

SEPERATE ATTACHMENT

BIDDER TO READ IF APPLYING FOR DVBE INCENTIVE PREFERENCES

CALIFORNIA DISABLED VETERANS BUSINESS ENTERPRISE (DVBE) PROGRAM

BIDDERS ARE ADVISED TO READ THE INFORMATION AND INSTRUCTIONS CAREFULLY BEFORE SUBMITTING A BID PACKAGE

AUTHORITY: The Disabled Veteran Business Enterprise (DVBE) Goal Program is established in Public Contract Code Section 10115 et seq., Military and Veterans Code 999 et seq. and California Code of Regulations Title 2, Section 1896.6 et seq. In accordance with Military and Veterans Code Section 999.5(a) an incentive will be given to Bidders who include DVBE participation in their bid response.

The Department of Rehabilitation (DOR) has waived this requirement for Bidders to meet DVBE participation requirements as a condition of their bid response.

However, in an effort to continuously promote and offer DVBE opportunities, the DOR includes the DVBE **incentive** in all IFB and RFP solicitations whether exempt or not.

DVBE INCENTIVE:

The "**DVBE Incentive**" provides opportunity for a responsive and responsible Bidder to receive additional **incentive calculations** if they do include DVBE participation. This incentive is applied at the time of bid evaluation when a Bidder selects a California-certified DVBE subcontractor to provide services or commodities in support of the overall Contract scope. Application of the DVBE Incentive *may* place the Bidder to receive an advantage for possible Contract award. Resulting Contract award is offered at the Bidder's original bid or proposal price.

The incentive amount applied is equal to the participation level identified by the Bidder in the DOR Bidder Certification of DVBE Participation and will not be less than 1 percent and will not exceed 5 percent. Those firms identifying less than one percent will not be considered for the incentive application and firms proposing more than 5 percent shall have the incentive capped at 5 percent. The incentive amount for awards based on low price will vary in conjunction with the proposed DVBE participation. Unless a table that replaces the following has been expressly established elsewhere within the solicitation, the following percentages will apply for awards based on low price:

DVBE INCENTIVE APPLICATION:

- For the purposes of this solicitation, DVBE Incentive participation is **optional** and at the discretion of the Bidder.
- The Incentive is applied during the evaluation process and is *only* applied to responsive bids from responsible Bidders proposing the percentage(s) of DVBE participation for the incentive(s) specified in the solicitation.
- When requesting the Incentive, Bidder must complete the attached DOR Documentation of DVBE Program Requirements and Bidder Certification of DVBE Participation. These forms must be included with the bid submittal.
- The DVBE Incentive is applied by factoring the Bidder's stated level of DVBE commitment by the lowest Bidder's bid amount and subtracting the amount from the Bidder's total. Computation is for evaluation purposes only and does not alter the final bid price. (California Code of Regulations, Title 2 § 1896.100 (b)).

- Application of the Incentive cannot displace the low bid of a certified-small business with that of a non-small business.
- Services or commodities provided by the DVBE firm *must* meet the definition of a “Commercially Useful Function” (CUF) as defined under Government Code Sections: 14837, 14838.6, 14839, 14842, and 14842.5 and Military and Veterans Code Sections 999 and 999.6. Failure of the DVBE subcontractor to meet CUF requirements will render the bidding firm ineligible for the DVBE Incentive application.

For evaluation purposes only, the State shall apply an incentive to bids that propose California-certified DVBE participation identified on DOR Form, page 17, California DVBE Program Requirements and page 19, DOR Bidder Certification DVBE Participation and is subsequently confirmed by the State.

