

5216.00 | Small and Micro Businesses

Effective Date: 10/3/2014 | **Revised Date:** 10/3/2014

POLICY OBJECTIVE

To establish system wide contracting and procurement policy as it is related to Small and Micro Business goals, utilization and reporting.

POLICY STATEMENT

100 Definitions

101 Small Business

For the purposes of this policy, a small business is defined as a business certified as such by the California Department of General Services (DGS).

102 Micro-Business

For the purposes of this policy, a micro-business is defined as a business certified as such by the California Department of General Services (DGS).

For the purposes of this policy, small and micro businesses shall be collectively referred to as "small businesses."

200 Small Business Goal

The CSU supports the spirit of the Legislature's declaration as set forth in the Small Business Procurement and Contracts Act (G.C. 14835 et seq.) and supports those goals established by the Office of Small Business and DVBE Services (OSDS), for the extent of participation of small businesses, including micro-businesses, in the provision of goods, information technology, and services to the state, and in the construction of state facilities.

To provide small businesses an opportunity to request preference, the Small Business Preference Form or an equivalent advisory statement shall be included in all bid solicitations for the procurement of goods and for service agreements. Evidence of certification by OSDS (usually via copy of the OSDS approval letter or referenced certification number) is required from bidder in order for a bid preference to be granted.

300 Requirements

CSU has established a Small Business Advocate within the Chancellor's Office, Contract Services & Procurement department. The Small Business Advocate is the single point of contact for small businesses and shall:

- Make information regarding pending solicitation available to, and consider offers from, California small business suppliers capable of meeting the CSU's business needs, and who have registered with the state for this purpose.
- Ensure prompt payment to small businesses

Each campus shall appoint a small business coordinator to facilitate the Small Business Advocate and perform the following duties:

- Make information regarding pending solicitations available to, and consider offers from, certified California small business suppliers capable of meeting the CSU's business needs, and who have registered with the state for this purpose.
- Ensure prompt payment to small businesses.
- Consider small businesses under the California Multiple Award Schedule (CMAS) prior to placing an order.

- Identify and implement innovative acquisition processes to further small business participation.
- Give special consideration to small businesses and micro businesses by reducing experience requirements and level of inventory normally required.

The awarding department may, on contracts with an estimated cost which exceeds \$300,000.00, give special assistance to small businesses and micro businesses in the preparation and submission of financial ability and experience in performing public works.

The State is required to aid, counsel, assist, and protect, to the maximum extent possible, the interests of small business concerns in order to preserve free competitive enterprise and ensure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the State be placed with such enterprises.

400 Small Business Preference

To provide small businesses an opportunity to request preference, the Small Business Preference Form or an equivalent advisory statement shall be included in all bid solicitations for the procurement of goods and for service agreements. Evidence of certification by OSDS is required from bidder in order for a bid preference to be granted. All certified small businesses may elect to apply a 5% percent bidder's preference that shall not exceed \$50,000.00 in accordance with Government Code 14835 et seq.

500 SB/DVBE Option

A campus may award a contract for the acquisition of goods, services or information technology that has an estimated value of less than \$250,000 to a certified small business or disabled veteran business enterprise without advertising as long as the campus obtains price quotations from two or more certified small business or two or more disabled veteran business enterprises as referenced in Government Code Section 14838.5.

For construction contracts, campuses may award a contract that has an estimated value of less than \$270,000, the cost limit as identified in Public Contract Code Section 10105, to a certified small business, including a micro-business, or to a disabled veteran business enterprise, without advertising as long as written bids are obtained from two or more certified small businesses, including micro-businesses, or from two or more disabled veteran business enterprises. In implementing this provision, the Trustees shall consider a responsive offer timely received from a responsible certified small business, including a micro-business, or from a disabled veteran business enterprise as referenced in Government Code Section 14838.7 (The high-end cost limits as identified above are periodically adjusted by the CA Dept. of Finance.)

600 Reporting

In order to comply with the requirements of the Small Business Procurement and Contract Act, the CSU must report to the OSDS annually on the number and amount of contracts and purchase orders awarded to small businesses.

Campuses shall submit to the Office of the Chancellor annual Small Business & DVBE reports in accordance with due dates specified at <http://www.calstate.edu/CSP/reports.shtml>.