

California Consolidated Annual Report

Fiscal Year 2021-22

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Table of Contents

I: Executive Summary	2
II. What Does DGS Do to Help with SB/DVBE Participation?	7
III: SB/Micro Participation: Record-High Emergency Procurements Contributed to the State Not Meeting the SB Participation Goal in 2021-22	11
IV: DVBE Participation: The State Exceeded the DVBE Participation Goal	18
V: Consulting Services Contracting Activity	22
VI: Promoting State Contracting with Small Businesses and Disabled Veteran Business Enterprises: The SB Option, the DVBE Option, and the DVBE Incentive	23
VII: The Infrastructure Bond Acts Of 2006 (I-Bond) SB Participation Goal is Exceeded	24
VIII: Ethnicity, Race, Gender And Sexual Orientation (ERGSO)	24
IX: Glossary Of Terms	27
X: Exhibits	28

[About - How to use the Consolidated Annual Report Dashboard](#)

[Exhibit: Executive Summary – SB/DVBE Participation by Agency](#)

[Exhibit: Executive Summary - Emergency and Non-Emergency Spend](#)

[Exhibit A: Small Business \(SB\) Participation](#)

[Exhibit B: Disabled Veteran Business Enterprise \(DVBE\) Participation](#)

[Exhibit C: Consulting Services Contracting Activity](#)

[Exhibit D: SB Option, DVBE Option and DVBE Incentive](#)

[Exhibit E: I-Bond Funds](#)

[Exhibit F: Ethnicity, Race, Gender, and Sexual Orientation Report \(ERGSO\)](#)

[Exhibit G: Other - Departments, Boards, or Commissions not under any state agency](#)

I: Executive Summary

The state exceeded its DVBE participation goal reaching 4.82% in 2021-22.

The state was close but did not meet the SB participation goal, reaching 24.82% in 2021-22, partly due to emergency procurements.

With this Statewide Consolidated Annual Report (CAR), the Department of General Services (DGS) is reporting the fiscal year 2021-22 contract dollars awarded by state departments toward the 25% Small Business (SB) and the 3% Disabled Veteran Business Enterprise (DVBE) participation goals in state procurement and contracting. As required by Public Contract Code (PCC) Section 10111, state departments must annually report to DGS the total awarded state dollars and SB/DVBE participation for Information Technology (IT), non-IT goods and services, and construction procurement contracts.

The CAR comprises data from both mandatory and voluntary reporting departments. “Mandatory departments” are under DGS’ purchasing authority and are required to report SB/DVBE participation each fiscal year. “Voluntary departments” include universities and other departments that are statutorily exempt from reporting but may elect to submit data. The 2021-22 CAR compiles the data for 146 mandatory departments and 28 voluntary departments.

In 2021-22, the state’s mandatory reporting departments - referred to as “the state” in this report - awarded a total of \$13.38 billion in contracts. Voluntary reporting departments reported an additional \$2.26 billion in awards, for a total of \$15.64 billion awarded in CAR reportable procurements statewide.

The state exceeded the DVBE participation goal at 4.82% but did not meet the SB participation goal, reaching 24.82%. Of the \$13.38 billion awarded, over \$646 million went to DVBEs, the highest awarded in the past ten years, which resulted in exceeding the 3% participation goal. A record-high \$3.3 billion awarded to SBs brought the state within 0.18% of meeting the SB goal, yet for the fourth time in a row in the past nine years, the state did not meet the 25% participation goal.

Table 1 shows award dollars (in millions) and the SB/Micro and DVBE participation goals achieved for mandatory and voluntary departments.

Table 1. SB/DVBE Award Dollars (in millions) * and SB/DVBE Participation

Departments	Total Contract Dollars	SB/Micro Dollars	SB/Micro Percent	DVBE Dollars	DVBE Percent
Mandatory (state)	\$13,383	\$3,321	24.82%	\$646	4.82%
Voluntary	\$2,258	\$337	14.92%	\$77	3.43%
Total	\$15,641	\$3,658	23.39%	\$723	4.62%

* Rounding may cause the totals in this table to vary slightly from the actual totals.

Cumulatively, mandatory and voluntary departments awarded over \$15.64 billion, with over \$3.66 billion (or 23.39%) in SB participation and \$723 million (or 4.62%) in DVBE participation, as follows:

- 146 mandatory departments - the state - awarded \$13.38 billion, with \$3.3 billion (or

- 24.82%) in SB participation and \$646 million (or 4.82%) in DVBE participation reported.
- 28 voluntary departments awarded \$2.26 billion, with \$337 million (or 14.92%) in SB participation and \$77 million (or 3.43%) in DVBE participation reported.

For more detailed information about SB/DVBE participation in state contracting for mandatory and voluntary agencies, please visit [SB/DVBE Participation by Agency](#).

In 2021-22, the state awarded a record-high \$3.3 billion to SBs and Microbusinesses (Micros) and \$646 million to DVBEs, yet COVID-19 and wildfire emergency expenditures caused the state not to meet its SB participation goals by 0.18%. The state exceeded its DVBE goal.

Fiscal year 2021-22 was another challenging year due to the COVID-19 pandemic and other emergencies such as wildfires, winter storms and drought and California continued to be impacted. The emergency proclamation issued by Governor Newsom on March 4, 2020, directed state agencies to enter into contracts for the procurement of goods and services needed to assist in preparing for, containing, responding to, mitigating the effects of, and recovering from the spread of COVID-19 remained in effect for a third year.

As shown in Table 2, mandatory departments awarded emergency procurements totaling \$1.3 billion, almost 10% of the total contracting dollars in 2021-22. Of the total emergency procurements, \$83 million (or 6.47%) was awarded to SBs, and \$4.5 million (or 0.35%) was awarded to DVBEs.

Table 2. Participation with and without Emergency Purchases (dollars in millions) *

State Awards	Total Contract Dollars	SB/Micro Dollars	SB/Micro Percent	DVBE Dollars	DVBE Percent
Total State Award	\$13,383	\$3,321	24.82%	\$646	4.82%
Without Emergencies	\$12,101	\$3,238	26.76%	\$641	5.30%
Only Emergencies	\$1,282	\$83	6.47%	\$4.5	0.35%

Source: 2021-22 CAR and CAR Data Validation Query (DVQ)

* Rounding may cause totals in this table to vary slightly from the actual totals. The emergency dollars shown in Table 2 are comprised of COVID-19, wildfires, winter storms and drought.

Without emergency procurements, the state would have exceeded both, SB and DVBE participation goals, reaching 26.76% in SB participation and 5.30% in DVBE participation.

For more detailed information about emergency and non-emergency spending in state contracting, please visit: [Emergency and Non-Emergency Spend](#).

Changes From Last Year's Report

The most significant changes compared with the 2020-21 CAR include:

- **The state awarded \$13.38 billion** – a decrease of \$7.84 billion (or 37%) when compared to \$21.23 billion awarded in 2020-21.
- **The emergency procurements awarded totaled \$1.3 billion** – a decrease of \$11.8 billion (or 90%) when compared to \$13 billion awarded in emergency procurements in 2020-21.
- **Emergency procurement dollars represented 10% of total awarded dollars for the year**, compared to 61.5 % in 2020-21.
- **SBs/Micros were awarded \$3.32 billion – the highest amount in the program’s recorded history**, up from the prior year’s \$3.1 billion by \$221.4 million (or 7%).
- **Micros continued to receive the larger share of the SB dollars at \$1.85 billion (or 56%)**, up from the prior year’s \$1.79 billion by almost 3%.
- **DVBEs were awarded \$646 million – the highest amount in the program’s recorded history**, up from the prior year’s \$520 million by \$125 million (or 24%).
- **Of the 146 mandatory departments, 67 departments¹ (or 46%) met both the SB and the DVBE participation goals**, with 92 departments meeting the SB goal and 86 departments meeting the DVBE goal. This is 9% higher than in 2020-21 when 61 departments met both goals, 81 departments met the SB goal, and 78 met the DVBE participation goal.
- **Voluntary department awards decreased by \$188 million (or 8%) in 2021-22** from \$2.45 billion in 2020-21 to \$2.26 billion in 2021-22. SBs/Micros received \$337 million, \$11.6 million more in 2021-22 compared to \$325 million in 2020-21, and DVBEs received \$77 million, \$38 million less compared to \$116 million in 2020-21.
- **Overall, mandatory and voluntary departments awarded \$15.64 billion in contract dollars during 2021-22**, which was a decrease of \$8 billion over 2020-21. Of the \$23.67 billion awarded last year, \$233 million more was awarded to SBs/Micros, and \$87 million more was awarded to DVBEs.

