

261—54.12(73) Determination of ability to perform.

54.12(1) *Ability evaluation.* Prior to announcing the TSB award, the purchasing authority shall evaluate, in the same manner that other contractors and vendors are evaluated, whether the targeted small business scheduled to receive the award is able to perform the contract as a vendor or prime contractor. This determination shall include consideration of production and financial capacity and technical competence. In construction contracts, the prime contractor shall evaluate all subcontractors, including TSBs with whom the prime contractor has a contract.

54.12(2) *Notice of inability to perform.* If the purchasing authority determines that the targeted small business may be unable to perform, the director of IDED shall be notified.

54.12(3) *IDED assistance.* If, in the opinion of the purchasing authority, a TSB cannot perform, the purchasing authority shall immediately notify IDED. The IDED shall assist the targeted small business in attempting to remedy the causes of the inability to perform. In assisting the TSB, the IDED may use any management or financial assistance programs available through state or governmental agencies or private sources. Once IDED is notified of a TSB's inability to perform, IDED will respond to the purchasing authority within 14 days to indicate the planned course of action to assist the TSB. The IDED may contact a state agency, department, or education institution to verify that certified TSBs with whom they contract are performing under their contracts.