

## **SMALL BUSINESS AND DISABLED VETERAN BUSINESS ENTERPRISE CONTRACTING OPPORTUNITIES** **2622**

(May 2005)

Pursuant to the Small Business Procurement Contract Act (GC sections 14835 through 14843), all **purchasers** must offer procurement opportunities to CA certified small businesses (SB), microbusinesses (MB) and disabled veteran business enterprise (DVBE) whenever possible. Hereafter unless otherwise directed any reference to certified small business(es) also includes certified microbusiness(es) as defined by the above referenced GC.

Consequently, **purchasers** should make every effort to seek out and include certified SB and DVBE when conducting any procurement activity within its approved purchasing authority.

### **ANNUAL STATEWIDE PARTICIPATION GOALS** **2622.1**

(May 2005)

Pursuant to Executive Order D-37-01 and PCC section 10115, each department shall have an annual statewide participation goal in state contracting of not less than 25 percent for SB and not less than 3 percent for DVBE.

These goals were established to enhance and encourage competition by creating an optimum environment that affords all businesses equal access to State contracting opportunities. Departments unable to meet the required participation goal(s), are required to submit an Improvement Plan with annual reporting(s). **In CDF, these reports and the Improvement Plan are done by Business Services Sacramento. The statistics are gathered from CALSTARS.**

### **SB ADVOCATE** **2622.2**

(May 2005)

In accordance with GC section 14846, departments whose annual purchasing activities exceed \$100,000.00 (regardless of purchasing type(s) or categories) shall designate a SB advocate whose duties include but are not limited to:

- Identifying potential SB subcontractors and potential subcontracting opportunities.
- Making information regarding pending solicitations available to and consider offers from certified SB business suppliers capable of meeting the state's business need.
- Ensuring that payments due on purchase documents with SB suppliers are promptly made as provided by GC section 926.16 or 927.

**In CDF, the SB advocate is in Business Services Procurement.**

## **AVAILABLE PROCUREMENT APPROACHES TO ACHIEVE GOALS**

**2622.3**

(May 2005)

A number of purchasing categories, depending on a department's approved purchasing authority, including competitive solicitation, leveraged procurement agreement (LPA) contracts and the SB/DVBE option, are available to departments for use in achieving participation goals.

Refer [Section 2650](#) – Leveraged Procurement Agreements (LPA) for information on the process of claiming SB and DBVE contracting dollars under an LPA purchasing category.

## **SB/DVBE OPTION**

**2622.4**

(May 2005)

[GC](#) section 14838.5 (a) and (b) enables a [purchaser](#) to conduct a competitive solicitation valued at \$5,000.01 through \$99,999.99 that targets only certified SB or certified DVBEs.

Refer to [Section 2633.5](#) for detailed information regarding the SB/DVBE Option process.

**Note:** [Purchasers](#) conducting a competitive solicitation for a printing project using the SB/DVBE Option procurement approach must also solicit OSP in accordance with [GC](#) section [14612.2](#) and the requirements as described in [Section 2613.5.2](#).

## **VERIFYING CERTIFICATION STATUS**

**2622.5**

(May 2005)

[Purchasers](#) shall verify California SB and DVBE certification status prior to a contract award regardless of the procurement approach. This verification can be obtained by accessing the [SB and DVBE Services certified firm inquiry](#) database located on the DGS/PD' web page.

The database printout in support of an SB and/or DVBE certification must be maintained in the procurement file.

## **COMMERCIALLY USEFUL FUNCTION**

**2622.6**

(No. 3 February 2006)

In accordance with [GC](#) section 14837 all SBs and DVBEs contractors, subcontractors and suppliers that bid on or participate in a state contract, regardless of being a verbal or written solicitation and/or paid for using the CAL-Card as a payment method, must perform a commercially useful function (CUF). In addition, the requirement to determine CUF is not affected by the applicability of the 5 percent SB and/or DVBE participation preference program. There is no exception to this requirement. Consequently, certified SB, MB and DVBE businesses must perform a CUF to be in compliance with their certified status. Purchasers must determine that a CUF will be performed prior to contract award.

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## **CONTACT SB/DVBE SERVICES**

**2622.7**

(May 2005)

[Click](#) here to access the SB and DVBE Services web page.

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