Top Five Spend Departments Driving State Awards and SB/DVBE Participation

Table 3 lists the top five spend departments that cumulatively awarded nearly \$7 billion, over half of the total \$13.38 billion contract dollars awarded by the state. By comparison, last year, the top five spend departments cumulatively awarded \$15.31 billion, almost three-quarters of the total \$21.23 billion contract dollars.

Two of these top five mandatory reporting departments – the Departments of Transportation (Caltrans) and Corrections and Rehabilitation (CDCR)– met both the SB and DVBE participation goals. The Department of State Hospitals (DSH) met only the DVBE goal, and the Department of Public Health (CDPH) and High-Speed Rail Authority (CHSR) were not able to meet either participation goals for 2021-22.

¹ California Department of Technology (CDT) submitted a revised report in February 2023, indicating both SB and DVBE participation goals were met. The revision is not reflected in the report or the exhibit dashboards.

Table 3. Top Five Mandatory Department Dollars Awarded for Fiscal Year 2021-22

Department of	Contract Dollars	SB/Micro %	DVBE %
Transportation, Department of (Caltrans)	\$2,175,389,041	38.09%	4.31%
Public Health, Department of (CDPH)	\$1,576,297,682	11.29%	1.63%
Corrections and Rehabilitation, Department of (CDCR)	\$1,189,750,347	28.28%	6.99%
High-Speed Rail Authority (CHSR)	\$1,053,116,366	10.92%	1.66%
State Hospitals, Department of (DSH)	\$990,876,928	14.73%	4.49%
Total for Top Five Departments	\$6,985,430,364	–	–

CDPH - the second highest awarding department after Caltrans - awarded \$1.6 billion in 2021-22, \$5.6 billion (or 78%) less in comparison to last year's \$7.2 billion. According to CDPH, SB/DVBE participation was low due to emergency purchases primarily related to COVID-19. If these emergency purchases were excluded, CDPH's awarded dollars would have been \$189,127,818, with SB participation at 19.30% and DVBE participation at 4.48%.

CHSR, a new entry to the top five and the fourth on the list - awarded \$1.1 billion in 2021-22, \$987 million more in comparison to last year's \$66 million. CHSR indicated that this surge in contracting dollars is due to design-build contracts with mixed funding, of which both federally certified Disadvantaged Business Enterprises (DBE), as well as state-certified SBs and DVBEs, are sought and counted. Design-build contracts are multiyear contracts for which SB/DVBEs are not known at the time of award but which include a commitment to meet a 25% SB and 3% DVBE goal.

DSH, also a new entry to the top five and fifth on the list - awarded \$991 million in 2021-22, \$397 million more in comparison to last year's \$593 million. DSH indicated emergency purchases impacted its ability to meet the SB participation goal. These purchases did not allow sufficient time to conduct the research required to meet the SB goal and the department's need, and opportunities were potentially missed to utilize the SB/DVBE Option solicitation method.

For details on these departments' challenges, see [Section III: SB/Micro Participation: Partly High Emergency Procurements Contributed to the State Not Meeting the SB Participation goal by 0.18% in 2021-22.](#)

As the state faced challenges in achieving SB/DVBE participation goals due to various emergency response operations, DGS continued to make efforts to identify SBs and DVBEs available to meet emergency contracting needs.

For information on DGS' efforts to increase SB/DVBE participation on all state contracts, including emergency contracts, as well as planned strategies to increase diversity and inclusion in state procurement, see Section II of this report, "[What Does DGS Do to Help with SB/DVBE Participation?](#)".

Structure of This Report

This report is structured into 10 sections.

Section I – Executive Summary

Section II - What Does DGS Do to Help with SB/DVBE Participation?

Section III – SB Participation - Contracting Activity Report ([Form DGS PD 810](#))

Section IV – DVBE Participation - Contracting Activity Report ([Form DGS PD 810](#))

Section V – Consulting Services Contracting Activity ([Form DGS PD 810C](#))

Section VI – SB Option, DVBE Option and DVBE Incentive ([Form DGS PD 810S](#))

Section VII – SB/DVBE Participation in Infrastructure Bond Acts of 2006 ([Form DGS PD810A](#))

Section VIII – Ethnicity, Race, Gender, and Sexual Orientation Contracting Activity (ERGSO) ([Form DGS PD 810E](#))

Section IX - Glossary

Section X - Exhibits – [How to use the Consolidated Annual Report Exhibit Dashboard](#)

- [Exhibit: Executive Summary – SB/DVBE Participation by Agency](#)
- [Exhibit: Executive Summary - Emergency and Non-Emergency Spend](#)
- [Exhibit A: Small Business \(SB\) Participation](#)
- [Exhibit B: Disabled Veteran Business Enterprise \(DVBE\) Participation](#)
- [Exhibit C: Consulting Services Contracting Activity](#)
- [Exhibit D: SB Option, DVBE Option and DVBE Incentive](#)
- [Exhibit E: I Bond Funds](#)
- [Exhibit F: Ethnicity, Race, Gender, and Sexual Orientation Report \(ERGSO\)](#)
- [Exhibit G: Other – Departments, Boards, or Commissions not under any state agency](#)

II. What Does DGS Do to Help with SB/DVBE Participation?

DGS, through its Procurement Division (PD), the Office of Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) Services (OSDS), and the newly established Statewide Supplier Diversity Program (SSDP), continues to promote and work diligently to increase the state’s pool of SB/DVBE certified suppliers through business certification and outreach efforts, strategic partnerships with the business community, and assistance to state departments in achieving their SB/DVBE participation goals. An addition this year to this section is **D. Looking Ahead**, which details DGS’ future planned efforts to increase diversity and inclusion in state procurement.

A. Efforts to increase SB/DVBE participation in emergency procurements

- In late 2021, launched the [SB/DVBE Emergency Registry](#), a dedicated searchable portal that allows SBs and DVBEs with emergency capabilities to self-register in more than 32 emergency goods and services categories (e.g., debris removal, medical supplies, sanitation, food, and fuel) so state buyers can easily identify and contact them as emergencies are happening. In support of the registry, DGS created two web pages specifically for [certified businesses](#) and [state departments](#) and sent communication to 17,000+ certified businesses. At the end of the fiscal year, the number of certified businesses registered was over 649.

- **Targeted SB/DVBE outreach for emergency purchases, including:**
 - Distributing six emergency-specific communications to certified firms.
 - Connecting SBs/DVBEs that reported they could provide COVID-related goods and services to all state SB/DVBE advocates and Cal OES.
 - Expediting 145 certification applications and assisted 26 certified businesses with strengthening their certification profile keywords and United Nations Standard Products and Services Codes (UNSPSC) to meet procurement demand.