Confirmed DVBE Participation:

DVBE Participation Level	Incentive Applied
Less than 1.0	0%
1.0 up to 1.99%	1%
2.0 up to 2.99%	2%
3.0 up to 3.99%	3%
4.0 up to 4.99%	4%
5% or Higher	5%

As applicable:

- Awards based on low price: the net bid price of responsive bids will be reduced (for evaluation purposes only) by the amount of the DVBE incentive as applied to the lowest responsive net bid. If the #1 ranked responsive, responsible bid is from a California certified Small Business, the only Bidders eligible for the incentive will be California certified Small Businesses. The incentive adjustment for awards based on low price cannot exceed 5 percent or \$100,000, whichever is less, of the #1 ranked net bid. When used in combination with a preference adjustment (SB/TACPA/EZA/LAMBRA), the cumulative adjustment amount is not to exceed \$100,000.
- Awards based on highest score: the solicitation shall include an individual requirement that identifies incentive points for DVBE participation.

DOR- DVBE INCENTIVE INFORMATION AND DOCUMENTATION

In order to receive a DVBE Incentive application, Bidders must complete and return Documentation of DVBE Program Requirements and Bidder Certification of DVBE Participation. Failure to do so will result in no Incentive being applied.

MINIMUM DVBE COMMITMENT LEVEL

Bidder DVBE commitment must be more than one (1) percent. Incentive calculations will not be applied to commitments of less than one (1) percent. Bidder selects either Option 1 – Bidder is a Certified DVBE, or Option 2 Non-DVBE Bidder. Failure to complete and submit the required forms as instructed will result in no application of the DVBE Incentive.

SELECTION OF DVBE COMMITMENT OPTION

OPTION 1 – BIDDER IS ITSELF A CERTIFIED DVBE

- Bidder commits to performing at least (1) percent of the Contract amount as a prime firm or in combination with other DVBE firms.
- Bidder must document DVBE participation level using the Documentation of DVBE Program Requirements.
- Bidder must submit Bidder Certification of DVBE Participation confirming DVBE commitment.
- Bidder must provide evidence of DVBE certification – obtained through the Department of General Services, Office of Small Business and DVBE Services (OSDS).

OPTION 2 – BIDDER DVBE COMMITMENT

- Commit to a certified DVBE firm for at least one (1) percent of the bid amount.
- Bidder must document DVBE participation level using the Documentation of DVBE Program Requirements
- Bidder must submit written confirmation and acceptance from the identified DVBE subcontractor using Bidder Certification of DVBE Participation.
- Bidder must submit evidence of DVBE certification-Obtain through the Department of General Services Office of Small Business and DVBE Services (OSDS)

DVBE PROGRAM DEFINITIONS

COMMERCIALLY USEFUL FUNCTION (California Code of Regulations, Title 2, Section 1896.61 (I))

Firms selected must perform a “*commercially useful function*” relevant to this Contract. The term “DVBE Contractor, subcontractor or supplier” means any person or entity that satisfies the ownership (or management) and control requirements of California Code of Regulations, title 2, Section 1896.61(f), is certified in accordance with California Code of Regulations, title 2, Section 1896.70, and provides services or goods that contribute to the fulfillment of the Contract requirements by performing a commercially useful function. As defined in Military and Veterans Code Section 999, a person or an entity is deemed to perform a “commercially useful function” if a 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 and;
- 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 DVBE participation.

DISABLED VETERAN

A disabled veteran, for purposes of DVBE certification eligibility, is defined as a veteran of the military, naval or air services of the United States, with at least a 10 percent service-connected disability and who is a resident of the State of California.

DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)

DVBE is a business enterprise certified by the Department of General Services, Office of Small Business and DVBE Services (OSDS) as meeting all of the following criteria:

- Sole proprietorship owned by a disabled veteran; or a firm or partnership, 51 percent of the stock or partnership interests of which are owned by one or more disabled veterans
- Managed by and with the daily business operations controlled by one or more disabled veterans
- Sole proprietorship, corporation or partnership with its home office located in the United States which is not a branch or subsidiary of a foreign corporation, firm or other business

ADDITIONAL CONTRACT PROVISIONS RELATED TO DVBE PARTICIPATION

The following additional Contract provisions related to the DVBE program defines Contractor obligations related to the DVBE program that are included in the final Contract. Bidder is advised to carefully review these Additional Provisions, to understand relevant obligations pertaining to the DVBE program. A synopsis of the clauses is provided below:

Contract Amendments – DVBE Program Requirements

Explains the requirements and obligations of the Contractor and the DVBE program related to subsequent Contract amendments

Contract Audits

Explains the requirements and obligations of the Contractor related to the review or copying of all records pertaining to the performance of its Contract as pertains to the DVBE program

DVBE Payment Certification

Under Military and Veterans Code 999.5 a prime Contractor must certify payments have been made to listed DVBE subcontractors within 60 days of receiving final payment from the department. Violations imposed carry a minimum of \$2,500 to a maximum of \$25,000 for each penalty.

