

Disabled Veteran Business Enterprise Subcontractor Reporting Requirements Training

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Contract Activity Reports

The Department of General Services, Procurement Division, Office of Small Business and DVBE Services (OSDS) prepares a Consolidated Annual Report (CAR) that combines award statistics each year:

- [The Fiscal Year 2012-13 Consolidated Annual Report \(PDF\)](#)
- [DVBE Incentive Exemption List](#)

To accomplish this, State agencies, departments, boards, commissions and other entities **must** provide a CAR to the DGS Reports Coordinator annually **by August 1st**.

All reports requirement, forms and instructions for CAR can be found below:

[Training & Requirements](#)

[Consolidated Annual Reports Forms & Instructions](#)

[DVBE Subcontracting Forms & Instructions \(Effective 07/01/2014\)](#)

DVBE Subcontracting Forms Training
[Training Handout \(PDF\)](#)

Departments DVBE Subcontracting Form (FORM 810D)
[Form \(MS Excel\)](#) [Instructions \(MS Word\)](#)

Prime DVBE Subcontracting Form
[Form \(MS Excel\)](#) [Instructions \(MS Word\)](#)

Slide 2 Notes

- Go To DGS.CA.GOV
- Search for “Contract Activity Reports”
- One of the first links should take you to this page. The actual link is provided at the end of this training session.

You will find

- Forms
- Instructions
- PowerPoint Slides

Outline

- **Background**
 - Statutes & Regulations
- **State Auditor's Report # 2013-115**
 - Disabled Veteran Business Enterprise (DVBE) Program
- **DVBE Reporting Requirements**
- **New DVBE Reporting Forms**

Background

- **Military and Veterans Code § 999.5(d)**
 - On completion of the contract, a Prime Contractor that subcontracted with a DVBE firm shall provide detail information regarding participation
- **Government Code § 14841**
- **Title 2, Division 2, DVBE Regulations**
 - California Code of Regulations § 1896.78(e)
- **State Contracting Manual (SCM)**
 - Volume 2, Chapters 3 & 12
 - Volume 3, Chapters 3 & 12

Slide 4 Notes

- MVC 999.5
- (d) Upon completion of an awarded contract for which a commitment to achieve a disabled veteran business enterprise goal was made, an awarding department shall require the prime contractor that entered into a subcontract with a disabled veteran business enterprise to certify to the awarding department all of the following:
 - (1) The total amount the prime contractor received under the contract.
 - (2) The name and address of the disabled veteran business enterprise that participated in the performance of the contract.
 - (3) The amount each disabled veteran business enterprise received from the prime contractor.
 - (4) That all payments under the contract have been made to the disabled veteran business enterprise.
- An awarding department shall keep that certification on file. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation in the minimum amount of two thousand five hundred dollars (\$2,500) and the maximum amount of twenty-five thousand dollars (\$25,000). An action for a civil penalty under this subdivision may be brought by any public prosecutor in the name of the people of the State of California and the penalty imposed shall be enforceable as a civil judgment.
- **GC 14841.**
- Upon completion of a public contract for which a commitment to achieve small business or disabled veteran business enterprise participation goals was made, the contractor shall report to the awarding department the actual percentage of small business and disabled veteran business enterprise participation that was achieved.
- *(Added by Stats. 2009, Ch. 212, Sec. 2. Effective January 1, 2010.)*

Slide 4 Notes (Continued)

Title 2, Division 2 (DVBE Regulations)

California Code of Regulations § 1896.78(e)

- (e) Upon completion of a contract for which a commitment to achieve a DVBE goal was made, the contractor shall certify in writing to the awarding department, all of the items listed:
- (1) Total amount the prime contractor received under the contract.
- (2) The name and address of the DVBE that participated in the performance of the contract.
- (3) The amount each DVBE received from the prime contractor.
- (4) That all payments under the contract have been made to the DVBE.

(Effective April 1, 2013.)

Broadcast Bulletin (January 19, 2010)

Regarding Senate Bill (SB) 548, Chapter 595, Statutes of 2009, which details the modified MVC 999.5(d)

- **State Contracting Manual Volume 2 & 3 Chapter 3 & 12**
- DVBE Subcontracting language is already in the SCM

State Auditor Report #2013-115

DVBE Program Audit Findings – Awarding Department Records

- <http://www.auditor.ca.gov/pdfs/reports/2013-115.pdf>

Slide 5 Notes

- CA State Auditor Report (Pg. 19)
- Discuss DVBE Subcontracting
- DVBE subcontracting accounts for roughly 41 percent DVBE participation
- The challenge: accounting system would not have information regarding DVBE subcontractors
- Solution: MVC that requires prime contractors to provide DVBE subcontracting information. Awarding departments could use this information as a way to report on amounts paid to DVBE subcontractors.