B. Direct Assistance to SBs/DVBEs seeking to do business with the state

In summary, DGS employed the following certification, outreach, and procurement efforts during the fiscal year 2021-22:

- **Increased Gross Annual Receipts (GARs) size standards** for SB and Small Business for the purpose of Public Works (SB-PW was adjusted in January based on the biennial review per Government Code (GC) §14837(d)(3). SB increased from \$15 to \$16 million, SB-PW increased from \$36 to \$37 million, and SB/Micro remains the same at \$5 million.
- **Created two new strategic partnerships and maintained 33 existing strategic partners** with diverse organizations that support and help DGS to fulfill the SB/DVBE program mission. New partnerships include Central Valley SCORE and the American Indian Chamber of Commerce.
- **Added two certification reciprocity partners accepting the state SB and DVBE certifications in their procurement** - the University of California system, including its 10 campuses, and Compton Unified School District.
- **Launched a more user-centric OSDS landing webpage** to better support businesses and state departments with the services and resources available for contracting with the state, meeting SB and DVBE participation goals, and reporting compliance matters.
- **Facilitated the DGS Small Business Advisory Council's quarterly meetings.** The Small Business Advisory Council (SBAC) and DGS worked collaboratively to make improvements to state procurement processes, Commercially Useful Function (CUF), and the state's outreach, marketing, training, and education efforts to California's small business communities.
- **Leveraged economic impact through collaboration with other state advisory councils and work groups** to include the California Department of Transportation (Caltrans), California High Speed Rail Authority, Department of Veterans Affairs, UC, Statewide Coalition on Diversity Initiatives, Health in all Policies Task Force and the Entrepreneurship and Economic Mobility Task Force.
- **Increased awareness of the SB/DVBE programs and resources available to suppliers** using social media, webinars, and participation in focused outreach. The OSDS LinkedIn page regularly promotes all outreach, and Statewide Supplier Diversity Program efforts directly connect with business communities and disseminate contract opportunities. Currently, the platform has nearly 700 followers.
- **Developed and updated outreach advocacy and training resources**, including:
 - [How to Access State Solicitations and Place an Ad Video](#)
 - [Commercially Useful Function video](#)
 - [Certification Keywords and UNSPSC Overview video](#)

- OSDS webpage [Apply for or Reapply for Certification as an SB/DVBE webpage](#).
- Spanish translations of SB/DVBE certification and training resources to provide access for a wider range of diverse California businesses.
- **Launched CalSAT (California SB/DVBE Atlas Tool), an interactive visual tool that overlays certified SB/DVBE's Geographic Information System (GIS) locations and procurement information**, such as the state dollars spent with SB/DVBE prime contractors and subcontractors on a California map of disadvantaged communities. The mapping tool helps assess the SB/DVBE certification and outreach efficacy in the state's disadvantaged communities and will inform future targeted outreach and certification strategies. DGS provided a visual overview of CalSAT to various departments and government entities. For more information, visit [SB DVBE Atlas Tool CalSAT](#).
- **Hosted and facilitated a Resource Compass Virtual Event** for small, diverse businesses in Collaboration with the California Office of the Small Business Advocate (CalOSBA), Metro Chamber, and California Capital PTAC with nearly 200 attendees.
- **Coordinated and facilitated business matchmaking session** with 16 state departments and 65 businesses at the CA Black Chamber of Commerce Economic Business Summit.
- **Launched Microsoft Booking appointment scheduling tool** and held 24 one-on-one meetings with diverse small businesses seeking to do business with the state.

C. Support state departments with SB/DVBE participation

To support state departments' SB/DVBE participation success, DGS continues to:

- **Provide tools and best practices** to support the inclusion of SBs and DVBEs in state procurement, e.g., implementing a departmental SB/DVBE First Policy to streamline procurement processes for buyers. More information is available on the [SB/DVBE Best Practices for State Departments webpage](#).
- **Provide policy guidance on implementing new legislation**, such as DVBE subcontracting and reporting, through broadcast bulletin P-05-21 - SUBJECT: [New DVBE Contracting and Reporting Requirements](#).
- **Facilitate SB/DVBE advocates' quarterly workshops** to share SB/DVBE contracting best practices and serve as a training and informational forum for advocates. DGS partners with the Department of Veteran Affairs (CalVet) and the Governor's Office of Business and Economic Development (Go-Biz) to provide tools and guidance to advocates to assist both state departments and SBs/DVBEs with successful state contracting and support advocates in their efforts to find additional opportunities for businesses to partner with the state.
- **Assist underperforming departments**, as needed, to identify department-specific needs and barriers to meeting their participation goals. OSDS continues to assess and recommend additional strategies to address these needs and monitor the progress of departments' SB/DVBE participation.
- **Require departments that do not meet mandated minimum participation goals to complete Improvement Plans**. Improvement Plans give departments the opportunity to assess their procurement activities; explain why their department did not meet the minimum SB and/or DVBE contracting participation goals for the prior fiscal year; lay out strategies to improve their performance; and describe, in detail, the challenges and barriers they face in meeting the SB and/or DVBE participation goals. OSDS is currently developing an online portal to streamline the collection process

for departments. Departments not submitting Improvement Plans will be provided an opportunity to cure deficiencies through a Purchasing Authority deficiency enforcement letter.

In the fiscal year 2021-22, OSDS continued to utilize the four-tiered approach in assisting underperforming departments:

1. Conducted executive-level visits with four departments and agencies.
2. Met with six departments to better understand their procurement obstacles and recommend potential solutions, best practices, and resources to assist with goal attainment.
3. Sent 21 deficiency letters under the DGS Purchasing Authority to departments that failed to submit an Improvement Plan.
4. Invited all mandatory reporting departments that missed the participation goals to an SB/DVBE Contracting Best Practices webinar. Two Best Practices webinars were attended by 40 departments.

Table 4 lists the 4 of the departments OSDS met that made progress into the new fiscal year.

Table 4. SB/DVBE Participation Change for Four Departments Underperforming in 2020-21

Department	2020-21 SB/Micro	2020-21 DVBE	2021-22 SB/Micro	2021-22 DVBE
Peace Officer Standards & Training	40.91%	1.58%	76.41%	4.83%
Public Health, Department	0.77%	0.45%	11.29%	1.63%
Resources Recycling and Recovery	14.64%	0.72%	33.05%	11.85%
State Lands Commission	66.28%	0.74%	90.29%	0.13%

Percentages in bold, green color indicate the SB and/or DVBE participation goal was met.

D. Looking Ahead

DGS will continue with its certification, education and outreach efforts to SB/DVBES to expand the pool of SB/DVBES doing business with the state and increase diversity and inclusion in state procurement, including but not limited to the following:

- **Develop and launch SB/DVBE Training, a DGS Strategic Goal.** DGS is creating a new SB/DVBE Training unit to implement DGS' strategic goal and support diversity and inclusion in state procurement by providing in-depth, hands-on training and one-on-one technical assistance on state procurement and contracting for SB/DVBES, thus creating a level playing field for the smaller, underutilized businesses competing for state dollars.
- **Revise SB/DVBE regulations** to incorporate recent legislation, such as AB 1574, *Leveraging State Procurement for an Inclusive Economic Recovery Act of 2021* (Chapter 756, Statute of 2021) and AB 2019 (Chapter 730, Statutes of 2022) and to include a section on SB participation goals to inform state departments that they are authorized to set contract-specific participation goals pursuant to Government Code sections 14836 and 14838.
- **Launch diversity data dashboard** that displays the voluntary demographic information of bidders and suppliers, including SB/DVBES doing business with the State of California. The data can serve as a resource for departments to build stronger, more diverse supplier bases and support the implementation of new equity policy strategies.

- **Improve voluntary reporting of Ethnicity, Race, Gender, and Sexual Orientation (ERGSO) information by business owners contracting with the state;** OSDS will explore leveraging the supplier diversity voluntary data collection to support ERGSO reporting and eliminate paper submittals by state vendors.
- **Conduct a study to determine the economic impact of the SB/DVBE programs** on state and local economies, as well as show why it is critical for state departments to work together to meet the state’s SB and DVBE participation goals.
- **Measure outreach efforts from contact to contract to better assess the program’s effectiveness.** OSDS will develop and implement an Outreach Tracking Tool to collect metrics on businesses from first contact to events attended, through certification and bid submission up to the award of a contract.
- **Conduct a statewide disparity study by January 1, 2025,** as required by AB 2019, to analyze the contracting practices of the State of California to determine if minority-owned, woman-owned, small, and veteran-owned businesses have equal access to state contracting opportunities and guide outreach strategies, program development, and improvements to contracting policies.
- **Develop and launch a video titled “Building Supplier Diversity in State Procurement”** to educate and empower state departments and agencies by re-emphasizing strategies, tools and resources to advance diversity and inclusion in state contracting effectively.

