HEALTH SPECTRUM WORKSITE SOLUTIONS	\$2,440		Not Enough Data	1
535	BeyondBenefits	\$120,176		Not Enough Data	1
536	Big MaMa's Janitorial Service			Not Enough Data	1
537	BJ's Clean Sweep, LLC			Not Enough Data	1
538	Bradley Touch		\$128,500	Not Enough Data	1
539	BRIGHT VENTURES		\$84,241	Not Enough Data	1
540	BUSINESS SPEECH IMPROVEMENT	\$38,930		Not Enough Data	1
542	CAROLYN BALDWIN TUCKER - EDUCATIONAL CONSULTANT	\$1,340		Not Enough Data	1
543	CASSEL INTERNATIONAL	\$47,274		Not Enough Data	1
544	CEW ADVERTISING	\$486,516		Not Enough Data	1
545	CHERRY TREE BSC			Not Enough Data	1
546	CLD Industries, LLC	\$62,566		Not Enough Data	1
547	CLEAR HANDBAGS & MORE		\$74,112	Not Enough Data	1
548	CLEMONS, INC	\$177,072		Not Enough Data	1
549	COMPASS PARTNERS, LLC			Not Enough Data	1
551	COMPREHENSIVE SURVEILLANCE INTEGRATORS LLC DBA CSI	\$22,242		Not Enough Data	1
552	CONTEMPORA MAGAZINE, INC DBA THE TN TRIBUNE NEWSPAPER	\$438,369		Not Enough Data	1
553	Contractors Products & Specialties, Inc.	\$1,552,936		Not Enough Data	1
554	COSTELLO CONSTRUCTION, LLC			Not Enough Data	1
556	CREATIVE PRINTING & GRAPHICS, INC.		\$8,800	Not Enough Data	1
558	CROWN EMBLEMS, LLC		\$128,174	Not Enough Data	1
559	CUMBERLAND FLEET SERVICE LLC	\$44,980		Not Enough Data	1
560	CUSTOM WINDOW COVERING			Not Enough Data	1
561	CV BROKERAGE, INC.		\$1,012,533	Not Enough Data	1
562	D & J SUPPLY COMPANY	\$412,243		Not Enough Data	1
563	DB CONTRACTING			Not Enough Data	1
564	DELFIN PERALES FOX INSURANCE SERVICES	\$11,376		Not Enough Data	1
565	DESIGN CONSULTANTS, INC.		\$6,517	Not Enough Data	1
566	Devin James Group, LLC			Not Enough Data	1
567	ECOSolutions, LLC			Not Enough Data	1
568	EDUWOMEN.COM			Not Enough Data	1
569	EENJ and Associates, USA	\$84,108		Not Enough Data	1
570	ELCAN Solutions, Inc.			Not Enough Data	1
571	Electrical and Air Services Inc.	\$90,397		Not Enough Data	1
572	ELROD EDUCATIONAL SUPPORT SERVICES	\$37,590		Not Enough Data	1
574	Extreme Cleaning Service	\$47,434		Not Enough Data	1
575	FEDSafe, LLC	\$0		Not Enough Data	1
576	FINAL FINISHINGS, LLC			Not Enough Data	1
577	FIREPRO TESTING AND INSPECTIONS, INC.			Not Enough Data	1
578	FIVE STAR LAWN MANAGEMENT			Not Enough Data	1

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
580	FRANCES ROY & ASSOCIATES	\$146,715		Not Enough Data	1
581	Frank Rashed			Not Enough Data	1
583	GCS SUPPLIES, INC			Not Enough Data	1
584	Genesis Real Estate Group, LLC		\$28,299	Not Enough Data	1
585	GOLDEN SERVICES	\$484,628		Not Enough Data	1
586	GREENWOOD OAK, LLC	\$33,770		Not Enough Data	1
587	H & N Excavating			Not Enough Data	1
588	H.A. MECHANICAL CONTRACTOR, LLC	\$600		Not Enough Data	1
589	HALL COMMUNICATIONS, INC.	\$24,577		Not Enough Data	1
590	Hampton Flooring & Fitness, Inc.		\$25,000	Not Enough Data	1
592	HEALTH E-STRATEGIES	\$4,536		Not Enough Data	1
594	Healthcare Space Planning Consultants, LLC			Not Enough Data	1
597	HW DELIVERY SYSTEMS CORP	\$25,272		Not Enough Data	1
600	Information by Design, Inc.	\$67,861		Not Enough Data	1
601	INGE R. POOLE	\$32,280		Not Enough Data	1
602	INITIAL DESIGN	\$13,551		Not Enough Data	1
603	INNERTAINMENT DELIVERY SYSTEMS, LLC	\$65,350		Not Enough Data	1
604	INTERIORS BY DEBORAH			Not Enough Data	1
605	INTUITIVE TECHNOLOGIES, INC			Not Enough Data	1
606	IT Solutions by Design, Inc.		\$23,035	Not Enough Data	1
607	J & S Go Green	\$20,878		Not Enough Data	1
608	James Hardaway, jr., CPA, CMA, MBA	\$115,935		Not Enough Data	1
609	Jan-Tech Cleaning Service			Not Enough Data	1
611	John P. Burrows Jr.			Not Enough Data	1
612	JOHNSON FENCE COMPANY			Not Enough Data	1
614	K2 ENVIRONMENTAL, LLC			Not Enough Data	1
615	KATHY MANNING, RPA	\$34,987		Not Enough Data	1
616	KEN'S MOWING			Not Enough Data	1
617	LABOR RELATIONS ALTERNATIVES, INC.			Not Enough Data	1
618	Lake Maintenance, LLC	\$77,416		Not Enough Data	1
619	Latitude Outsourcing LLC			Not Enough Data	1
620	LEE'S TREES			Not Enough Data	1
622	LIGHT INCORPORATED	\$523,961		Not Enough Data	1
624	LINDA VAUGHN, INC	\$60,634		Not Enough Data	1
625	LOGIK, Inc.	\$853,090		Not Enough Data	1
627	LYNCH EDUCATIONAL CONSULTATION	\$14,459		Not Enough Data	1
628	Lynn Lawson & Associates, LLC	\$68,344		Not Enough Data	1
629	MATRANGA WOOD DESIGNS	\$52,197		Not Enough Data	1
632	MCREYNOLDS RISK MANAGEMENT SERVICES	\$11,000		Not Enough Data	1
633	Medford Roofing and Construction			Not Enough Data	1
634	MEDINA CLEANING SERVICE		\$0	Not Enough Data	1
636	MINOR REQUEST, LLC			Not Enough Data	1
637	MOWJOW GENERAL SERVICES			Not Enough Data	1
638	MYRA IVEY			Not Enough Data	1
640	National Lift Installation, Inc.			Not Enough Data	1
641	NE INTEGRATION, Inc.	\$0		Not Enough Data	1
642	NEW SYSTEM ELECTRIC	\$30,000		Not Enough Data	1
643	NICOLE BICHELMAN		\$104,193	Not Enough Data	1
644	NICOLE FOODS	\$20,553		Not Enough Data	1
647	OPPORTUNITY LANDSCAPES AND NURSERY, LLC			Not Enough Data	1
648	PARIS CONSTRUCTION CO. LLC			Not Enough Data	1
649	PART7 ARCHITECTURE LLC	\$26,000		Not Enough Data	1
651	PHASE ONE CONSULTANTS, LLC	\$168,567		Not Enough Data	1
652	PIED PIPER PEST CONTROL, INC.			Not Enough Data	1
653	PINNACLE PERPETUAL SERVICES	\$9,941		Not Enough Data	1
654	Pitt General Contractors	\$0		Not Enough Data	1
655	POWELL ARCHITECTURE			Not Enough Data	1
657	PROFESSIONAL CROSS CONNECTS, LLC			Not Enough Data	1
658	PROFESSIONAL TRAFFIC CONTROL SERVICES, LLC		\$36,404	Not Enough Data	1
659	ProSource			Not Enough Data	1
660	PROVINCE BUILDERS, LLC		\$1,281,777	Not Enough Data	1
662	PUSH 4 J CONSTRUCTION COMPANY, LLC	\$177,781		Not Enough Data	1
663	QONTINUITY ENTERPRISES, LLC		\$350,000	Not Enough Data	1
664	Queen Bee's Cleaning Services			Not Enough Data	1
665	QUICKMED COLLECT, LLC			Not Enough Data	1
666	R.G. RENOVATION CONSTRUCTION, INC			Not Enough Data	1
667	REHAB AT YOUR PLACE, LLC	\$120,949		Not Enough Data	1
669	REMAINSTOBESEEN, INC.		\$106,446	Not Enough Data	1
672	RICKIE G. LAMON			Not Enough Data	1