DVBE Subcontractor Reports

- **Prime Contractor's DVBE Subcontracting Report**
- **State Department's DVBE Subcontracting Consolidation Report**

Slide 6 Notes

- **Prime Contractor's DVBE Subcontracting Report**
 - Report for the Prime Contractor to submit upon completion of a contract where DVBE subcontracting was used or committed.
- **State Department's DVBE Subcontracting Consolidation Report**
 - Consolidation of the Prime Contractor's DVBE subcontracting Report for a given Fiscal Year.

Prime Contractor's DVBE Subcontracting Report

Slide 8 Notes

- Handout
- The Form is to capture DVBE subcontracting information
- ONLY one contract per Report. Include all DVBE firms that performed an element of work for this contract.
- Many of these fields need to be filled out by the department prior to emailing them to the Prime Contractor (page 2 on instructions)
 - Contract Number
 - Prime Contractor Name
 - Department
 - Date Contract Completed
 - Contract Award Amount
 - DVBE subcontractors name
 - DVBE subcontractors address
 - DVBE Supplier number
 - Total Contracted Amount to DVBE

Slide 8 Notes (Continued)

- The awarding department's completion of this information prior to emailing this form to prime contractors ensures that all DVBE subcontractor activities are reported for DVBE firms resulting in the award.
- Awarding departments must ensure receipt of the report from prime contractor's report within 60 days from the issuance of the final payment
- This form is required for contracts issued on and after July 1, 2014, and will be used to create awarding department reports beginning with the 2014-15 fiscal year.
- **MAINTAIN RECORDS TO SUPPORT TOTAL DOLLAR AMOUNTS REPORTED AND TO VALIDATE SUBMISSIONS.**
- Remember most DVBE substitutions must be approved by OSDS unless it is a public works contract (Public Contract Code § 4107)

Slide 9 Notes

- Additional lines are available on the following tabs
- Grand total is calculated on the front tab

Prime Contractor's DVBE Subcontracting Report cont.

- Only ONE contract per Form
- Include all DVBEs that performed an element of work for this contract
- Department pre-populates certain fields
- Multi-Year contracts
 - Due at the end of the contract (NOT every year)

Slide 10 Notes

- Or were committed to perform an element of work
- Multi-year contracts
 - Due at the end of the contract, NOT every FY
- First Report is for contracts starting in FY 14-15

State Department's DVBE Subcontracting Consolidation Report

Slide 12 Notes

- The report is due annually on November 1
- Each line represents ONE Prime Contractor's Report
- All information for this Report is captured on the Prime Contractor's Report
- **All contracts completed/reported within the Fiscal Year that included DVBE subcontracting.**
- **Prime Contractor Reports submitted after department's submission to OSDS shall be included in the next fiscal year report.**
- Blue cells are calculations and are locked.
Include contracts issued by DGS or any other department on your departments behalf

Slide 13 Notes

- Additional lines are available on separate tabs
- The grand total is calculated on the first tab

Due Date: 1st Report due 11/1/15

Submit State Department's DVBE Subcontracting Consolidation Report to:

Department of General Services
Procurement Division
Office of Small Business & DVBE Services
Attn: Reports Coordinator
707 3rd Street, Room 1-400, IMS Z-1. MS 210
West Sacramento, CA 95605

*Report may be submitted as a Portable Document Format (PDF) scanned with signatures to

OSDSReports@dgs.ca.gov

Note: Do NOT include the Prime Contractor's DVBE Subcontracting Reports when submitting

Slide 14 Notes

- DUE DATE: November 1st 2015. Then each November 1st.
- If a significant update to these forms are made, an updated training video will be created and a Broadcast Bulletin will be released.

Reporting Required!

- All Agencies/Departments Must Report
- If an Agency/Department does not believe they should report then they must show the specific statute demonstrating they are exempt
- Failure to submit will lead to being published on the “Did Not Report List”

Contact Information

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**Email questions regarding DVBE
Subcontracting Reports to:
OSDSReports@dgs.ca.gov**

**For reports requirements, forms, and instructions, please go to:
<http://www.dgs.ca.gov/pd/Programs/OSDS/ContractReporting.aspx>**

Thank you!

Slide 17 Notes

The address for the reports website where you will find

- Forms
- Instructions
- PowerPoint Slides