Substitution of DVBE Firms

Under Military and Veterans Code 999.10 prime Contractor, subject to the approval of DGS, replace a DVBE firm identified in its bid or offer with another DVBE firm.

DVBE Quarterly Reports

Explains the requirements and obligations of the Contractor related to reporting DVBE to identify and report the activity or non-activity within the period reported.

Business Utilization Plan (BUP)

A DVBE BUP is a company's commitment to expend a minimum of 3 percent of its total statewide Contract dollars with DVBEs. This percentage is based on all of its Contracts held *in* California, not just those with the State. This plan must be on file and approved by the DGS Office of Small Business and DVBE Services (OSDS).

DVBE Program Compliance Notification

Upon request, the department's Advocate will provide a pre-review of DVBE documentation for Bidders to ensure they are compliant with DVBE program requirements. Bidders must submit their documents at least five (5) days prior to final bid submission. Upon verification of program compliance, the Advocate will issue a Notification of Compliance confirming the Bidder has satisfied DVBE program requirements related to this solicitation. Bidders are

advised to seek a pre-review of their documentation. Documents for review may be faxed or emailed to (916) 558-5681 or emailed to: srmorris@dor.ca.gov

SUGGESTIONS FOR LOCATING DVBE FIRMS

Contact the Awarding Department

Contact the DOR SB/DVBE Advocate for suggested DVBE firms who may have identified themselves as potential subcontractors, or for a list of firms the department may have created in response to this solicitation.

Other State and Federal Agencies and Local Organizations

STATE: Access the list of certified DVBE firms by using the Department of General Service,

Procurement Division (DGS-PD) online certified firm data base. Access the database at: www.eprocure.dgs.ca.gov .

To begin your search:

- Click on "SB/DVBE Search". "Search by Keywords" OR "United Nations Standard Products and Services Codes (UNSPC)" that apply to the elements you want to subcontract to a DVBE.
- Check for Subcontractor ads that may be placed on the California State Contracts Register for this solicitation prior to the closing date. Access CSCR at: www.eprocure.dgs.ca.gov
- Contact OSDS at (916) 375-4940 for assistance, or email at: OSDSHelp@dgs.ca.gov

FEDERAL: Search the U.S. Small Business Administrations (SBA) Central Contractor Registration (CCR) on-line database at www.ccr.gov/ to identify potential DVBE firms and click on the "Dynamic Small Business Search" button. Search options and information are provided on the CCR site and first time users are advised to "click" on the help button for detailed instructions.

ADVISEMENT: DVBE firms located on the SBA CCR site must be confirmed as California DVBE certified in order to receive DVBE participation credit. Cross check the firm against the DGS OSDS firm listing to verify firm is in fact a California certified DVBE.

LOCAL: Contact local DVBE organizations to identify DVBEs. For a list of local organizations, go to www.pd.dgs.ca.gov/smbus and select: DVBE Local Contacts.