	Firm	One Year	Two Year Average	Three Year Average	Full Time Employees
673	ROBLEDO TRANSLATIONS, LLC	\$23,256		Not Enough Data	1
674	SANDRA KNOX CONSULTING	\$58,315		Not Enough Data	1
676	SCOTT LINDSAY COMPANY	\$37,693		Not Enough Data	1
678	SHADES			Not Enough Data	1
679	SHONDI JOHNSON	\$40,554		Not Enough Data	1
680	SIGMA SOLUTIONS	\$87,809		Not Enough Data	1
682	SLG ENTERPRISE	\$494,377		Not Enough Data	1
683	SONNY'S CONTRACT HAULING			Not Enough Data	1
686	Speedy Line Striping			Not Enough Data	1
687	SSCOMM, INC.	\$26,163		Not Enough Data	1
688	STRAIGHTWAY ENTERPRISES LLC	\$58,516		Not Enough Data	1
690	TELFORCE GROUP LLP	\$96,086		Not Enough Data	1
692	TENDER EARS, LLC	\$4,147		Not Enough Data	1
693	The Battery Store USA			Not Enough Data	1
694	THE CLEAN POPE	\$26,837		Not Enough Data	1
695	THE LAW OFFICE OF NATASHA L. BLACKSHEAR	\$29,110		Not Enough Data	1
696	THE MEPR AGENCY	\$14,300		Not Enough Data	1
697	The Mitch Group			Not Enough Data	1
698	The Stevenson Group - O.G. Books & Gifts	\$48,961		Not Enough Data	1
699	TIM SHAVER AND ASSOCIATES, LLC	\$124,321		Not Enough Data	1
701	Torres Concrete			Not Enough Data	1
702	TP EVENTS		\$13,925	Not Enough Data	1
703	TRACKING SOLUTIONS			Not Enough Data	1
705	TRANSITIONAL ANGER MANAGEMENT SERVICES	\$39,506		Not Enough Data	1
707	UBILLUS GLOBAL TRADING GROUP, INC.	\$0		Not Enough Data	1
708	Universal Screen, Inc			Not Enough Data	1
709	V.N. PRODUCTS, INC. DBA VERY NICE PRODUCTS	\$2,173,092		Not Enough Data	1
710	VISUAL COMMUNICATION INTERPRETING	\$224,557		Not Enough Data	1
711	WALKER BUILDING GROUP, LLC		\$283,234	Not Enough Data	1
712	WARD CLEAN SERVICES			Not Enough Data	1
717	Wimberly Sales Company, Inc	\$834,182		Not Enough Data	1

REPORT TO TENNESSEE GENERAL ASSEMBLY PER TENNESSEE CODE ANNOTATED § 4-3-729

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ATTACHMENT 2

**TDEC: Small Business Environmental Assistance Program  
Division of Air Pollution Control**

**Program Overview**

The 1990 Clean Air Act Amendments, Title V, Section 507 required the establishment of an environmental compliance assistance program in each state to support small businesses in understanding and complying with environmental regulations. Tennessee's Program provides free, confidential assistance. The Small Business Environmental Assistance Program (SBEAP) services include permitting assistance, onsite visits, training, a toll free hotline, regulatory notifications, outreach, and preventing and eliminating non-compliance situations. A small business has 100 or fewer employees, not a major stationary source and meets the federal Small Business Act's definition of a small business.

**Required Program Components:**

- (1) State Ombudsman (Advocate)  
The Small Business Advocate represents small business in regulatory matters, identifies, and proposes solutions to small business technical and compliance problems.
- (2) Environmental Technical Assistance  
Technical Assistance staff provides technical, administrative, and permitting assistance. Staff informs businesses of regulatory requirements in easy-to-understand language. When needed staff conducts onsite visits and provide training opportunities.
- (3) Compliance Advisory Panel (CAP)  
An advisory panel comprised of individuals appointed by the Governor, the legislature and one Department representative is required. The Panel advises and provides technical, administrative and evaluation assistance to the program. Six appointments have been made. One additional appointment is needed.

**Program Activities:**

**New Regulations/Sources**

- Staff review regulations, determine potentially impacted sources, develop a strategy for notification and assistance, develop compliance assistance tools, conduct training programs and work with regulatory programs on outreach activities. The Program is currently addressing very large industry groups: surface coating, gasoline dispensing, reciprocating internal combustion engines and area source boilers.
- Staff assist potentially new companies in understanding regulatory requirements
- Staff participates in monthly conference calls on regulations with other SBEAPs and EPA.

**Existing Sources**

- Staff respond to small business compliance and permitting questions.
- Staff monitor enforcement reports to determine sectors with compliance problems and develop compliance assistance strategies
- Staff assist companies in meeting permit conditions, including developing tools to meet recordkeeping requirements.
- Staff assist companies in resolving non compliance issues and will assist in utilizing the Department's self disclosure audit policy.

**Tennessee Small Business Environmental Assistance Program  
July 2011 – June 2012**

**HIGHLIGHTS:**

- Tennessee's Program was highlighted in the EPA 20 year report on Small Business Environmental Assistance Programs.
- Tennessee Small Business Advocate/Ombudsman served as the Regional Representative of Small Business Environmental Assistance Programs in Region IV and on the National Steering Committee of the Programs from July 2011 - June 2012. Staff facilitated monthly discussions and networking with other State Programs. Also participated on monthly calls with other Regional Representatives and EPA. small business regulatory impacts, compliance tools and outreach were some of the major items discussed.
- Alan Sparkman, a Compliance Advisory Panel member and the Executive Director of the Tennessee Concrete Association, serves on the National Compliance Advisory Panel. He was a workshop speaker at the National Small Business Environmental Assistance Conference where his work in Tennessee was highlighted. His presentation was well received by attendees, including EPA.
- Staff served on the David Draughon Excellence Award Selection Committee.
- The Small Business Advocate served as the contact for the Comptroller of the Treasury's Small Business Advocate. She facilitated resolution of small business environmental questions/concerns/assurances received by the Comptroller's Office.
- Staff participated in the LEAN process to address permitting of sources subject to the area source surface coating rule.

**PROJECTS: Regulatory Notifications/Compliance Assistance**

1. **The Nine Metal Fabrication (6X) rule:** Following notification of the rule's promulgation to potentially affected sources, staff assisted small businesses in determining the applicability to their facility. Staff developed a web page and modified EPA documents to assist sources in determining applicability and needed compliance steps. Compliance assistance information was collected and shared. Affected facilities were also notified of and assisted with their annual compliance certification requirements.
2. **Autobody/collision repair shops/Miscellaneous metal surface coating facilities and Paint stripping facilities (6H):** Staff assisted sources subject to the rule to obtain compliance. Some referrals to the Program were made by enforcement staff. Staff partnered with paint suppliers and supplied them with information and training materials to assist their efforts to help customers with rule compliance. A workshop was conducted in August 2011 for Automotive instructors.
3. **Gasoline Dispensing Facilities (6C):** Staff continued efforts to assist compliance for gasoline dispensing facilities. Staff conducted a regulatory training at the invite of the Tennessee Oil Marketers Association. Staff has developed a draft compliance calendar and revised training slide presentation.
4. **Boiler area source rule (6J):** Staff developed and implemented a regulatory compliance notification for area source boilers. Meetings, discussions were held with potential partners to assist compliance with the rule's tune-up requirements. Assistance materials were developed and a web page with compliance information.
5. **Reciprocating Internal Combustion Engines (4Z):** Staff has developed a web page and rule support information. Potentially affected sources were notified of training opportunities. A revision to the rule is promulgated and staff are assessing the area source impact.

**MEETINGS/CONFERENCE CALLS:**

- Staff conducted monthly regional calls with State SBEAPs and EPA Region IV small business liaison

- Staff participates in monthly National Steering Committee conference calls with State SBEAPs from across the country and EPA Small Business and Enforcement DC Offices
- Staff participates in monthly Technical Subcommittees calls to discuss and provide input on area source rule development and small business compliance matters. Often rule writers will attend the call to provide guidance.
- As needed meetings are held with APC staff on notifications, assistances, material development, and rule implementation
- Staff attends APC Board meetings
- Staff moderated and participated on a workshop panel at the National Small Business Conference
- Staff conducted a Regional Meeting of the SBEAPs of Region IV during the National Small Business Assistance Training Conference.
- Staff participated in a Middle Tennessee Stakeholders Forum where agencies that work with small businesses share information and strategies.

**WORKSHOPS:** Conducted Training for 268 individuals

- Staff facilitated 2 workshops and presented on a panel at the National Small Business Assistance Training Conference
- Staff conducted a gasoline dispensing facility rule overview training for affected sources
- Staff conducted a regulatory overview of environmental regulations for automotive instructors
- Staff presented at a Middle Tennessee Stakeholder Forum to facilitate sharing of small business information

**EVENTS:** Staff participated in two events with 183 contacts

- Participated in two Earth Day sessions at Nashville State Technical College
- Staffed a booth at the Tennessee Health and Safety Congress

**PERMIT APPLICATION AND GENERAL ASSISTANCE:**

Staff provided permitting and compliance assistance to over **234** individuals. Most of the assistances were through phone calls or e-mails. The assistance included help with form(s) completion, understanding rule requirements, identifying steps needed to comply with regulations and steps needed to remedy potential non-compliance.

