

		Policy
	Small Business and Disabled Veteran Business Enterprise Policy	Number: 1046
		Issue Date: 11/18/2013
Owner: Administration Division, Procurement and Contracting Services Branch		Revised Date: 03/25/2014

Distribution

All employees

Ownership

The California Department of Technology (CalTech), Administration Division, Procurement and Contracting Services Branch, is responsible for ensuring this Policy is executed through procurement practices and is supported on a department-wide basis.

Purpose

Pursuant to the Small Business Procurement and Contract Act ([Government Code \[GC\] sections 14835 through 14843](#)) and [Military and Veterans Code \(M&VC\) section 999 et seq.](#), procurement opportunities must be offered to certified Small Businesses (SB), Micro Businesses (MB), and Disabled Veteran Business Enterprises (DVBE) whenever feasible. Hereafter, any reference to certified SB also includes certified MB as defined by the above referenced Government Code.

CalTech is committed to offering procurement opportunities to California certified SBs and DVBEs and has demonstrated its abilities to meet and exceed the annual statewide participation goals as set forth in Executive Orders S-11-06 (25% to SBs) and D-43-01 (3% to DVBEs). This Policy is developed to ensure CalTech continues to be a leader among State departments in supporting California SBs/DVBEs and our economy.

Policy

1. Procurement activities must be conducted in an open and fair environment that promotes competition among prospective vendors.

[GC section 14838.5](#) enables a department to conduct a competitive solicitation with an estimated value of \$5000.01 to \$249,999.99 (up to \$270,000.00 for public works contracts) that targets only certified SBs or certified DVBEs and eliminates the advertising requirement for transactions awarded to a certified SB or a certified DVBE when utilizing the SB/DVBE Option methodology. SB/DVBE Option is defined as obtaining responsive price quotations from at least two or more California certified SBs or two or more certified DVBEs.

2. CalTech is aggressively seeking SB and DVBE participation by requiring the following:
 - **Procurements under \$5,000.00:** Use the Fair and Reasonable (F&R) methodology to award orders to SBs and DVBEs. The criteria described in the State Contracting Manuals (SCM) Volumes (Vols.) 2 and 3 must be met to establish F&R costing.
 - **Procurements from \$5,000.01 to \$249,999.99:** Must be conducted utilizing the SB/DVBE Option methodology or Leverage Procurement Agreement (LPA) method soliciting only SB/DVBE. (Should the LPA method be utilized and a large business is awarded, then a waiver must be approved prior to award.)
 - **Non-IT Goods under \$100.00:** Must be awarded to a SB or DVBE vendor.
 - **Proprietary product, service, and subscription** per SCM Vol. 2, section 5.5.1; SCM Vol. 3, section 5.6.1; or additional purchases exempt by Department of General Services (DGS) policy: Please inquire with the company if there are SB or DVBE possibilities.

Exemptions and Waiver

Exemptions to the requirements in this Policy include one or more of the following procurements:

- Purchases and services where there is no SB and DVBE vendor available.
- Mandatory statewide contracts where there is no SB/DVBE Off-Ramp.
- Mandatory statewide contracts that have been awarded to a certified SB, MB, or DVBE.
- Emergency purchases as defined by Public Contract Code (PCC) section 12102(b)(2): "...the goods and services are needed in cases of emergency where immediate acquisition is necessary for the protection of the public health, welfare, or safety." Additional details about emergency purchases can be found in SCM Vol. 1, section 3.10; SCM Vol. 2, section 2.B5.0; or SCM Vol. 3, section 2.B8.0.

A [SB/DVBE Under 250K Waiver form \(TECH 407\)](#) is required for every transaction under \$250,000.00 that will not be awarded to a SB or DVBE. The acquisition analyst shall complete the waiver, summarizing the steps taken, research conducted, and the justification for not awarding to a SB or DVBE. The Procurement and Contracting Services Branch Chief or his/her designee shall approve and sign off on waivers, with a copy placed in the procurement file for documentation purposes.

Roles and Responsibilities

Acquisition Analysts: Responsible for adhering to this Policy and procedures.

Program Areas (Requestors): Responsible for observing this Policy and supporting CalTech's efforts to provide requested commodities and services through California certified SBs and DVBEs.

SB/DVBE Advocate: Administers the CalTech SB/DVBE program to ensure annual procurement and contract activities meet and exceed statewide participation goals. The SB/DVBE advocate shall assist program areas and acquisition analysts to achieve maximum participation by locating SB and/or DVBE vendors.

Additional Resources

The DGS, Office of Small Business and DVBE Services (OSDS), maintains the certified lists for SBs and DVBEs. Access the OSDS eProcurement web page (<http://www.bidsync.com/DPXBisCASB>) to obtain business certification information. Search by using a supplier identification or business name. For a more extensive search, search by business type, keywords, and/or location.

CalTech SB/DVBE Contact Information:

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Authority/Reference(s)

[Executive Order S-011-06](#)

[Executive Order D-43-01](#)

[Small Business Procurement and Contract Act](#)

[Military and Veterans Code \(M&VC\) section 999 et seq.](#)

[Public Contract Code section 12102\(b\)\(2\)](#)

SB/DVBE Option:

- [SCM Volume 1, section 5.80.A9](#)
- [SCM Volume 2, section 4.B5.0](#)
- [SCM Volume 3, section 3.2.4](#)

[SB/DVBE Under 250K Waiver form, TECH 407](#)