III: SB/Micro Participation: Emergency Procurements Contributed in Part to the State Not Meeting the SB Participation Goal by 0.18% in 2021-22.

A: SB/Micro Department Participation Data

In 2021-22, the state awarded a total of \$13.83 billion, of which a record-high \$3.32 billion went to SBs/Micros. However, the state did not meet the 25% SB participation goal, reaching 24.82% (Table 5).

The total awarded dollars decreased by \$7.8 billion when compared to 2020-21.

Departments tasked with emergency procurements continued to experience real challenges in contracting with SB prime contractors or subcontractors due to the large contract values, shortened time frames for the award, and a limited pool of SB firms offering vital and specialized emergency products and services related to COVID-19 and various other state emergencies occurring during the reporting period.

Table 5. SB/Micro Contracts by Department Type (dollars in millions) *

Departments	Contract Dollars	SB/Micro Dollars	SB/Micro Percent	SB/Micro Contracts
Mandatory (state)	\$13,383	\$3,321	24.82%	69,650
Voluntary	\$2,258	\$337	14.92%	5,699
Total	\$15,641	\$3,658	23.39%	75,349

* Rounding may cause the totals in this table to vary slightly from the actual totals.

Figure 1 below shows three-year total contract awards, SB participation and emergency dollars for mandatory departments. In 2021-22, the emergency dollars reached \$1.3 billion, \$11.8 billion less than last year's 13.05 billion.

The dollar amount awarded to SBs also exceeded the three-year average of \$3.1 billion in 2021-22, reaching a record high for the program. This is an increase of \$221 million (or 7%) from 2020-21.

Figure 1. Three-Year Emergency Dollars and SB Participation for Mandatory Departments in Total Awarded Dollars (in billions)

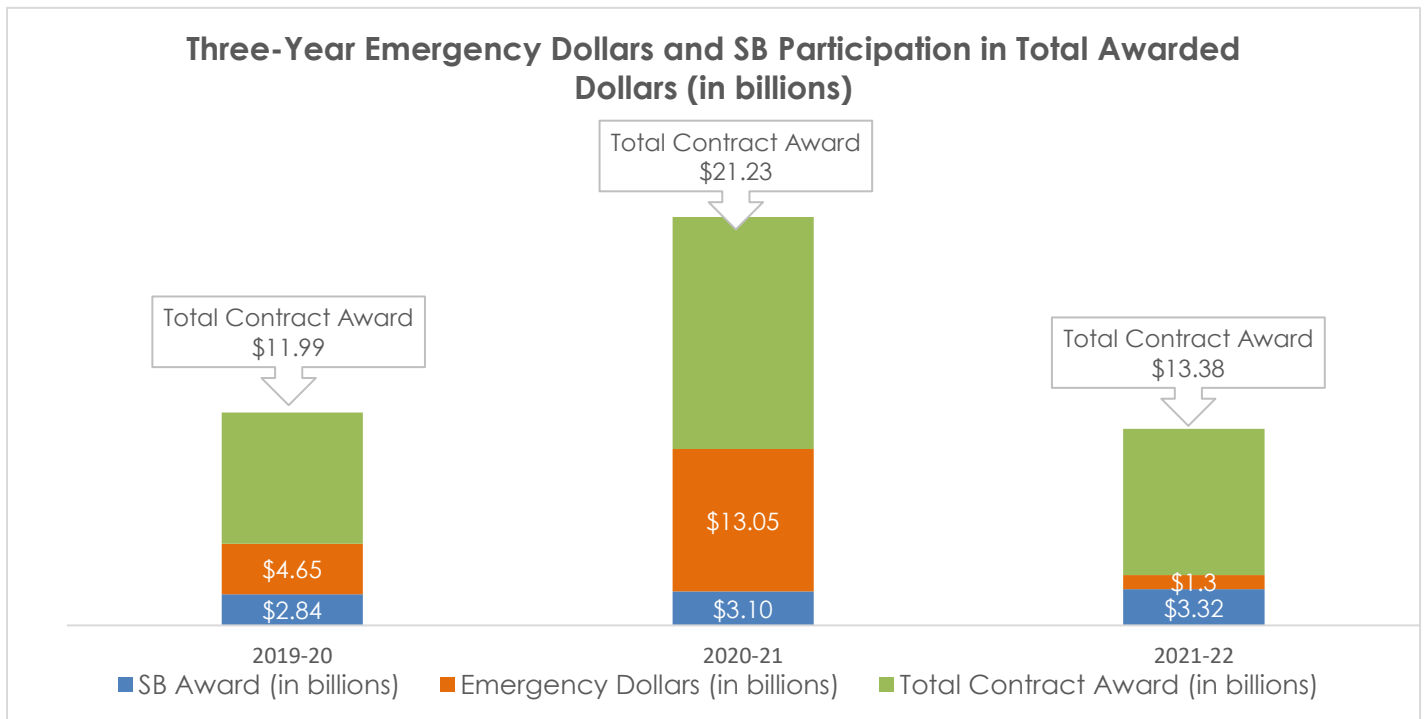


Table 6 shows the top five departments by awarded dollars as reported. The state's five top-awarding departments cumulatively awarded \$7 billion (52%) of the \$13.38 billion awarded by the state. Two of the top five mandatory departments – Transportation (Caltrans) and Corrections and Rehabilitation

(CDCR) – met the SB participation goal. In contrast, Public Health (CDPH), High-Speed Rail Authority (HSR) and State Hospitals (DSH) did not meet the goal.

Table 6. 2021-22 SB/Micro Participation of Top Five Mandatory Awarding Departments

Department of	Contract Dollars	SB/Micro Dollars	SB/Micro %
Transportation, Department (Caltrans)	\$2,175,389,041	\$828,660,836	38.09%
Public Health, Department (CDPH)	\$1,576,297,682	\$178,027,063	11.29%
Corrections and Rehabilitation, Department (CDCR)	\$1,189,750,347	\$336,426,436	28.28%
High-Speed Rail Authority (CHSR)	\$1,053,116,366	\$115,041,428	10.92%
State Hospitals, Department (DSH)	\$990,876,928	\$145,985,741	14.73%
Grand Total	\$6,985,430,364	\$1,604,141,504	22.96%

Percentages in bold and green color indicate that the SB participation goal was met or exceeded.

The primary reasons cited by departments for not meeting the SB participation goal included:

- 1) The COVID-19 pandemic had a major impact on the types of procurements the state needed to make during 2021-22. As a result, CDPH was greatly impacted by these types of purchases, according to their Improvement Plan.

“CDPH is one of the lead agencies as part of the COVID-19 emergency response under various Governor’s Office Executive Orders that suspend requirements under Public Contract Code for competitive bidding and business participation requirements. CDPH executed billions of dollars in contracts with non-small/non-DVBE businesses to protect the citizens of California and to help limit the spread of COVID-19. SB and/or DVBE are unable to provide services for these types of activities due to the large scale and complex nature of the projects. Some examples include systems such as CalVax, which tracks vaccine distribution across the State, Cal-Connect which allows CDPH to work with the 52 counties to conduct statewide contact tracing activities; various purchases for COVID-19 testing kits, lab supplies, and medical staffing contracts with temporary staffing agencies which support counties, hospitals, vaccine sites, and other critical COVID-19 medical staffing shortages around the State of California. Due to COVID pandemic and Governor’s Executive Order to procure Personal Protective Equipment, testing supplies/equipment, professional and consulting services, IT software/maintenance and applications for CalVax, contact tracing and other COVID related applications/services, CDPH did not achieve SB/DVBE goals for past three fiscal years. CDPH continually strives to reach goals through other procurement methods.”