REPORT TO TENNESSEE GENERAL ASSEMBLY PER TENNESSEE CODE ANNOTATED § 4-3-729

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ATTACHMENT 3



**Civil Rights Office**

Disadvantaged Business Enterprises  
Supportive Services Program

**2011-2012  
Annual DBE-SS Accomplishment Report**

DBE Supportive Services Consultant

**TYLER**  
Construction Engineers, P.C.

cost consultants | estimators | management consultants

810 Dominican Drive, 3<sup>rd</sup> Floor  
Nashville, TN 37228

Office: 615-469-5398 Fax: 615-469-7054

[www.tyler-engineers.com](http://www.tyler-engineers.com)

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**ANNUAL ACCOMPLISHMENT REPORT**  
**Disadvantaged Business Enterprises Supportive Service (DBE-SS)**  
**(Generalist Technical Assistance Program)**

April 12, 2011– April 11, 2012

**INTRODUCTION**

In 2010, the Disadvantaged Business Enterprise Supportive Service Program (DBE-SS) was approved and funded by the Federal Highway Administration designed to increase the total number minority, women and socially and economically disadvantaged businesses (DBE) active in the highway construction industry and to contribute to the growth and eventual self-sufficiency of these business enterprises.

Tyler Construction Engineers, P.C. was selected by the Tennessee Department of Transportation (TDOT) Civil Rights Office (CRO) to assist in delivering supportive services, outreach and training services to TDOT-certified DBEs.

This report is the 2<sup>nd</sup> Annual Accomplishment Report from this contractor.

**PROGRAM OBJECTIVES**

- To serve as an information resource for up-to-date construction industry news and challenges facing DBEs.
- To increase the pool of ready, willing, and able DBE contractors to compete for, and perform Federal-aid highway contracts in the state of Tennessee.
- To provide business and technical assistance to improve long-term development of DBEs business management, capacity building, record keeping, financial and accounting capabilities.
- To increase opportunities for DBE firms to work and handle increasingly significant projects.

**GOAL # 1: Perform individual assessments of each in-state DBE Firm**

(April 12, 2011-April 11, 2012)

**Objective:** Assess each DBE to determine group needs in order to provide appropriate technical assistance

ACTIVITY	PERFORMANCE MEASURE(S)
Provide an assessment of each DBE firm certified by TDOT	<ul style="list-style-type: none"> <li>• 15 DBEs Needs Assessment Surveys completed</li> <li>• DBE-SS created a database of the DBE Needs Assessment results to assist with program activity and direction</li> </ul>

**DBE-SS Services and Activities Designed to Address Findings**

- a. One-on-one training
- b. Classroom group training
- c. Electronic DBE Newsletter
- d. Email alerts to construction industry news & procurement notices
- e. DBE Annual Meeting

**GOAL # 2: DBEs to participate in Construction Management Development Program (CMDP) (April 12, 2011-April 11, 2012)**

**Objective:** To provide DBEs with the necessary basic business development and technical skills necessary for economic growth.

ACTIVITY	PERFORMANCE MEASURE(S)
Online/classroom/ one-on-one training will be readily accessible to all TDOT certified DBEs	<ul style="list-style-type: none"> <li>• DBE-SS Meetings and Seminars                             <ul style="list-style-type: none"> <li>- 18 DBEs attended Job Cost Accounting Seminar held in TDOT Region 3 and 4</li> <li>- 10 DBEs attended Human Resource Compliance Seminars in TDOT Region 3 and 4</li> <li>- 3 DBEs attended Navigating TDOT webpage in Region 4</li> <li>- 5 DBEs attended Business Banking Seminar at 5/3 Bank TDOT Region 3</li> <li>- 4 DBEs attended Bonding Basics Seminar at 5/3 Bank TDOT Region 3</li> <li>- 4 DBEs attended Wealth Building for Business Owners TDOT Region 3</li> <li>- 12 DBEs attended Small Business Tax Seminars in TDOT Region 3 and 4</li> <li>- 48 DBEs attended Estimating Road Construction Workshops in TDOT Region 1, 2, 3 an 4</li> <li>- 3 DBEs attended Financial Analysis &amp; Reporting Made Easy Using QuickBooks in TDOT Region 1 (TDOT Region 3 &amp; 4 scheduled for mid-April)</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Provided continuous One-on-one training to DBEs                     <ul style="list-style-type: none"> <li>- 28 DBEs received QuickBooks Training</li> <li>- 14 DBEs received financial analysis training</li> <li>- 10 DBEs assisted with contract reviews</li> <li>- 17 DBEs assisted with Bidding &amp; Estimating</li> <li>- 16 DBEs assisted with calculating cost rates</li> <li>- 23 DBEs assisted with Misc. Business/TDOT issues</li> <li>- 1 DBE trained using industry estimating software</li> <li>- 1 DBE trained using scheduling software</li> <li>- 3 DBE trained using electronic spreadsheets</li> </ul> </li> </ul>
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DBEs Receiving One-on-one Training & Assistance - **QuickBooks Software Training/ Accounting**

Region 1	Region 2	Region 3	Region 4
Alpine Contracting B&B Lawn Services, Inc. Lynn Sanford Construction	International Traffic Systems Kimberly, Inc. Earthworx, LLC J M Hanner Construction Co Thomason Company, Inc. Machine Technology	C D Steger Construction, Inc. Elite Roofing Trojan Labor R&M Contracting D & D Trucking Jerry B Young Construction G&M Associates Gridiron Construction Co. Thornton & Associates, Inc. Hambrick Trucking Hudson Construction Group J R Construction Mutual Contractors Trinity III Mechanical, LLC K-Barr Group, LLC Panther Construction Co.	E&V Trucking Hess Environmental Brighter Days & Nites, LLC Charles H Hill Contractors Toles & Associates

DBEs Receiving One-on-one Training & Assistance – **Financial Analysis and Cash Flow Strategies**

Region 1	Region 2	Region 3	Region 4
B&B Lawn Services	Kimberly, Inc. J.M. Hanner Construction Earthworx, LLC	Elite Roofing D & D Trucking Jerry B Young Construction Gridiron Construction Co. Mutual Contractors Collier Transport Panther Construction Co.	Hess Environmental Brighter Days & Nites, LLC Charles H Hill Contractors

DBEs Receiving One-on-one Training & Assistance – **Contract Reviews**

Region 1	Region 2	Region 3	Region 4
Lynn Sanford Construction K-Kap, Inc.	Kimberly, Inc. Thomason Co., Inc. B&B Lawn Services	Gridiron Construction Co. Mutual Contractors Collier Transport	Brighter Days & Nites, LLC Charles H Hill Contractors

DBEs Receiving One-on-one Training & Assistance – **Bidding & Estimating**

Region 1	Region 2	Region 3	Region 4
Lynn Sanford Construction B&B Lawn Services ExpoEquip, Inc.	Kimberly, Inc. Thomason Co., Inc. Machine Technology	Gridiron Construction Co. Jerry B Young Construction Elite Roofing D & D Trucking Mutual Contractors Collier Transport G&M Associates J R Construction Universal Screens	Toles & Associates, Inc. Brighter Days & Nites, LLC Charles H Hill Contractors

DBEs Receiving One-on-one Training & Assistance – **Business Cost Rates**

Region 1	Region 2	Region 3	Region 4
Lynn Sanford Construction B&B Lawn Services	Kimberly, Inc. Thomason Co., Inc. Machine Technology	Gridiron Construction Co. Jerry B Young Construction Elite Roofing D & D Trucking Mutual Contractors Collier Transport G&M Associates	Toles & Associates, Inc. Brighter Days & Nites, LLC Charles H Hill Contractors HESS Environmental

DBEs Receiving One-on-one Training & Assistance – **Business Coaching / TDOT Issues / Research**

Region 1	Region 2	Region 3	Region 4
Hicks & Ingle Corporation Amick Research B&B Lawn Services Southern Seeding Tri-Cities Bilingual Consulting Earthworx, LLC	Kimberly, Inc. J M Hanner Construction	Collier Transport Thornton & Associates, Inc. Booker Engineering, Inc. Carter Safety Consultants, Inc Design Consultants, Inc. Elite Roofing G&M Associates Gridiron Construction GCM Construction Jerry B Young Construction Mutual Contractors Jenn-Hill Construction Material	Brighter Days & Nites Charles H Hill Contractors Superior Traffic Control Tri-State Guardrail & Sign

DBEs Receiving One-on-one Training & Assistance – **Industry Software Training**

Region 1	Region 2	Region 3	Region 4
		Jerry B Young Construction • <i>Estimating Software</i>	Toles & Associates • <i>Scheduling software</i>

DBEs that attended at least one or more **TDOT Supportive Services sponsored Event**