WEBSITE RESOURCES AND INFORMATION

RESOURCE	FOR
<p>U.S. Small Business Administration (SBA): https://www.bpn.gov/ccr/default.aspx</p> <p>Access the Central Contractor Registration on-line database. Available only through internet contact.</p>	<p>Service-Disabled-owned businesses in California. <i>Be sure to verify each DVBE's California Certification.</i></p>
<p>Local Organizations: Go to www.pd.dgs.ca.gov/smbus and select: DVBE Local Contacts (New 02.09) (pdf)</p>	<p>List of potential DVBE subcontractors</p>
<p>DGS-PD EProcurement Website: www.eprocure.dgs.ca.gov Phone: (916) 375-2000 Email: eprocure@dgs.ca.gov</p>	<ul style="list-style-type: none">• SB/DVBE Search• CSCR AdsClick "training tab" to access eProcurement Training Modules for Small Business (SB)/DVBE Search
<p>DGS-PD Office of Small Business and DVBE Services (OSDS) 707 Third Street, Room 1-400, West Sacramento, CA 95605 Website: www.pd.dgs.ca.gov/smbus OSDS Receptionist, 8 am-5 pm: (916) 375-4940 PD Receptionist 8 am-5 pm: (800) 559-5529 Fax: (916) 375-4950 Email: osdchelp@dgs.ca.gov</p>	<ul style="list-style-type: none">• Directory of California-Certified DVBEs• Certification Applications• Certification Information• Certification Status, Concerns• General DVBE program information• DVBE Business Utilization Plan• Small Business/DVBE Advocates
<p>Department of Rehabilitation Shaironda Morris, Small Business DVBE Advocate 721 Capitol Mall Sacramento, CA 95814 Email: srmorris@dor.ca.gov Phone: (916) 558-5699 Fax: (916) 558-5696</p>	<p>Assistance locating DVBE firms related specifically to the advertised solicitation Bidder is responding to.</p>

Section A - DVBE COMMITMENT OPTION
BIDDER IS ADVISED TO READ INSTRUCTIONS CAREFULLY

COMMERCIALLY USEFUL FUNCTION (California Code of Regulations, Title 2, Section 1896.61 (I))

Firms selected must perform a “commercially useful function” relevant to this Contract. The term “DVBE Contractor, subcontractor or supplier” means any person or entity that satisfies the ownership (or management) and control requirements of California Code of Regulations, title 2, Section 1896.61(f), is certified in accordance with California Code of Regulations, title 2, Section 1896.70 and provides services or goods that contribute to the fulfillment of the Contract requirements by performing a commercially useful function. As defined in Military and Veterans Code Section 999, a person or an entity is deemed to perform a “commercially useful function” if a 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; and
- 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.

INSTRUCTIONS FOR DOCUMENTING DVBE CERTIFICATION OF DVBE PARTICIPATION

Read the following information carefully. Failure to comply with DVBE program requirements may result in rejection of your bid.

“DOCUMENTATION OF DVBE PARTICIPATION REQUIREMENTS”

1. Be sure to make the proper determination that the selected DVBE firm meets California CUF requirements.
2. Under “DVBE OPTION DESIGNATION” below, select the option appropriate for your firm’s commitment and then complete the Bidder Certification of DVBE Participation.
 - a. If Option 1 is selected, complete the Bidder Certification, Sections 3 – 4 (page 31). Include the , Documentation of DVBE Participation Requirements, the Bidder Certification of DVBE Participation and your DVBE certification with your bid response
 - b. For Option 2, see instructions below
 - c. If submitting a Business Utilization Plan, first contact the department’s SB/DVBE Advocate at (916) 558-5699.

DVBE OPTION DESIGNATION - Check the appropriate box to indicate the option you are choosing with which to meet your DVBE commitment. You are advised to read all instructions carefully prior to completing the forms.

- ☐ **OPTION 1:** We are a certified DVBE firm bidding this solicitation as a prime firm and as such, my commitment is at least three percent.
- ☐ **OPTION 2:** We are not a certified DVBE firm. We have committed to meeting DVBE participation of at least ____ or more percent.
- ☐ **OPTION 3:** Attached is a copy of our firm’s DGS OSDS approved DVBE Business Utilization Plan” (BUP)
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Section B - DOR BIDDER CERTIFICATION OF DVBE PARTICIPATION

In accordance with Military and Veterans Code, Article 6 (commencing with Section 999) of Chapter 6, Division 4 of the California Military Code, Public Contract Code 10115, as the prime Bidder, you are yourself, or you have selected, and mutually agreed to partner with, a California certified DVBE Contractor to provide commodities or services related to the performance of services identified in Department of Rehabilitation IFB/RFP solicitation document. Submission of this form constitutes an agreement between the Prime Bidder and the Certified DVBE Sub-Contractor to fulfill California Disabled Veteran Business Enterprise Participation Program requirements related to the final executed Contract. Any change to the DVBE sub-contractor must be submitting in writing to the Department's DVBE Advocate.