– CDPH 2021-22 Improvement Plan

- 1) HSR “ has established an overall SB goal of 30% to be achieved through various SB certifications. However, due to the method the Authority’s contracts are designed, attainment of the SB/DVBE goals is a challenge to our Design Build and larger contracts. As a result of the Federal dollars associated with most contracts, the Authority has implemented best practices of 49 CFR 26.54 (d), which utilizes Good Faith Effort. This presents a challenge to enforce California’s SB requirements, as there are no repercussions for the prime contractors and no law to enforce when primes fall short of their goals. HSR’s reporting structure is unique in that the majority of the Authority’s contracts are both state and federally-funded, which requires contracts to recognize state and federal small business programs. Since most

contracts procured by the Authority are State and Federally funded, it is difficult to follow the Department of General Services (DGS) CAR guidelines. In a recent meeting with the DGS Office of Small Business and DVBE Services (OSDS), a path forward was determined while taking into consideration the limitations of Fi\$Cal. DGS staff informed the Authority that they are working on a solution for departments that report state and federal spending. " – HSR Narrative

- 2) "DSH had challenges to locate qualified SB/DVBE suppliers for clinical/medical temporary relief staffing services, specialty medical services, and forensic evaluation and services. The emergency procurements impacted the DSH's ability to meet the SB Participation Goal. The emergency purchases did not allow DSH sufficient time to conduct the research required to meet the SB goal and the department need, opportunities were potentially missed to utilize the SB/DVBE Option solicitation methodology." – DSH Improvement Plan

B: SB/Micro Contracting Dollars by Contracting Activity

Information on the distribution of total awards and SB/Micro dollars by contracting activity is instrumental in understanding where the state can amplify its efforts to help meet the overall 25% SB participation goal.

Table 7 below lists dollars awarded in 2021-22, in total, and to SBs/Micros, by contracting activity, summarized as follows:

- Non-IT Services accounted for the top dollars awarded at \$7 billion, 55% lower than the prior year's \$16.35 billion, and reached 22.47% in SB participation.
- IT Goods & Services had the second highest dollars awarded at \$2.5 billion, 40.5% higher than the prior year's \$1.8 billion, and reached 22.88% in SB participation.
- Non-IT Goods followed with \$1.9 billion awarded, 35.7% higher than the prior year's \$1.4 billion, and reached 27.88% in SB participation.
- Construction decreased to \$1.5 billion, 6.2% lower than the prior year's \$1.6 billion, and reached 35.81% in SB participation.
- Procurements paid with a CAL-Card (a state-issued credit card for approved buyers) totaled \$74 million, of which \$15.5 million went to SBs – slightly lower than in 2020-21 – reaching 20.91% SB participation. These are typically smaller dollar amount procurements awarded directly to SBs.

Table 7. Awards and SB Participation by Contracting Activity (dollars in millions) *

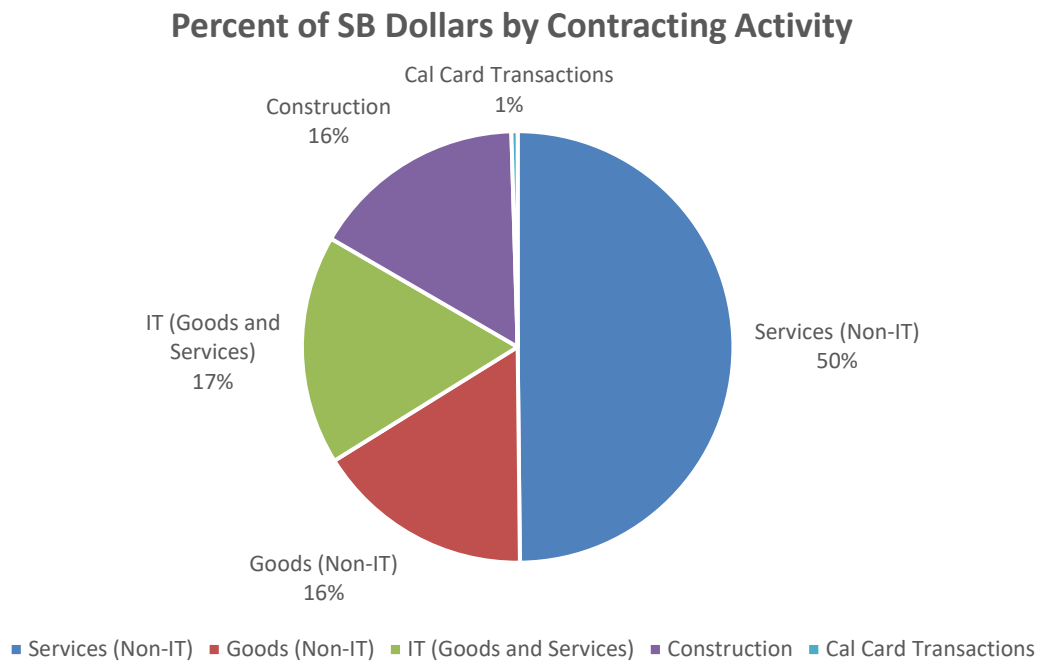
Contracting Activity	Total Contract Dollars	Percent of Total Awarded	SB/Micro Dollars	SB/Micro Percent
Services (Non-IT)	\$7,366	55.04%	\$1,655	22.47%
IT (Goods & Services)	\$2,499	18.67%	\$572	22.88%
Goods (Non-IT)	\$1,945	14.53%	\$542	27.88%
Construction	\$1,499	11.20%	\$537	35.81%
CAL-Card Data	\$74	0.55%	\$15.5	20.91%
Total	\$13,383	100.00%	\$3,321	24.82%

* Rounding may cause the totals in this table to vary slightly from the actual totals.

While the percentages in Table 7 show how much of the total dollars awarded went to SBs in each contracting activity, Figure 2 below shows the percentage breakdown (share) of the \$3.3 billion SB participation by contracting activity.

Figure 2 shows the largest share of SB dollars going to Non-IT Services at almost 50%, the lowest for Non-IT Goods & Construction at 16%, and CAL-Card Data at 0.47%. In 2020-21, the largest share of SB dollars was also for Non-IT Services at 50%, and the lowest was for IT Goods and Services at 15%.

Figure 2. Share of SB Dollars by Contracting Activity



C: SB/Micro Firms by Certification Type, Industry and Number of Employees

At the end of 2021-22, the number of certified SB firms was 16,518 – a decrease of 3,942 firms (or 19%) from the previous year, when the number of certified SB firms was 20,460.

This decrease could be attributed to the COVID-related 6,500+ certification extensions OSDs granted in 2020, resulting in no certification expirations between September 2020 and May 2021, followed by a significant drop once these certifications began to expire.

The Microbusiness (Micro) is a designation of the SB certification granted automatically at Gross Annual Receipts (GARs) of 5 million or less and employee count of 25 or less. SBs and Micros are not required to be certified as SB-PWs in order to be able to use their certification and participate in public works contracts. While not required, they can elect to apply for the SB-PW certification since their GARs were well under the \$37 million GARs limit for SB-PW effective in 2022. However, once these firms graduate from the SB certification program and their GARs exceed \$16 million but are less than \$37 million, their SB-PW certification can be used only on public works contracts. Therefore, SB-PW certification cannot be used, and the credit toward SB participation cannot be counted on non-public works contracts.

Table 8 below includes a breakdown by certification type of all SBs and SBs for the purpose of Public Works (SB-PW), with a Micro designation labeled as SB (Micro) or without a Micro designation labeled as SB.