Region 1	Region 2	Region 3	Region 4
<p>The Bingham Group Health Spectrum Worksite Solutions Lynn Sanford Construction B&amp;B Lawn Service, Inc. Superior Traffic Control Hicks &amp; Ingle Corporation Intuitive Technologies, Inc. SAN2, Inc. Dayenesi, Inc. CapTeeVation Hall Communications K-Kap, Inc. Raptor Supply Closser Lubrication</p>	<p>Earthworx, LLC. Kimberly, Inc. J M Hanner Construction Edward L. Moore Const Summitt Concrete Co Thomason Company, Inc.</p>	<p>Booker Engineering, Inc. Ace Contractors, Inc. Trojan Labor Kathy Freeman Trucking, Inc. Murphey Promotions, Inc. Connico Incorporated Gridiron Construction Grand Slam Universal Progressive Bonding Solutions Water Quality &amp; Erosion Control of Tennessee C D Steger Construction, Inc. D &amp; D Trucking G &amp; M Associates SRS, Inc. Mutual Contractors, LLC Jerry B. Young Construction R &amp; M Contractors, Inc. Elite Roofing K S Ware, LLC Thornton &amp; Associates, Inc. THY, inc. Vega Concrete Panther Construction Co CFP Group Varallo Public Relations Columbia Construction Co, Rite Quality Office Supplies Sperry Van Ness Trinity III Mechanical JCS Janitorial Progressive Bonding Solutions GCM Construction, LLC Collier Transport Electric and Air Services Jabez Group</p>	<p>Tri-State Guardrail &amp; Sign Co. Damron Trucking, Inc. WMC Contracting Co., Inc. Medusa Concrete Pumping Powers Hill Design, Inc Payne Steel Erectors Superior Traffic Control Brighter Days and Nites, LLC Tri-Star Foods Charles Hill Contractors, Inc. Hess Environmental WMC Contracting</p>

### GOAL # 3: Host Regional Networking Sessions

**Objective:** To provide DBEs with local networking and communication opportunities

ACTIVITY	PERFORMANCE MEASURE (S)
<p>Provide a venue in each of Tennessee's four regions for DBEs to learn, network and give their thoughts and ideas on the program</p>	<ul style="list-style-type: none"> <li>• 54 DBEs attended the 2011 TDOT DBE Annual Meeting held in Nashville (Aug 2011) and 67 non-DBEs attended</li> <li>• 104 DBEs attended DBE Meetings/Seminars held in TDOT Regions 1, 2, 3, and 4</li> <li>• 9 organizations participated in the Marketplace Hall at the DBE Annual Meeting</li> </ul> <p><b>Communications</b> (<i>email, webpage postings</i>)</p> <ul style="list-style-type: none"> <li>- 4 Quarterly DBE Newsletters sent to DBEs</li> <li>- 8 TDOT Notice to Contractors Lettings sent to DBEs</li> <li>- 12 TDOT Letters of Interest Notices sent to DBE for Design and Consultant Engineers</li> <li>- 13 Bid Notices sent concerning Prime Contractors seeking bids from DBEs</li> <li>- 2 RFP notices sent to DBEs from the National Cooperative Highway Research Program</li> <li>- 9 Invitations To Bid Notices sent DBEs from other state or federal sources</li> <li>- 12 notices sent to DBEs concerning Meetings, Conferences/Small Business Events</li> <li>- 3 notices sent to DBEs concerning procurement forecast from USDOT, TDOT and SBIR</li> </ul>

**GOAL # 4: Work with DBEs on how to market their services to government agencies and prime contractors**

**Objective:** To give DBEs the tools to market their business

ACTIVITY	PERFORMANCE MEASURE (S)
Marketing services will be available to all certified DBEs	<ul style="list-style-type: none"> <li>22 DBEs received various marketing assistance such as developing new marketing strategies, assistance with updating their current marketing collateral materials, and or coaching DBEs to recognize market trends and opportunities and how to act upon market information</li> </ul>

**DBEs Receiving One-on-one Training & Assistance – Marketing & Business Development Assistance**

Region 1	Region 2	Region 3	Region 4
Factories To You Fences The Bingham Group Tri-Cities Bilingual Consulting Health Spectrum & Worksite B&B Lawn Services Lynn Sanford Construction	Earthworx, LLC Bentco Office Supplies KHAFRA Engineering	Booker Engineering Thornton & Associates, Inc. CSCI, Inc. AaMarc, Inc C D Steger Construction Design Consultants, Inc. Gridiron Construction, Inc J R Construction Mutual Contractors, LLC Collier Transport	Brighter Days & Nites, LLC Hess Environmental Precise Concrete Works

**Additional Comments**

- a) DBEs are becoming more involved and engaged in DBE-SS Program activities and events
- b) DBEs are calling Supportive Services on a more regular basis requesting information or assistance in identifying contacting opportunities
- c) DBE are beginning to request more frequent seminars/meetings events for networking and information sharing
- d) Based on information shared from DBEs and/or current issues on TDOT projects
  - DBEs need training on TDOT Highway Contracting & Specifications and Contract Provisions (as well as non-DBE and TDOT Staff)
  - DBEs need training on contract administration (as well as non-DBE and TDOT Staff)
  - Pre-certification Workshop for Non-DBEs

## Contact with firms interested in TDOT DBE Certification (April 2011 – March 2012)

### Region 1

Renaldo Taylor – Taylor’s Landscaping Services  
 Kevin Cunningham – Simply Lawns  
 Kenneth Cox – interested in starting construction business  
 Kenneth Frazier – KMF3 Lawn & Landscape  
 Siler Excavating – Tammy Siler  
 Infinite Options – Dorothy Tutt  
 Mike Twine - G&G Engineering& Management, Inc

### Region 2

James Ball – Ball Construction Chattanooga  
 Outlook Landscaping Services

### Region 3

Nate Hatcher – Nate Hatcher Backhoe Service  
 Jim Shoemake – JF Management, Inc.  
 Atu Israel – TLC  
 Beard Property Maintenance  
 J R Construction  
 Machine Technology

### Region 4

Alfred Dyson – Dyson Engineering & Technical Services  
 Prentiss Burdine – Burdine Construction  
 Michael Jenkins – MJ Construction  
 Bruce Barton – Delgado General Contractor  
 Chester Charles – Chester Outdoors  
 Gerald Wallace – International Energy  
 Dale McClendon - Construction Services Corporation  
 RohadFox (Atlanta, GA) – Anggie Pope

## Contact with Non-DBE about the DBE-SS Program

### Other state DOT DBE-SS

Linda Knight, PhD. – Florida A&M University DBE Construction Management Development Program, Florida Department of Transportation

### Corporate contact

Robert Love – TN Multicultural Chamber of Commerce  
 Dewayne King – Fifth/Third Bank  
 Greg Nash – Bonds Southeast  
 Stacey Jeanette – Magnolia Financial  
 Kaylah Brown – Associated General Contractors of Middle Tennessee  
 Dr. Sybril Bennett – Belmont Professor & Author  
 Sherrie Gilchrist – Tennessee Multicultural Chamber of Commerce  
 Michael Jones – (Manager) – Electric Power Board – EPB  
 Keith Richardson – Purchasing - Electric Power Board – EPB

**Local Government contact**

Patrice Harries – City of Memphis Business Renaissance Business Development Center  
 Joslyn Hundley – City of Knoxville, Community Relations (Small Business)  
 Michele Lane - City of Nashville,

**State Government contact**

Sharon K Taylor, Economic and Community Development, BERO  
 Ronald Wade – Sate of Tennessee Economic & Community Development BERO  
 Jamari Brown – Sate of Tennessee Economic & Community Development BERO  
 John Ordnung – Tennessee State University – Small Business Development Center  
 Marilyn Robinson – Nashville Minority Business Development Center  
 Paul Middlebrooks – University of Tennessee – Procurement Technical Assistance Center  
 Jatta Banks – Roane State Community College  
 Luanne Vahick – Pellissippi State Community College  
 Barry Rawls – TDOT Procurement Office

**TDOT Prime Contractors**

Jerry Britton – Britton Bridge (TDOT Prime)  
 Ted Kettlewell – OCCI, Inc. (TDOT Prime)  
 Cindy Taylor – Dement Construction and Delta Contracting (TDOT Prime)

**Airport Authorities**

Alan Jones – Knoxville Area Airport Authority (Small Business Coordinator)  
 Amber Gooding – Nashville International Airport Authority (Director, Diversity Business Program)  
 Devita Miller-Brown - Nashville International Airport Authority (Contract Compliance)  
 Regina Martin - Memphis Airport Authority (Contract Compliance)

**Federal Government contacts**

Jackie Merritt – U.S. Small Business Administration  
 Alison Broady – IRS Stakeholder Liaison

**DBE SUPPORTIVE SERVICES CONSULTANT TEAM MEMBERS**

**Victor C. Tyler, P.E.** - Program Manager / AEC Business Practices

**Curtis Webb** –Marketing and Business Development

**Jay B. Mercer** – QuickBooks Pro-advisor & Small Business Tax Strategies

**Marshall Tabb** – Financial Management & Leadership Development

**Ericka L. Hayes, CPA** – Business Planning & Information Technology

**Sandra T. Webb** - Accounting Software & Payroll Consultant

**Marie Y. Williams** – Human Resources & Leadership Development



Tennessee Department of Economic and Community Development,  
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**TENNESSEE**

*Ready to Work*

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**Department of Economic and  
Community Development**

**Title VI Implementation Plan**

**Submitted October 1<sup>st</sup>, 2013**

**DEPARTMENT OF ECONOMIC AND COMMUNITY  
DEVELOPMENT**

**TITLE VI IMPLEMENTATION PLAN**

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1. OVERVIEW

*Provide a clear and brief description of the department's mission, structure and operations and statutory based programs (including programs that do not receive FFA). Include a copy of the agency's policy or guidance; an organizational chart of the entire department or agency.*

**ECD Response:**

The mission of the Tennessee Department of Economic and Community Development is to develop strategies to make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth. See organizational chart in Appendix A.

