

Increasing
SB/DVBE
Contracting Participation

Welcome

TARGET AUDIENCE

This training is designed for agencies/ or departments that do not meet their Small Business and/or Disabled Veteran Business Enterprise goals of 25% (SB) and 3% (DVBE) respectively.



OVERVIEW

- Advocacy
- Department of General Services—Outreach
- Doing business with California's SBs DOES matter
- SB/DVBE First Policy
- How to Establish a SB/DVBE First Policy
- Implementation of the SB/DVBE First Policy
- First Consideration Contracts (*CMAS)
- Best Practices
- Recommendations
- Tools You Can Use & Resources



ADVOCACY

- **General Provisions** known as CHAPTER 6.5 Small Business Procurement and Contract Act [**14835 - 14847**]
- **GC 14845 – 14847 establishes**
- The directive for state agencies to identify areas for increasing contract participation with certified small businesses and certified disabled veteran business enterprises
- State departments shall identify areas of improvements that are needed to level the playing field in state contracting opportunities



DGS—OUTREACH

- GC 14836 (a) The Legislature hereby declares that it serves a public purpose, and it is of benefit to the state, to promote and facilitate the fullest possible participation by all citizens in the affairs of the State of California in every possible way
- GC 14845 – 14847 Provides the state authority to conduct outreach and education to assist certified SB/DVBE suppliers
- Departments are encouraged to use these GCs in an effort to conduct outreach for their department, and to increase SB/DVBE participation in state contracting.



DGS—OUTREACH

- Executive Order S-02-06 establishes a 25% SB contract participation goal
- Agency staff shall identify a Small Business Advocate and encourage them to develop and share innovative procurement and contracting practices to increase opportunities for small businesses
- Military and Veteran Code (MVC) 999, Article 2 § 1896.70 (b) mandates a 3% DVBE goal in all state contracts (where permissible)
- Consider using the focused recruitment activities outlined in Senate Bill 1045 (Polanco) [Broadcast](#)



DOING BUSINESS WITH CALIFORNIA SBs

How does it help?

Small business “win-win” situation in 2014*

- 99.2% of California’s businesses were SBs
- 3.6 million SBs in California
- SBs employed 6.5 million people: about 50% of California’s workforce
- Every dollar spent with a SB stays in California

*Small Business Administration (SBA) *Small Business Profile* (2014).



DOING BUSINESS WITH CALIFORNIA SBs

How does it help?

Most certified DVBEs are also SB suppliers. Of the 50% of California's workforce who work for SBs, about 36% of these SBs employ between 1-19 or 20-99 employees.

So when California spends tax payer dollars with SB/DVBEs, those SBs can then pay their employees, who in turn spend their earnings with other SBs to keep the money revolving within California.



DOING BUSINESS WITH CALIFORNIA SBs

SB/DVBE barriers to growth for small innovative companies*

- Access to capital
- Identifying market needs
- Lack of small business opportunities

*The Small Business Advocate (SBA) *Advocacy: the voice of small business in government (2015)*



SB/DVBE FIRST POLICY

The benefits of establishing a SB/DVBE First Policy

- To help departments increase their SB/DVBE contracting goals
- The First Policy requires all procurements over \$100 and under \$250K for Goods, Services and Information Technology (IT) Goods and Services, or under \$291K for Public Works be awarded to SB, MB, NVSA, or DVBE whenever possible



HOW TO ESTABLISH A SB/DVBE FIRST POLICY

- Executive Management issues a Policy Statement or Memorandum affirming their department's commitment to establish and enact the SB/DVBE First Policy
- The policy communicates the department's intention and commitment to level the playing field for SB/DVBE suppliers
- The SB/DVBE Advocate ensures continual education and information about the policy is shared throughout the department with all procurement staff



IMPLEMENTATION OF A SB/DVBE FIRST POLICY

Supports the overall programs, functions, and processes:

- Small Business Program
- DVBE Program
- SB/DVBE Waivers or Exemptions Process
- DVBE Incentive
- SB/DVBE Option
- Prompt Payment



FIRST CONSIDERATION CONTRACTS

- Statewide Commodity Contracts
- California Multiple Award Schedules
- Master Service Agreements
- NASPO ValuePoint Cooperative Program (*formerly WSCA-NASPO*)
- [State Price Schedules](#)
- [State Contracts Index Listing](#)
- State Contracting Manual, Volumes [2](#) & [3](#)



SB/DVBE OPTION EXERCISE

1. Is a limited to brand for IT-Goods and Non-IT Goods still required when using the SB/DVBE Option



2. Are the DVBE requirements required when using the SB/DVBE Option



3. Is the protest language required when using the SB/DVBE Option



4. If you receive a quote from one DVBE and one SB can you award





SB/DVBE OPTION EXERCISE CONT.