Table 8. SB Firms by Certification Type and Micro Designation

Certification Type	Certified Firm Count	Percent of Total
SB Only	1,850	11.20%
SB, DVBE	99	0.60%
SB, SB-PW	295	1.79%
SB, SB-PW, DVBE	21	0.13%
SB (Micro)	10,265	62.14%
SB (Micro), SB-PW	2,236	13.54%
SB (Micro), DVBE	1,004	6.08%
SB (Micro), SB-PW, DVBE	216	1.31%
SB-PW, DVBE	25	0.15%
SB-PW	507	3.07%
Total	16,518	100.00%

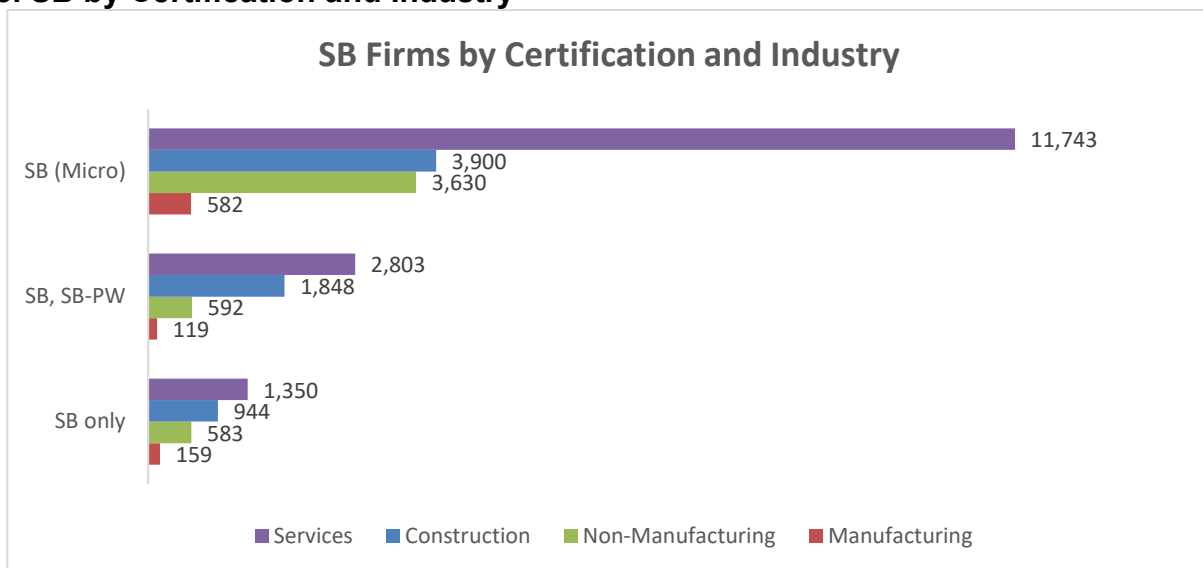
Source: FI\$Cal Master Query - July 2022.

In 2021-22, the total number of SB(Micros) (including those with multiple certifications) was 13,721, representing nearly 83% of all 16,518 SB firms. Of all the Micros, almost 75% had no other certifications, while 9% had the DVBE certification and 18% had the SB-PW certification.

The SB-PW certification implemented in January 2019 reached 3,300 firms in 2021-22, up from 3,144 in 2020-21. Of these firms, 507 were exclusively SB-PW, while 2,793 included multiple certifications. Three in four SB-PWs were also SB(Micros).

Figure 3 below shows firms by certification and industry, as captured in DGS' SB/DVBE certification database.

Figure 3. SB by Certification and Industry



Services represent the most prevalent industry for all SB certifications, especially for the SB(Micro) with 11,743 firms, followed by SB/SB-PW with 2,803 and SB-only with 1,350. Non-manufacturing and construction are also significant for the Micro designation, with approximately 3,630 and 3,900 firms in the two industries, respectively. As was expected for SB/SB-PW, Construction follows Services

with over 1,848 SB/SB-PW firms in this industry.

Figure 3a below displays the word cloud map of service industry keywords most frequently used by SBs in the DGS database.

Fig. 3a. SBs/Micros Keyword Cloud Map

WordCloud



Source: FISCAL's Certification master query

In the word cloud map, the keywords for the service industry categories most frequently used by SBs are identified. The size and scale of the word are determined by how often a keyword is used in SB certification profiles. Some primary keywords shown are Design, Management Services, Engineering, and Consulting, followed by Construction, Commercial, Architecture and Planning.

As required by PCC Section 10111, Table 9 shows the SB count by the number of employees. Firms with fewer than 25 employees represented 87.8% of the SBs in 2021-22. These firms are most likely to have the Micro designation.

Table 9. SB/Micro and SB-PW Firm Count by Number of Employees*

Number of Employees	Number of Firms 2021-22	Number of Firms 2020-21	Change from 2020-22
0-25	16,662	17,788	(1,126)
26-50	1,597	1,868	(271)
51-75	444	522	(78)
76-100	201	218	(17)
101-200	63	64	-1
Totals	18,967	20,460	-1,493

* Point-in-time estimate subject to change.

The number of firms in all employee-count categories decreased in comparison to FY 2020-21. The largest decrease of 1,126 firms was for the 0-25 employee category (Micro) and could be attributed to expirations of 6,500 extended certifications with less firms coming back into certification.

For SB participation data by agency, by department or by mandatory/voluntary, see [Exhibit A](#).

IV: DVBE Participation: The State Exceeded the DVBE Participation Goal

A: DVBE Participation Data

The state exceeded the 3% DVBE participation goal in 2021-22, reaching 4.82%, almost double the 2020-21 goal of 2.45%. The state awarded a total of \$13.38 billion in 2021-22, \$7.8 billion less than in

2020-21. However, the DVBE dollars awarded reached \$646 million, an increase of \$125 million from 2020-21. The number of DVBE contracts awarded in 2021-22 was 19,193, which was 927 contracts fewer than in 2020-21.

Table 10 below shows the total awarded cumulatively by the mandatory and voluntary departments at \$15.64 billion, with 4.82% DVBE participation for mandatory and 3.43% for voluntary departments.

Table 10. DVBE Contracts by Reporting Department Type (dollars in millions) *

Departments	Total Contract Dollars	DVBE Dollars	DVBE %	DVBE Contracts
Mandatory (state)	\$13,383	\$646	4.82%	19,196
Voluntary	\$2,258	\$77	3.43%	1,403
Statewide	\$15,641	\$723	4.62%	20,599

* Rounding may cause totals in this table to vary slightly from the actual totals.

As shown in Table 11 below, the top five departments (by contract dollars) awarded \$7.8 billion in total, representing 52% of the total statewide awards, and awarded \$265 million to DVBEs, or 3.79% of the total awards.

Table 11. 2021-22 DVBE Participation for Top Five Awarding Mandatory Departments

Department of	Contract Dollars	DVBE Dollars	DVBE %
Transportation, Department (Caltrans)	\$2,175,389,041	\$93,830,020	4.31%
Public Health, Department (CDPH)	\$1,576,297,682	\$25,720,372	1.63%
Corrections and Rehabilitation, Department (CDCR)	\$1,189,750,347	\$83,219,342	6.99%
High-Speed Rail Authority (CHSR)	\$1,053,116,366	\$17,433,792	1.66%
State Hospitals, Department (DSH)	\$990,876,928	\$44,453,647	4.49%
Grand Total	\$6,985,430,364	\$264,657,174	3.79%

Percentages in bold and green color indicate that the DVBE participation goal was met or exceeded.

Three of the top five spend departments – Caltrans, CDCR and DSH– met the DVBE participation goal, while CDPH and CHSR did not meet the DVBE participation goal.

Department’s inability to meet the DVBE participation goals is attributed to issues mentioned in detail in [Section III: SB/Micro Participation](#). CDPH cited emergency purchase exemptions and difficulty finding appropriate specialized DVBE contractors as the main reasons for not meeting the DVBE goal. Without the emergency procurements, CDPH would have awarded \$81.9 million with a DVBE participation of 7.30%. CHSR cited Design Build contracts as the main reasons for not meeting the DVBE goal.