*What is the agency's nondiscrimination policy/statement or guidelines?*

**ECD Response:**

The Department of Economic and Community Development will comply with the Title VI Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987. The department will utilize its best efforts in maintaining compliance in all programs subject to the requirements of Title VI and all other federal regulations applicable to the administration of such programs.

The Tennessee Department of Economic & Community Development will not on the basis of race, color, or national origin:

- Deny any person service, assistance or other benefit for which the person is qualified;
- Provide any person with a service different from that provided to others under the same program;
- Subject any person to separate treatment in any manner related to services, aid or other benefits;
- Limit any person in any way in the use of services, facilities, or any other advantages, privileges or benefits provided to others under any program;
- Treat any person differently from others in deciding whether the person meets requirements to receive aid, care, service or other benefit;
- Deny any person or offer an opportunity different from that offered others in any program or service;
- Adopt methods that limit participation by any group of recipients or subject them to discrimination; and
- Refer any person to agencies that do not obey civil rights law.

All agencies receiving financial assistance through the department must sign a statement of compliance with Title VI of the Civil Rights Act of 1964.

## 2. FEDERAL PROGRAMS OR ACTIVITIES

Identify the following with respect to the most recent state fiscal year (SFY) as well as any projections for federal funds to be received during the upcoming SFY:

- (i) Each program and/or activity, the federal dollar amount received; the agency providing the FFA and a description of how the federal funds are used; and,
- (ii) Each federal grant, loan or subsidy not included in (i) above, which may not be considered a program or activity and the federal dollar amount received for each. Include a description for how the grant, loan or subsidy is used by the department; and,
- (iii) Any equipment, training resources, land, loans, or detail of federal personnel.

### **ECD Response:**

#### **Federal Programs and Activities (July 1, 2012—June 30, 2013)**

- Community Development Block Grant (CDBG) allocation - \$24,488,568 (HUD)
  - This program provides communities with resources to address a wide range of unique community development needs, including disaster recovery.
- Appalachian Regional Commission (ARC) grant allocation - \$220,000.00 (ARC)
  - This program provides various forms of community economic development assistance, including funding for regional accelerators.
- State Trade and Export Program (STEP) - \$604,541 (Small Business Administration)
  - This program provides funding for state export activities.
- State Small Business Credit Initiative (SSBCI) - \$29,672,070 (Department of Treasury)
  - This program supports lending to small businesses.
- Global Appalachia Export Development Initiative - \$94,273 (ARC)
  - This program supports state export activities.
- Community Assistance Program State Support Services Element (CAP-SSSE) - \$132,641.12 (Department of Homeland Security)
  - This program provides support for FEMA and NFIP activities in the state.
- The department expects to continue to receive federal funds from the sources listed above for FY14.
- **TOTAL dollar amount of all federally funded programs and activities for FY13 - \$55,212,093.12**

*Attach any and all assurances provided by the federal funding source and signed by the department head.*

**ECD Response:**

Please see attached assurances in Appendix B.

**3. ORGANIZATION OF THE CIVIL RIGHTS OFFICE/CIVIL RIGHTS COORDINATOR**

*Describe the organization and staffing of the department's Civil Rights/Title VI Unit. Organizational charts may be utilized; and,*

*Outline the duties and responsibilities of the Title VI Director/Coordinator.*

**ECD Response:**

Two (2) staff members:

**Summer Carr**  
**Title VI Coordinator/Director of Contracts**  
**Department of Economic and Community Development**  
**312 Rosa L. Parks Ave., 27<sup>th</sup> Floor**  
**Nashville, TN 37243**

**Leslie-Joi Davis**  
**Assistant Title VI Coordinator**  
**Department of Economic and Community Development**  
**312 Rosa L. Parks Ave., 27<sup>th</sup> Floor**  
**Nashville, TN 37243**

Duties and responsibilities of the Title VI Coordinator include, but are not limited to: Collects compliance data from various divisions within the department; conducts Title VI meetings with Executive Staff including Commissioner, Assistant Commissioners, Directors and Program Managers as needed; prepares and updates Title VI Implementation Plan; conducts pre- and post- award reviews; conducts Title VI compliance training and workshops within the department; conducts Title VI compliance training and workshops with CDBG grantees as needed; updates Title VI information on the department's website as necessary; coordinates with program managers to ensure subrecipient, contractor, and vendor Title VI compliance.

**4. DATA COLLECTION AND ANALYSIS**

*Include racial and ethnic data demonstrating the extent to which members of minority groups are beneficiaries of the department's federally assisted programs and/or services.*

**To meet minimum standards, agencies should:**

- *Collect participation data by race, color and national origin.*
- *Identify potential beneficiaries and applicants.*
- *Analyze applicable census data to determine the eligible population to be served.*
- *Include any of the demographic data such as maps, the composition of affected neighborhoods or census tracts concerning respective beneficiaries?*

**ECD Response:**

Please refer to Annual Compliance Report and supporting documents from the department's Federal Grants Division in Appendix C. Please refer to data collection/analysis supplied by the Rural Development Division in Appendix D. Please refer to data collection/analysis supplied by Business Development Division in Appendix E. Please refer to data collection/analysis supplied by International Division in Appendix F.

*Minority representation of agency staff - Identify the racial/national origin composition of all of the department's staff. Provide total numbers and percentages of employees by race, color and/or national origin. Also delineate whether staff is executive service or preferred service.*

**ECD Response:**

Please refer to ECD's Minority Staff Representation information in Appendix G.

**5. DEFINITIONS**

*Definitions of all common terms stated in the plan shall be included in this section to ensure that agency staff, recipients and beneficiaries have consistent applicable definitions.*

**ECD Response:**

**Applicant**—Any person, organization, corporation, or governmental agency that requests assistance from the one of the department's programs or activities.

**Beneficiaries**—Those persons to whom assistance or services are ultimately provided.

**Complaint**—A formal written allegation of discrimination or harassment filed with the Title VI Coordinator or Tennessee Human Rights Commission which indicates that any program is operated in such a manner that it results in disparate treatment to persons or group of persons

**Compliance**—Fulfillment of the requirements of Title VI, or other applicable laws, implementing regulations and instruction to the extent that no distinctions are made in the delivery of any service or benefit on the basis of race, color, or national origin.

**Desk audit**—A structured review of statistical and narrative compliance information submitted by recipient or agency sub-grantee agencies without going on-site, conducted according to review procedures. Desk audits include routine reviews of assurance forms or other documents to ensure that they have been properly completed. This is also a method of post-award review.

**Discrimination**—To make any distinction between one person or group of persons, either intentionally or by the effect of actions or lack of actions, based on race, color, or national origin.

**Federal assistance**—Any funding, property, or aid received from an agency of the federal government.

**Noncompliance**—Failure or refusal to comply with Title VI of the Civil Rights Act of 1964, other applicable civil rights laws, or departmental regulations.

**Post-Award Review**—A routine inspection of agency programs during and after assistance has provided to the beneficiary or recipient. This review may be cyclical or based on a priority system contingency upon the potential for noncompliance in individual programs. Reviews may be conducted through on-site visits, desk audits, or other mechanisms. A post-award review may result in a written report indicating the compliance status of agency recipients. When necessary, the report will contain recommendations for corrective actions. If the recipient is found to be in noncompliance by the department, technical assistance, and guidance will be provided to bring the recipient into voluntary compliance.

**Public Notification**—The process of providing information, including statements of nondiscrimination to minority groups, concerning the department's programs and activities. This is achieved through use of newspapers, newsletters, periodicals, radio, television, brochures and pamphlets, and contact with community organizations.

**Recipient**—Any state, political subdivision or instrumentality of any state or political subdivision, any public or private agency, institution, corporation, organization, or other entity or any individual, including any successor, assignee or transferee thereof to whom assistance is extended, directly or through another recipient, for any program.

