

SEPERATE ATTACHMENT

DEPARTMENT OF GENERAL SERVICES CERTIFIED SMALL BUSINESS PARTICIPATION INFORMATION

BIDDER TO READ IF APPLYING FOR SMALL BUSINESS PREFERENCE

SMALL BUSINESS PREFERENCE

The Small business preference provides certified small businesses and micro-businesses a calculation preference in the amount of five percent (5%) of the lowest, responsible bid submitted by a Bidder who is not a certified small business. The small business preference is used as a calculation to determine the lowest Bidder and does not affect the actual price bid.

The awarding department will grant small business a five percent (5%) Small Business preference on a bid evaluation when a responsible non-small business has submitted the lowest-priced, responsive bid pursuant to the evaluation of a solicitation method when a small business:

- a) Includes in its bid a notification to the awarding department that it is a small business or that it has submitted to the DGS OSDS a complete application no later than 5:00 p.m. on the bid due date, and is subsequently certified by the Department of general Services as a small business; and
- b) Submits a timely, responsive bid; and
- c) Has been determined to be a responsible Bidder.

Bidders having pending Small Business or DVBE Certification applications under review by the Department of General Services concurrent with the bid time frame should contact DGS/OSDS to request an expedite review/approval of their application in order to be considered for the small business preference during the evaluation of this bid. Contact DGS/OSDS at (916) 375-4940 to obtain information about the application expedite process.

Bidders must notify the Department in writing at the time of bid submission that they have an application for Small Business or DVBE certification under review at the DGS Office of Small and Disabled Veteran Business Certification, and they wish to be considered for the Small Business Preference Calculation.

NON-SMALL BUSINESS PREFERENCE

Non-Small Business Bidders will be granted a five percent (5%) non-small business preference on a bid evaluation when a responsible non-small business has agreed to subcontract at least 25 percent of their bid price with a California certified Small Business and if the non-small business Bidder's bid is not the low price bid, or when a proposal has been ranked as the highest scored bid pursuant to the evaluation of the solicitation.

Responding Bidders must:

- a) Include in its bid a notification to the awarding department that it commits to subcontract at least twenty -five percent (25%) of its net bid price with one or more California certified small business(s),
- b) Submit a timely bid as specified in the bid document,
- c) Be determined to be a responsive, responsible Bidder and,
- d) Identify the California certified small business(s) it commits to subcontract with. The Bidder shall list certified SB subcontractors and include their name, address, phone number, a description of the work performed, and the percentage (as specified in the solicitation) per subcontractor.

CALCULATING NON-SMALL BUSINESS PREFERENCE

The non-small business calculation preference five percent (5%) is used for bid evaluation purposes only. Awards made as a result of the NSB preferences shall be awarded at the Bidder's original bid price. The preference shall be computed as follows:

Bidder A, Low bid, not a certified small business:	\$125,000
Bidder B, non-small business	\$131,000
(subcontracting 25% to a certified small business)	
Calculation Preference:	$\$125,000 \times .05 = \$6,250$
	Bidder B
	\$131,000
Subtract calculated preference	- 6,250
Adjusted Bid for Bidder B	\$124,750

Award is made to Bidder B as the low Bidder at the bid price of \$131,000.

TIES BETWEEN CERTIFIED SMALL BUSINESS AND DVBE BUSINESSES

In the event of a precise tie between the bid of a small business and the bid of a disabled veteran enterprise that is also a small business, the award shall go to the disabled veteran that is also a small business.

MAXIMUM ALLOWABLE PREFERENCES

In no event shall the amount of the small business or non-small business subcontractor preferences awarded on a single bid exceed \$50,000, and in no event shall the combined cost of the small business or non-small business subcontractor preference and preferences awarded pursuant to any other provision of law exceed \$100,000. The five percent (5%) calculation preference is used for computation purposes only and does not alter or affect the actual bid price or the amount of the executed Contract. When a certified small business is the lowest responsive, responsible Bidder, then there is no need to compute the small business preference as the small business is the low Bidder

COMMERCIALLY USEFUL FUNCTION (Government code 14837)

A certified small business, micro-business Contractor, subcontractor or supplier, must meet commercially useful function requirements under Government Code

Section 14837(d) (4). Selected firms must perform a "commercially useful function" relevant to this Contract.

The term "small business Contractor, subcontractor supplier" means any person or entity that satisfies the ownership (or management) and control requirements in accordance with Government Code Section 14847 (d) (4) and provides services or goods that contribute to the fulfillment of the Contract requirements by performing a commercially useful function. A person or an entity is deemed to perform a "commercially useful function" if that person or entity does all of the following:

- Is responsible for the execution of a distinct element of the work of the Contract
- Carries out the obligation by actually performing, managing, or supervising the work involved
- Performs work that is normal for its business services and functions
- Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practices

A Contractor, subcontractor, or supplier will not be considered to perform a commercially useful function if the Contractor's, subcontractors, or supplier's role is limited to that of an extra participant in order to obtain the appearance of disabled veteran business participation.

BIDDER CUF REQUIREMENTS

The Department has determined to the best of its ability that your firm meets the criteria above for "commercially useful function". In responding to this solicitation, you are confirming that, under California Code of Regulations 1896.1 above, your business provides goods and or services meet the definition of "commercially useful function". All Bidders are required to provide CUF documentation using the attached State's Bidder Declaration Form GSPD-05-105, attachment included in the solicitation document. When completing the declaration, Bidders must identify all subcontractors proposed for participation in the Contract. Any Bidder awarded a Contract is contractually obligated to use the subcontractor for the corresponding work defined unless the State agrees to a substitution.

PENDING SMALL BUSINESS CERTIFICATION

If your firm is seeking small business certification in order to be considered for small business preference related to this solicitation, you must have : 1) notified Department of General Services, Office of Small Business and DVBE Services (OSDS) that you are responding to a solicitation and are seeking an Expedite Review of your small business certification application in relation to the solicitation; 2) provided DGS OSDS with the bid key action dates page from the bid itself, and, 3) must have submitted a complete application with all required

forms and documentation to OSDS for review and approval by close of business of the Bid submittal due date.

Notify the Department if, at the time of bid submission, your firm has a pending small business application with the Department of General Services, OSDS. The Department will verify your certification is pending or has been approved.

SMALL BUSINESS NONPROFIT VETERAN SERVICE AGENCIES (SB/NVSA)

SB/NVSA prime Bidders meeting requirements specified in the Military and Veterans Code Section 999.50 et seq. and obtaining a California certification as a small business are eligible for the 5% small business preference.