The Bidder Certification form must be signed by company representatives with recognized legal authority to do so.

SECTION 1 - PRIME BIDDER BUSINESS INFORMATION					
FIRM NAME					
FIRM CONTACT					
STREET ADDRESS					
CITY		STATE		ZIP	
FIRM TELEPHONE		FAX#:			
EMAIL				FEIN#	

SECTION 2 - IDENTIFY THE SERVICES OR COMMODITIES TO BE PROVIDED BY THE SELECTED DVBE FIRM(S)
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SECTION 3 - IDENTIFY YOUR FIRM'S DVBE COMMITMENT
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☐ I HAVE COMMITTED ____ PERCENT TO THE DVBE FIRM LISTED BELOW (if multiple DVBE firms are use; total must be 3% overall)
☐ I HAVE COMMITTED GREATER THAN THREE PERCENT. PERCENT COMMITTED: ____%
☐ I HAVE COMMITTED THE AMOUNT SPECIFIED IN THE SOLICITATION DOCUMENT. PERCENT COMMITTED: ____%

Printed Name of Authorized Representative	Signature of Authorized Representative	Date
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SECTION 4 - DVBE FIRM INFORMATION - SUBCONTRACTOR					
FIRM NAME					
FIRM CONTACT					
STREET ADDRESS					
CITY		STATE		ZIP	
FIRM TELEPHONE		FAX#:			
EMAIL				DGS OSDS CERTIFICATION #	

Printed Name of Authorized DVBE Representative	Signature of Authorized DVBE Representative	Date
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Section B.1 - DOR BIDDER CERTIFICATION OF DVBE PARTICIPATION INSTRUCTIONS

Bidders requesting the DVBE Incentive are required to complete DOR - BIDDER CERTIFICATION OF DVBE PARTICIPATION (NEXT PAGE) to document their commitment to a DVBE firm or firms. A separate form is required for each DVBE commitment. Failure to submit this form with your bid will result in a determination of noncompliance and your bid will be rejected.

- Section 1: Complete your prime firm/Bidder business information
- Section 2: Identify services or commodities to be provided by the DVBE subcontractor
- Section 3: Identify the commitment level your firm is making to the DVBE subcontractor; provide the printed and signed name of the legally authorized representative and sign/date the document.
- Section 4: Is to be completed by the DVBE firm. Fax the completed/signed document to the DVBE. Provide the DVBE firm with instructions to:
- Complete the form and to include all requested information
 - Sign and date the form
 - Attach a current copy of the Department of General Services Office of Small Business and DVBE Services OSDS certification – available through OSDS eProcurement SB/DVBE Website
 - Return both forms to you via email or fax.

DISABLED VETERAN BUSINESS ENTERPRISE DECLARATIONS, STD. 843

All prime DVBE firms or DVBE firms acting as subcontractors for materials, supplies, services or equipment rental must submit an original signed DVBE Declaration, Std. 843 with their bid, or provide one to the prime for inclusion with their bid submittal. [Military and Veterans Code 999.3

BIDDER DECLARATION GSPD-05-105

All Bidders responding to this solicitation must complete the Bidder Declaration GSPD-05-105 and include it with their bid response. When completing the declaration, Bidders responding to the solicitation must identify all SB and or DVBE subcontractors proposed for participation in the Contract. Bidders awarded a Contract are contractually obligated to use the SB or DVBE subcontractor for the work identified unless the State agrees to a substitution. The DOR must be notified in writing that a substitution is requested and any substitution of a Small Business or DVBE firm must be approved by the State.