## 6. DISCRIMINATORY PRACTICES

*Specify prohibited discrimination practices under Title VI and where applicable, provide examples of prohibited discrimination practices in relation to department activities and business line.*

**ECD Response:**

There are a number of actions that would violate the department's Title VI policy. Principal among these are the following actions:

- Denying an individual service, aid, or benefit due to race, color, or national origin;
- Denying minority-owned firms access to the incentives offered to businesses to locate in Tennessee due solely to race, color, or national origin;
- Denying a person the opportunity to participate as a member of a planning board or advisory body that is an integral part of a program due to race, color or national origin;
- Providing inferior or discriminatory service, aid, or benefits due to an individual's race, color, or national origin;
- Restricting or discouraging individuals in their enjoyment of facilities due to race, color, or national origin;
- Using criteria which would impair accomplishment of the department's objectives or which would subject individuals to discrimination due to race, color, or national origin.

To the best of the department's ability, these practices will not be permitted to occur and, if discovered, will be immediately remedied. The department takes a proactive stance, using methods listed in this plan, which cumulatively are designed to prevent these infractions from occurring.

All entities receiving financial assistance from the department are required to sign a contract or grant agreement that includes an assurance requiring Title VI. An example of the assurances to be included in all CDBG (Community Development Block Grant) contracts and grant agreements is attached as Appendix H.

**7. LIMITED ENGLISH PROFICIENCY (LEP)**

*Include the entity's LEP policy and procedure and/or Language Assistance Plan.*

**ECD Response:**

The policy of ECD is to ensure meaningful communication with person who have limited English proficiency. This policy also provides for communication of information contained in vital documents, including, but not limited to, grants and contracts as well as other agreements. All interpreters, translators, and other aids necessary to comply with this policy shall be provided by the State at no cost to the applicant.

*List translator and interpreter services (bilingual staff and/or contractors) utilized by the department. If none, then state that "the department or agency does not utilize translator or interpreter services." If not applicable, explain.*

**ECD Response:**

Wisty Pender ([wisty.pender@tn.gov](mailto:wisty.pender@tn.gov)) is the ECD staff person capable of assisting LEP individuals. During the fiscal year that ended June 30, 2013, translator and interpreter services were available from the Tennessee Foreign Language Institute at (615) 741-7579 or [www.tfli.org](http://www.tfli.org). Additionally, ECD has acquired translator and interpreter services through Avaza Language Services at (615) 534-3404.

*Provide a breakdown of the various languages confronted by the department or agency as a result of in person, written and telephonic encounters from the public. Include the number of languages encountered, the number encountered in person, and the number encountered in written correspondence and the number encountered telephonically. If not applicable, explain.*

**ECD Response:**

According to information received from Program Directors and ECD Staff, there have been no instances of LEP individuals attempting to communicate with ECD staff either on-site or via telephone.

*Include a listing of departmental documents that have been translated and in which languages.*

**ECD Response:**

According to information received from Program Directors and ECD Staff, there have been no instances of LEP individuals attempting to communicate with ECD staff either on-site or via telephone. ECD has the capability to translate departmental documents upon request through either the Tennessee Foreign Language Institute or Avaza Language Services.

*Identify other steps and goals toward breaking down barriers to LEP challenges, if applicable.*

**ECD Response:**

This section is inapplicable. ECD does not generally encounter LEP individuals in the regular course of business. If such encounters do occur, ECD has policies and procedures in place to assist LEP individuals in a timely and efficient manner.

**8. COMPLAINT PROCEDURES**

*List the total number of complaints received for the most recent State Fiscal Year (SFY) in this section.*

- o *Include, as subcategories of the total number of complaints:*

- Number of complaints closed for the following reasons:
  - Administratively (e.g. timeliness, failure to cooperate, etc.);
  - Failure to meet a prima facie case; and,
  - Settlement and/or resolution reached.
- Number of complaints immediately referred to another state or federal department or agency, and the reason.

**ECD Response:**

There were no Title VI complaints received during the fiscal year ending June 30, 2013.

*List any lawsuits during the most recent SFY filed against the department or agency alleging discrimination on the basis of race, color or national origin under any federally funded or federally assisted state program or activity. If none, then state that "there were no lawsuits filed alleging discrimination on the basis of race, color or national origin under any federally funded program or activity."*

**ECD Response:**

There were no lawsuits filed alleging discrimination on the basis of race, color, or national origin under any federally funded program or activity.

*Describe complaint procedures followed by the department or agency. Describe agency procedures related to investigations, report of findings, hearings and appeals, if applicable. All plans should note complaints can also be filed with the THRC.*

**ECD Response:**

A complaint alleging discrimination may be filed with the ECD Title VI Coordinator or directly with the Tennessee Human Rights Commission. All entities receiving assistance from the department will be required to have information available for public review on the procedures for filing a complaint. The Title VI Coordinator is responsible for receiving, logging, acknowledging and investigating complaints as well as reporting the findings of investigation. Once a complaint is received by the Title VI Coordinator, the Commissioner and appropriate Program Director will be notified. Procedures for filing complaints are also posted on the ECD website.

After receiving a complaint or identifying potential discriminatory activity the department will take the following steps:

- Within 30 calendar days of receiving the complaint, the Title VI Coordinator will conduct a fact finding investigation. The Coordinator will meet with the complainant or the staff member who identified the alleged discriminatory activity to determine the nature of the complaint and whether Title VI requirements were violated. The Coordinator will meet with the director in whose area the alleged violation occurred to ascertain the director's perspective on the complaint. The Coordinator will notify the members of the Title VI Review Committee.
- If the Coordinator determines that discrimination has not occurred, the complainant, commissioner and program director will be informed. The complainant will then have a right to appeal the decision.
- If the investigation indicates that discrimination did in fact occur, it will be discussed with the program director. The Title VI Coordinator will discuss ways in which to resolve the complaint and seek voluntary corrective action.
- The complainant, applicant or program director may appeal any rulings made by the coordinator to the Title VI Review Committee within 10 calendar days of the receipt of the written findings. The request can include relevant documentation and sworn testimony, if any, from appealing party, together with any testimony by witnesses having first-hand knowledge of the Title VI violations. The testimony may be in the form of an affidavit and shall describe in detail the circumstances and events that would lead a reasonable person to believe that a Title VI violation has occurred. The Title VI Review Committee will have broad latitude to review an appealed case and make a finding. The committee may discuss the complaint with the complainant, the alleged offender, the Title VI Coordinator or other parties to determine the facts. The committee will make a finding on the appeal within 15 calendar days of receipt of the request for appeal.
- If the discriminatory activity cannot be resolved by the committee, a written report on the situation will be prepared and forwarded to the Tennessee Human Rights Commission. If a complaint involves one of the department's federally funded programs, the federal agency sponsoring the program will also be notified. Information will also be provided to the parties involved on the procedures for appealing to the federal level.
- If either the Tennessee Human Rights Commission or other federal agency determines that discrimination has in fact occurred, the offending party will be denied further services or benefits of the department's programs until the discriminatory activities have been terminated.

*Attach a copy of the complaint form utilized by the department or agency.*

**ECD Response:**

ECD's Title VI complaint form is attached as Appendix I.

*Include a copy of the agency's complaint log with the plan.*

**ECD Response:**

The complaint log utilized by ECD is attached as Appendix J.

**9. COMPLIANCE REVIEWS**

**A. Subrecipients, Contractors, Vendors**

*Departments and agencies should provide to THRC the following:*

*A statement that the department or agency, its subrecipients or contractors shall make available any compliance report to be reviewed by THRC upon request;*

*List each subrecipient, contractor and/or vendor of the department or agency. If the department or agency did not have any subrecipients, contractors or vendors for the most recent SFY, then it should state this fact. The following information should be included for each subrecipient, contractor, or vendor:*

- a) Name of subrecipient, contractor, vendor*
- b) Begin and end date of contract*
- c) Amount of contract*
- d) MWBE designation of the entity*
- e) Description of services provided*
- f) Location of subrecipient, contractor, vendor*
- g) Whether the contract is paid federal, state or a hybrid of funding*
- h) Whether the contract a subrecipient, contractor (e.g., contract employee), or vendor*
- i) Whether the contract was competitive or non-competitive*

*List the total number of all contractors. Provide the total number and percentage of minority contractors and the dollar amount and percentage awarded to minority contractors by race, color and/or national origin for all federally funded programs and activities, to include procurement of materials and equipment.*

*List any new subrecipients, contractors, and/or vendors.*

*Include excerpts of the contractual provisions prohibiting discrimination, which is agreed to by subrecipients, contractors and/or vendors of the department or agency.*

*Identify any Federal financial assistance applications pending with other federal and/or state departments and/or agencies.*

**ECD Response:**

The department, its subrecipients and contractors will make available any compliance report to be reviewed by the THRC upon request.

A list of ECD's subrecipients and vendors is attached as Appendix K. The total number of all subrecipients, contractors, and vendors is 344. Of these, 292 are CDBG subrecipients (either cities or counties). The total dollar amount awarded to all CDBG subrecipients is \$124,524,164. The total number of all non-CDBG subrecipients, contractors and vendors is 52. The total dollar amount awarded to all non-CDBG subrecipients, contractors, and vendors is \$2,021,774.33. The total dollar amount awarded to minority contractors and vendors is \$125,110.26 (6.2%). The percentage of minority subrecipients, contractors and vendors is 5.7%.