1. Is a notice of intent to award required when using the SB/DVBE Option



2. Are you required to advertise when using the SB/DVBE Option



3. When purchasing IT Goods and Services using the SB/DVBE Option does the purchase require Office of Legal Service approval





WHY USE CMAS

- SB/DVBE participation counts towards agency goals
- 46% of CMAS Suppliers are SBs and 3% are DVBE (currently)
- There are also some CMAS contracts for a few of the **Mandatory** Statewide Commodity Contracts

(check to see, if the off-ramp option is available)

EXCLUDED CATEGORIES FROM CMAS

- Facility Planning
- Medical Services
- Registered Nursing
- Human Resources
- Security Guard Services
- Architectural, Construction and Engineering
- Environmental Services
- Current Exceptions per [Executive Order B-18-12](#)

*Consulting services for Leadership in Energy & Environmental Design for existing buildings (LEED – EB)



CMAS MULTIPLE OFFERS & SEARCH

- Seek multiple offers unless the product or service is exempt by policy
- Request at least 3 offers, 1 must be a *SB or DVBE (SCM) 2 & 3 Chapter 6*
- Only 1 offer is required if the transaction is under \$5000

[CMAS Contract Search](#)



BEST PRACTICES

- Better reporting captures both the SB and DVBE contract participation
- DGS' awarded contracts for departments can be claimed by that department for reporting purposes
- Appoint an SB/DVBE Advocate (multiple is desired); ensure the Advocate's contact information is no more than two clicks away from the department's homepage
- Use CAL-Card as a payment mechanism
- Mandatory Cal-PCA training/refresher courses/webinars
 - [Available Webinars via Cal-PCA](#)



BEST PRACTICES

- Explain the benefits of certification, provide links to DGS website as well as provide guidance in navigating the certification process
- Work with prime contractors to identify SB/DVBE suppliers
- Search the DGS database to locate SBs/DVBEs for upcoming solicitations
- Participate in statewide outreach events when possible
- Adopt a SB/DVBE First Policy



BEST PRACTICES

- Offer scheduled meetings with prospective SB/DVBE suppliers
- Utilize DVBE suppliers listed on NASPO ValuePoint Cooperative Program
- Advertise SB/DVBE contract opportunities beyond DGS solicitation advertisements by placing them on your department's website/homepage, diversity magazines and newspapers

BEST PRACTICES

- Invite certified SBs and DVBEs to participate in Bidders' Conferences for potential teaming opportunities
- Invite potential primes to participate in Bidders' Conferences where they can meet qualified SBs and DVBEs for potential teaming opportunities
- Identify potential contracting opportunities for SBs and DVBEs that can be unbundled from larger contracts

DEPARTMENT RECOMMENDATIONS

- DGS will identify areas of improvement by department
- DGS will schedule follow-up meetings/phone conference calls to discuss contracting issues and concerns
- DGS will assist each department with ways to improve their outreach and visibility
- Continue to seek education and training opportunities
- Attend the advocate training meetings; [Keep Advocate information updated](#)

TOOLS YOU CAN USE

- [Executive Order S-02-06 \(Small Business Participation\)](#)
- [Executive Order D-43-01 \(DVBE Participation\)](#)
- [How to do Business with the State of California Brochure](#)
- [DVBE Brochure](#)
- [SB/DVBE Program Planning \(p.7 of the Advocate Toolkit\)](#)

TOOLS YOU CAN USE

- [Communication and Outreach Calendar of Events](#)
- [SB/DVBE Events Calendar Mobile App](#)
- [SB/DVBE Advocate Community Email Engagement](#)
- [Advocate Toolkit](#)
- [Subscribe to Receive DGS Broadcast Bulletins](#)

DGS EMAILS BY BRANCH OR SECTION

Buygreen@dgs.ca.gov	Environmental Preferred Purchasing
CalPCA@dgs.ca.gov	California Procurement & Contracting Academy
CMAS@dgs.ca.gov	California Multiple Award Schedules
SLP@dgs.ca.gov	Software Licensing Program
Advocate@dgs.ca.gov	SB/DVBE Advocate
Custserv@dgs.ca.gov	Customer Service
Dgspdeppengineer@dgs.ca.gov	DGS Engineering
eProcure@dgs.ca.gov	eProcurement
IAU@dgs.ca.gov	Intake & Analysis Unit
Masters@dgs.ca.gov	Master Agreements
PDInvoiceQuestions@dgs.ca.gov	Procurement Division Invoices
PPO@dgs.ca.gov	Office of Policies, Legislation and Procedures
PDProtest@dgs.ca.gov	PD Protest
PDPublicRecordsRequests@dgs.ca.gov	PD Public Records Request
PINAdministrator@dgs.ca.gov	Public Information Network (PIN)
Transportationmanagement@dgs.ca.gov	Transportation Management Unit



FEEDBACK FORM

Your feedback is important to us!

Please complete the survey

CALIFORNIA DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION

Thank you for
participating

- CORRECT

- INCORRECT

- **DEPENDS**
on the department's delegated authority

- **CORRECT**

However, if your agency or department does advertise you must follow the rules in SCM 2/3 that requires a minimum of 10-days