B: DVBE Contracting Dollars by Activity

Table 12 below lists the dollars awarded in 2021-22 to DVBEs by contracting activity, summarized as follows:

- Non-IT services accounted for the top dollars awarded at \$7 billion, 55% lower than the prior

year's \$16.35 billion, and reached 2.86% in DVBE participation.

- IT Goods & Services had the second highest dollars awarded at \$2.5 billion, 40.5% higher than the prior year's \$1.8 billion, and reached 7.05% in DVBE participation.
- Non-IT Goods' total contract dollars awarded was \$1.9 billion, 35.7% higher than the prior year's \$1.4 billion, and reached 9.02% in DVBE participation.
- Construction awards decreased to \$1.5 billion, 6.17% lower than the prior year's \$1.6 billion, and reached 5.50% in DVBE participation.
- Procurements paid with a CAL-Card (a state-issued credit card for approved buyers) totaled \$74 million, of which \$1.1 million went to DVBEs – slightly lower than in 2020-21 – reaching 1.50% DVBE participation. These are typically smaller dollar amount procurements awarded directly to DVBEs.

Compared to 2020-21, in 2021-22, DVBE dollars increased in all contracting activities except Construction and CAL-Card, with Non-IT Services experiencing the highest increase at 33%, followed by IT Goods & Services and Non-IT goods at 27%.

Table 12. DVBE Contracts from Mandatory Departments by Activity (dollars in millions) *

Contracting Activity	Total Contract Dollars	Percent of Total	DVBE Dollars	DVBE Goal Percent
Services (Non-IT)	\$7,366	55.04%	\$210	2.86%
IT (Goods & Services)	\$2,499	18.67%	\$176	7.05%
Goods (Non-IT)	\$1,945	14.53%	\$175	9.02%
Construction	\$1,499	11.20%	\$82	5.50%
CAL-Card Data	\$74	0.55%	\$1	1.50%
Total	\$13,383	100.00%	\$646	4.82%

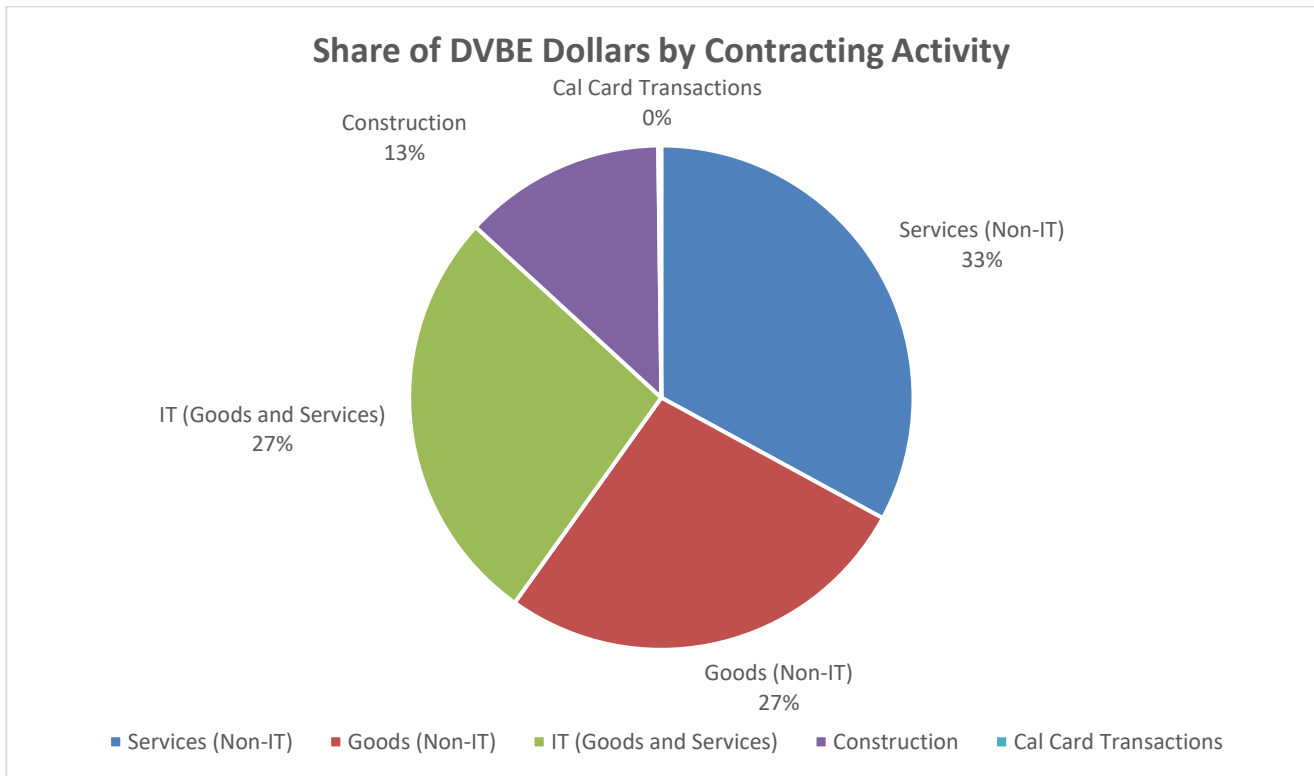
Percentages in bold and green color indicate that the DVBE participation goal was met or exceeded.

** Rounding may cause totals in this table to vary slightly from the actual totals.*

While the percentages in Table 13 show how much of the total dollars awarded went to DVBEs in each contracting activity. Figure 5 below shows a percentage breakdown (share) of the \$646 million DVBE participation by contracting activity.

Figure 5 displays the largest share in Non-IT Services at approximately 33%, followed by Non-IT Goods and IT Goods & Services with a similar share at 27%. Construction and CAL-Card Data had the smallest shares at approximately 13% and 0.2%, respectively.

Figure 5. DVBE Dollars Share by Contracting Activity



C: DVBE Firms by Certification Type, Industry and Number of Employees

At the end of the 2021-22 fiscal year, there were 1,640 certified DVBE firms (Table 13), 21% less than the 2,070 firms in the previous fiscal year. In addition, only 275 firms (or 16.77%) were certified as DVBE-only, while 1,365 (or 83%) had multiple certifications. Nearly three in four DVBEs also had the SB (Micro) designation.

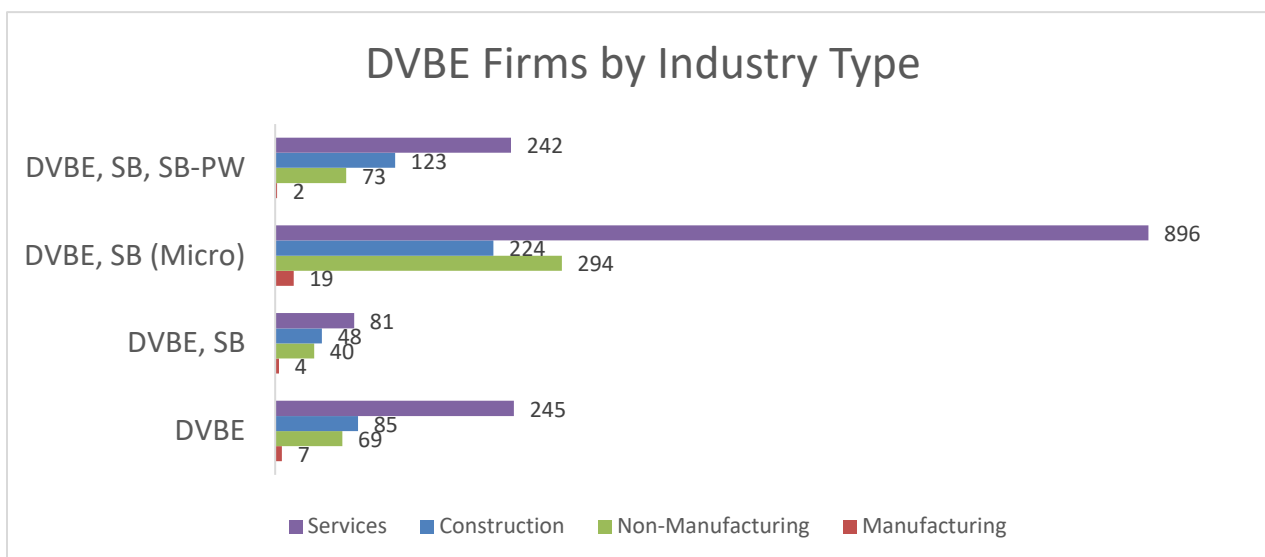
Table 13. DVBE Firms by Certification Type

Certification Type	Firm Count	Percent of Total
DVBE only	275	16.77%
DVBE, SB	99	6.04%
DVBE, SB (Micro)	1,004	61.22%
DVBE, SB-PW	25	1.52%
DVBE, SB, SB-PW	21	1.28%
DVBE, SB (Micro), SB-PW	216	13.17%
Total	1,640	100.00%

Source: FI\$Cal Master Query for July 2022

Figure 6 below shows the DVBE firms by industry. The number of DVBEs is not equal to the total number of firms in each industry due to DVBEs being active in more than one industry.