ECD utilizes the standard state contractual provision regarding nondiscrimination, which reads:

"Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

At this time, the CDBG program and STEP program have pending applications for continued federal financial assistance.

**B. Pre-award Procedures**

*Briefly discuss the procedures utilized by the department or agency to assess subrecipient and/or contractor compliance prior to awarding funding.*

*Attach a copy of any pre-assessment or self-survey provided by the department or agency to subrecipients and/or contractors. Include the number of pre-assessments or surveys reviewed by the department during the most recent SFY, if applicable;*

**ECD Response:**

A sample of ECD's pre-assessment survey is attached as Appendix L. This pre-assessment survey is utilized by the Community Development Block Grant program to assess Title VI compliance prior to disbursement of grant funds to a community.

*List each subrecipient; contractor and/or vendor that has signed "statement of assurance" provided by the department or agency for the most recent SFY.*

**ECD Response:**

A list of subrecipients, contractors, and vendors who have signed "statement of assurance" is attached as Appendix M.

*Field or on-site compliance reviews. State the number of field reviews of subrecipients and/or contractors conducted during the most recent SFY. If not applicable, then explain why the department does not conduct field or on-site reviews;*

**ECD Response:**

For the fiscal year ending June 30, 2013, ECD completed approximately 143 field or on-site pre-award compliance reviews of subrecipients and contractors. All of ECD's grantees are subject to field or desk audits to determine Title VI compliance at any time.

*Title VI Training. Describe any standards requiring a subrecipient and/or contractor of the department to provide training to its staff, to include the extent and content of training prior to the receipt of federal funding; and,*

*Identify any other pre-award procedures not mentioned above that are utilized by the department or agency.*

**ECD Response:**

ECD notifies all subrecipients of departmental Title VI training requirements. ECD also requires all subrecipients to have a Title VI policy, including a plan for periodic training.

**C. Post-Award Procedures**

*Briefly discuss the procedures utilized by the department or agency to assess subrecipient and/or contractor compliance after awarding funding.*

*Attach a copy of any annual compliance report, assessment or self-survey provided by the department or agency to subrecipients and/or contractors. Include the number of reports or surveys reviewed by the department during the most recent SFY, if applicable;*

**ECD Response:**

A sample of ECD's post-award survey is attached as Appendix N. This survey is utilized by the Community Development Block Grant program to assess Title VI compliance after disbursement of grant funds to a community.

*Field or on-site reviews. State the number of field compliance reviews of subrecipients and/or contractors conducted during the most recent SFY. If not applicable, then explain why the department does not conduct field or on-site reviews;*

**ECD Response:**

For the fiscal year ending June 30, 2013, ECD completed approximately 81 field or on-site compliance reviews of subrecipients and contractors. All of ECD's grantees are subject to field or desk audits to determine Title VI compliance at any time.

*Title VI Training. Describe any standards requiring that a subrecipient and/or contractor of the department provide documentation of staff training and dates offered to its staff, to include the extent and content of the training; and,*

*Identify any other procedures not mentioned above that are utilized by the department or agency.*

**ECD Response:**

ECD notifies all subrecipients of departmental Title VI training requirements at the time of contract approval. ECD also requires all subrecipients to have a Title VI policy, including a plan for periodic training. All subrecipients and contractors are subject to field reviews or desk audits to determine Title VI compliance at any time.

**D. Public Notice and Outreach**

*Subrecipients and contractors must identify methods and/or procedures utilized for public outreach.*

*This section should contain an acknowledgment that the department or agency monitors all subrecipients and/or contractors concerning the dissemination of information about the following to the public:*

- (i) Nondiscrimination policy;*
- (ii) Programs and services;*
- (iii) Complaint procedures; and,*
- (iv) Minority participation on planning boards and advisory bodies.*

**ECD Response:**

The department monitors all subrecipients and contractors concerning the dissemination of information about the following to the public: nondiscrimination policies, programs and services, complaint procedures, and minority participation on planning boards and advisory bodies. The department requires all subrecipients to disseminate information to the public concerning nondiscrimination policies, programs and services, complaint procedures, and minority participation on planning boards and advisory bodies. ECD collects compliance data from all subrecipients and contractors and subjects subrecipients and contractors to on-site reviews or desk audits at any time.

**E. Procedures for Noncompliance**

*Identify actions to be taken by your department or agency upon a finding of noncompliance of a subrecipient or contractor, including: (I) Processing; (II) Reporting; (III) Resolution; (IV) Enforcement of corrective actions; (V) Monitoring of programs; and (VI) Sanctions.*

*If there were agency subrecipients or contractors that were found to be in noncompliance with Title VI by another state or federal agency. Include the agency name, finding (s) and corrective action measures.*

**ECD Response:**

Once a subrecipient or contractor is determined to be in noncompliance with Title VI, ECD allows the subrecipient or contractor a time period of up to sixty (60) days to correct the area of noncompliance voluntarily. If not corrected within the allotted time period, the Title VI Coordinator will confer with THRC for direction on how to proceed.

If the discriminatory activity cannot be resolved through voluntary compliance, a written report detailing the violation(s) will be prepared and forward to the THRC. If a complaint involves one of the department's federally funded programs, the federal agency sponsoring the program will also be notified. Information will be provided to the parties involved on the procedures for appealing at the federal level.

If a finding of discrimination is made by either the THRC or federal agency, the offending party will be denied further services or benefits of the department's programs until the discriminatory activities have been terminated.

**10. COMPLIANCE/NONCOMPLIANCE REPORTING**

*List any federal or state departments/agencies (other than THRC) to which the department or agency furnishes or shares Title VI compliance reports. If none, please state "N/A."*

*Identify and list any and all federal reporting requirements of which the state department or agency is responsible by citing the applicable Code of Federal Regulations (CFR) citation and/or federal departmental circular that governs each program, activity or federal funds. If none, please state "N/A" and provide an explanation.*

*List any Title VI and discrimination related audits and/or finding(s) the department/agency received from a federal or state monitoring agency (including the THRC). Include any corrective action measures to which the agency must comply.*

**ECD Response:**

ECD furnishes Title VI compliance reports to the U.S. Department of Housing and Urban Development (HUD). Section 570.491 of the State Community Development Block Grant (CDBG) Rule requires states to submit to HUD data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in or beneficiaries of CDBG programs. ECD has received no findings from any federal or state monitoring agency.

**11. TITLE VI TRAINING**

*Describe the agency's Title VI training program; and,*

*Provide the number of total staff of the department, total number of subrecipients and/or contractors, and the actual number and percentage trained;*

*Include dates that training was offered;*

*List proposed dates for future training programs that will be offered to staff, subrecipients and contractors.*

**ECD Response:**

Training for ECD staff is web-based and available to all ECD staff, subrecipients, and contractors. The total number of staff within the department for FY13 is 109. The total number of subrecipients, contractors, and vendors is 344. The Title VI training program is housed on ECD's website and a report is available to show employees who successfully completed training. The training consists of approximately 25 slides of information material followed by a quiz consisting of ten questions to gauge whether the employee, subrecipient, contractor, or vendor has read and understood the material.

Title VI training is offered year-round by ECD, but specific initiatives were undertaken by the department from April 2013-June 2013 to remind employees to complete Title VI training. During this time, all employees were notified and reminded to complete training by the agency Title VI Coordinator and legal staff. A score of 80% correct (8 of 10 correct answers) was required to pass the training. During this time, training was also offered to subrecipients and contractors. Program managers notify subrecipients and contractors to complete training via emails and phone calls at the time their contracts begin.

Of ECD's 109 employees, 103 completed training within the required period (95% of ECD staff). Of ECD's 344 subrecipients, contractors, and vendors, 171 completed the department's online Title VI training within the past year (50%). It is worth noting that subrecipients, contractors, and vendors are notified by program managers to complete training when their contracts begin, not during the specific training period offered to ECD employees. For this reason, many of ECD's subrecipients, contractors, and vendors will not complete training on the same schedule as ECD employees.

ECD plans to notify all employees to complete training again in spring 2014. ECD plans to continue to notify subrecipients, contractors, and vendors to complete training when their contracts begin.

ECD's Title VI training report is attached as Appendix O.

## 12. PUBLIC NOTICE AND OUTREACH

### Required:

*Identify how the department or agency disseminates information about the following to its clients, constituents and the public:*

- (i) Title VI implementation plan;*
- (ii) Complaint procedures;*
- (iii) Nondiscrimination policy;*
- (iv) Programs and services; and,*
- (v) Minority participation on planning boards and advisory bodies.*

### **ECD Response:**

ECD disseminates information about its Title VI policy, complaint procedures, nondiscrimination policy, programs and services, and minority participation on planning boards and advisory bodies through its website. This information is available the public as well as to clients and communities who may come in contact with the agency. ECD's Communications division works closely with all divisions of the department to ensure the pertinent compliance information is available and up to date.

*Does the agency utilize minority media? In what instances does the department disseminate information using minority media? Identify what percentage of information disseminated by agency involved minority media.*

**ECD Response:**

ECD does not frequently utilize outside media of any kind. Nearly all of ECD's media services are performed by ECD's in-house Communications Division, consisting of the Assistant Commissioner of Communications and staff. The department's communications division frequently issues press releases regarding federal programs administered by ECD. This information can also be found on ECD's website. For this reason, ECD did not utilize minority media for the fiscal year ending June 30, 2013.

*Minority representation on planning boards or advisory bodies:*

- (i) List and describe all internal and external advisory boards or bodies for the department or agency. Include the goals and duties of the board as well as the impact of board decisions on the public and agency. If the agency does not have any boards or advisory bodies then list none, explain the reason(s) for not utilizing advisory bodies and omit (ii) – (vii) below;*
- (ii) Is there a published list of the boards or advisory bodies issued by the agency? Y or N. If yes, where is this information published?*
- (iii) Identify the total number of persons on any planning or advisory board and the percentage of minority representation. Include the ethnic/racial (e.g., African-American, Native American, Asian, Hispanic, etc.) composition of each boards/advisory bodies;*
- (iv) How are the members of each planning/advisory board selected or appointed and by whom?*
- (v) For boards that are appointed, indicate whether appointment is by virtue of office (e.g. statutory/constitutional officer, agency head, etc...) or if members of the public may be appointed to the board.*
- (vi) Describe how information about board and/or advisory body vacancies is disseminated to the public.*
- (vii) If there is no minority representation on a planning/advisory board, discuss any strategy or policy that the department or agency plans to adopt for the purpose of ensuring minority participation.*

**ECD Response:**

There are three advisory bodies housed within ECD: the Tennessee Technology Development Corporation Board of Directors, the Building Finance Committee, and the Governor's International Advisory Council.

The Tennessee Technology Development Corporation Board of Directors is administratively attached to ECD by statute (T.C.A. § 4-14-301 *et seq.*). The board makes various decisions regarding the operation of the corporation. There are twenty (20) members of the Tennessee Technology Development Corporation Board of Directors. Minority representation is 20%. Members of the board are selected via guidelines set out in statute. These guidelines include appointment of representatives from the public and private sector by the Governor, speakers of both houses, and the board itself. The statute includes a statement that the appointing figures must consider racial diversity when appointing members of the board.

The Building Finance Committee is administratively attached to ECD by statute (T.C.A. § 4-14-109 *et seq.*). The board grants a "Certificate of Public Purpose and Necessity" to local governments who issue certain types of public debt. The members of the board are the Vice Chair of the former Tennessee Board of Economic Growth and six additional members, two from each grand division, all of whom are appointed by the Governor. Membership vacancies are not advertised as vacancies are filled by the Governor as well. There are currently seven members of the Building Finance Committee. Minority representation is 28%.

The Governor's International Advisory Council was formed as an advisory body to provide the Governor and ECD with private-sector perspectives on international business. Membership on the Council is by appointment of the Governor. The Council currently consists of 17 members with 18% minority representation.

There is currently minority representation on all boards and committees. ECD plans to ensure a continuation of minority representation going forward.

*Documentation of minority input. Where and/or when minority input is solicited by the agency, describe how this input is documented? If there is no documentation of minority input, discuss plans to correct this issue?*

**ECD Response:**

ECD's duties do not frequently involve the solicitation of input of any kind from the public. ECD works mostly with local governments and private industry to distribute economic development grants. When services related to those programs are procured by the department, ECD solicits minority input via the state's competitive bidding processes. ECD also submits an annual report to the Governor's Office of Diversity Business Enterprise regarding any contracts the department expects to bid out in the future.

*List the methods used by the department or agency to inform the public about the process for obtaining grants or bidding on contracts of which the agency has oversight.*

**ECD Response:**

ECD utilizes several methods for informing the public about opportunities for obtaining grants and bidding on contracts. Information regarding grants is available on ECD's website and via press releases issued by ECD's Communications Division. When services are procured by the department, the services are advertised on the Department of General Services website as well as through the Edison system. Information is also disseminated via notices in newspapers, periodicals, and meetings with local government officials and civic organizations.

**13. EVALUATION PROCEDURES**

*Describe how the agency evaluates its access to programs and activities by beneficiaries, including minorities; and,*

*Provide a narrative of how the agency makes a comparison of the quality of services after the data is collected?*

*Describe how the agency plans to address any existing Title VI Compliance deficiencies; and,*

*Provide a timeline for meeting the above plans.*

**ECD Response:**

ECD evaluates access to programs and activities by minorities in several ways. First, all grantees must sign statements that they will abide by Title VI prior to grant of any funds from the department. Second, all grantees must collect and report Title VI compliance data to ECD. Third, all grantees are subject to on-site reviews or desk audits by ECD throughout the year. If the department notices a problem with Title VI compliance, the department follows the policy set out in Section 9.E. of this report. Finally, it is worth noting that the department does not generally provide services to the public. In general, the department works only with local governments and private industry to distribute economic development grants and other assistance.

**14. RESPONSIBLE OFFICIALS**

*The responsible State official charged with ensuring that the department or agency complies with Title VI:*

William F. Hagerty, Commissioner  
Department of Economic and Community Development  
William R. Snodgrass TN Tower  
312 Rosa L. Parks, 27<sup>th</sup> Floor  
Nashville, TN 37243

  
\_\_\_\_\_  
William F. Hagerty, Commissioner

*The Title VI Director/Coordinator or other designated person assigned with the task of developing and drafting the annual implementation plan:*

Summer Carr, Title VI Coordinator/Director of Contracts  
Department of Economic and Community Development  
William R. Snodgrass TN Tower  
312 Rosa L. Parks, 27<sup>th</sup> Floor  
Nashville, TN 37243

  
\_\_\_\_\_  
Summer Carr, Title VI Coordinator



- BERO**
- Minorities**
- Women**
- Veterans**
- Rural**
- Youth**
- Grants**
- Other**

## BERO

The Office of Business Enterprise, otherwise known and referred to as the Business Enterprise Resource Office (BERO), was created in the Tennessee Department of Economic and Community Development (TNECD) by Chapter 135 of the Public Acts of 1977, codified as Section 99-26-101 et seq.

BERO serves as a voice for and advocate of disadvantaged businesses (DBE) statewide. For the purposes of BERO, DBE refers to businesses owned by women, minorities and veterans. It also refers to businesses operating in remote or rural areas of the state. BERO is also tasked to analyze, disseminate and promote best practices and access to capital to service providers as well as report on the status of DBEs across in the state.

### BERO Resources

[Small Business and Startup Guide \(PDF\)](#) - a small business and startup guide, financing snapshot

[Rural Small Business and Entrepreneurship Loan Fund](#) - \$500 - \$20,000 loans for rural businesses

#### BERO annual reports -

- [FY2013](#)
- [FY2012](#)
- [FY2011](#)

#### Recent quarterly newsletters -

- [Summer 2014](#)
- [Spring 2014](#)

## DBE in the News

### [Nooda.com: Chattanooga entrepreneur launches locally sourced clothing line](#)

Chattanooga resident and budding entrepreneur Ongdeigh Gipson has combined two passions—environmental science and sustainability and fashion—to create a business called Temperate, which offers women's clothing made from local, organic products... a pop-up shop at Society of Work, a relatively new downtown collaborative workspace.

### [Columbia Daily Herald: Students construct websites, careers at Code Academy](#)

Eighteen-year-old Lynn McGlofin wants to start her own business someday, but she's trying to decide between working for an insurance firm or starting a fashion line. She does know she'll need a website.

### [Huffington Post: What I Learned in My First Year as a Female Startup CEO](#)

... If a reporter asks me why it sucks to be a female CEO, I can come up with hundreds of reasons. On the other hand, if I am asked to argue why it's awesome to be a female CEO, I can also do that pretty well. So here is my take on both sides of the issue.



[Tennessee Small Business and Startup Guide](#)



[Rural Small Business and Entrepreneurship Loan Fund](#)



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## Rural Small Business and Entrepreneurship Loan Fund



- [Loan Overview](#)
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### Rural Small Business Loans \$500 - \$20,000

Rural business. Microenterprise. Affordable. Business assistance. Alternative lender.

**USES:**  
 Working capital, equipment and machinery, remodeling, signage, and more...

Loan Amount	Monthly payment*	# of Months
\$2,500	\$141	18
\$7,000	\$162	45
\$10,000	\$175	60
\$20,000	\$351	60

\*estimated payments

**LOAN TERMS:**

- Below prime interest rate
- Up to 5 yr. Repayment Term
- No prepayment penalty
- 2% Closing fee

Loan Amount:

Interest Rates:

Term(Years):

Monthly Payment:

**AM I ELIGIBLE?**

- Existing and Startup Business in Tennessee
- Business located in rural area. Check now.
- Fewer than 10 employees
- Current on all bills - personal and business
- No open bankruptcies
- Collateral - yes

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