Figure 6. DVBE Firms by Industry Type



Similar to SB/Micro firms, the Service industry category was the most common for DVBEs, with 1,464 firms (89.27%). Non-Manufacturer and Construction industry categories followed the Service industry with 29.02% and 29.27%, respectively.

Figure 6a below displays a word cloud map of DVBEs' service industry keywords.

Fig. 6a. DVBE Keyword Cloud Map

WordCloud



Source: FISCAL's certification mater query report

In the word cloud map, the keywords for the service industry categories most frequently used by DVBEs are identified. The size and scale of the word are determined by how often the keyword is used in DVBE certification profiles. The primary service keyword for DVBEs is Construction, followed by Services, Water, Management, Consulting and Security.

For DVBE Participation data by agency, departments, and mandatory/voluntary, see [Exhibit B](#).

V: Consulting Services Contracting Activity

Public Contract Code Section 10111 within the State Contract Act requires state entities to report all consulting services contracts awarded, amended, or completed during a fiscal year.³ Consulting services contracts are services of an advisory nature, in which the final product is the transmittal of information in either written or verbal form.

Table 14 below shows the reported consulting services activity for 2021-22 for mandatory departments.

Table 14. Consulting Services Contracts Reported in 2021-22 (dollars in millions) *

Contract Status	Number of Contracts	Percent of Number of Contracts	Dollar Amount
Awarded	934	42.9%	\$3,714
Amended	356	16.4%	\$517
Completed ²	887	40.7%	\$818
Total	2,177	100.0%	-

**Rounding may cause totals in this table to vary slightly from the actual totals.*

The changes in mandatory departments' 2021-22 consulting services contracting activities, when compared to 2020-21, include:

- Departments awarded and amended a total of 1,290 consulting services contracts, up 51 from 2020-21. The awarded and amended contract dollars were at \$4.2 billion, much higher than the prior year's \$1.3 billion, with the highest increase experienced by the Department of Health Care Services at \$2.7 billion and 91% more than last year's \$291 million.
- Departments completed 887 consulting services contracts this year, comparable with the 892 from 2020-21, with a value of \$818 million, which is close to the \$892 billion in 2020-21.
- For both mandatory and voluntary departments, consulting services contracts awarded and amended during 2021-22 were at \$4.2 billion, almost three times higher than the prior year's \$1.5 billion.

Of all departments reporting, 32% did not report consulting services activities for 2021-22, comparable to 2020-21, when 27% had no such contracting activities to report.

For Consulting services contract data table, see [Exhibit C](#).

² Completed consultive services contracts may be awarded and/or amended in previous fiscal years.

VI: Promoting State Contracting with Small Businesses and Disabled Veteran Business Enterprises: the SB Option, the DVBE Option, and the DVBE Incentive

To further encourage the use of SBs and DVBEs for state contracts, departments may use the SB Option or the DVBE Option acquisition method, statutorily permitted by Government Code Sections 14838.5(a) and 14838.7(a), by contracting directly with either an SB or DVBE firm after obtaining price quotes from either two or more SB or two or more DVBE firms. This option applies for goods and services contracts greater than \$5,000 and less than \$250,000, or up to \$388,000 for public works contracts, does not require following the state’s formal competitive bidding requirements, and advertisement is encouraged but not required.

State law also requires awarding departments to apply a “DVBE Incentive” on all competitive procurements to provide an advantage for DVBE firms unless the highest-ranking procurement official or designee approves an exemption. For evaluation purposes only, the state shall apply an incentive to bids that commit to DVBE participation as identified in the Bidder Declaration. The incentive amount for awards based on low prices will vary in conjunction with the percentage of DVBE participation.

Table 15 below shows the reported usage of the SB/DVBE Options and the DVBE Incentive for 2021-22.

Table 15. SB/DVBE Option and DVBE Incentive Contracts for Mandatory Departments

Acquisition Method	Total Dollars (in millions)	Number of Contracts
SB Option	\$377.4	7,469
DVBE Option	\$48.1	1,163
DVBE Incentive	\$314.1	9,330

Highlights of the SB/DVBE Option and the DVBE Incentive during 2021-22 include:

- Of the 146 mandatory reporting departments, 101 used the SB Option, and 61 used the DVBE Option. This was comparable to the 99 departments using the SB Option and less than the 64 using the DVBE Option in 2020-21.
- SB Option dollars increased considerably to \$377.4 million and 7,469 contracts compared to \$230.8 million and 6,496 contracts in 2020-21.
- DVBE Option dollars increased considerably to \$48.1 million and 1,163 contracts from \$18.1 million and 1,046 contracts in 2020-21.
- State awards with a DVBE Incentive increased to \$314.1 million, and the number of contracts increased to 9,330, compared to \$245.5 million and 9,094 contracts in 2020-21.

DGS will continue to promote the SB First Policy to state departments and strongly encourage the use of SB/DVBE options whenever feasible. Additionally, DGS has waived the SB/DVBE Option advertisement cost for departments that advertise SB/DVBE option contracts using Cal eProcure to achieve greater participation. For SB and DVBE Option and the DVBE Incentive data, see [Exhibit D](#).

VII: The Infrastructure Bond Acts of 2006 (I-Bond) SB Participation Goal is Exceeded

Government Code Section 14838.1(f) requires entities to report all contracting activity using the funds from the Infrastructure Bond Acts of 2006 (I-Bond). It mandates a 25% SB participation in the construction of the state's infrastructure using this bond program. State departments report the usage of I-Bond funds for the following bond acts:

- Air Quality, Highway Safety Traffic Reduction, and Port Security
- Disaster Preparedness and Flood Prevention
- Emergency Shelter Trust Fund and Housing
- Flood Control, River and Coastal Protection, Safe Drinking Water, Water Quality and Supply
- Kindergarten-University Public Education Facilities

State departments that do not meet this goal must submit a plan of action to increase SB participation in future fiscal years. In 2021-22, only one department utilized I-Bond funds and exceeded the SB participation achievement of 25%. Table 16 below shows the reported usage of I-Bond funds by the one reporting department.

Table 16. I-Bond Dollar Amounts with SB/Micro Participation

Department	Total Bond Dollars	SB/Micro Dollars	SB/Micro %
Coastal Conservancy	\$95,654	\$90,254	94.35%
Grand Total	\$95,654	\$90,254	94.35%

The number of departments using I-Bond funding has steadily decreased over the past several fiscal years. The fiscal year 2013-14 was the last time more than 10 departments used the I-Bond funds. In 2021-22, only one department reported the use of I-Bond funds. Overall, the state achieved 94.35% SB participation in I-Bond projects in 2021-22. The minimum 3% DVBE participation goal is not mandated in the Infrastructure Bond Acts of 2006.

For data, see [Exhibit E](#).

VIII: Ethnicity, Race, Gender, and Sexual Orientation (ERGSO)

Public Contract Code Section 10111(f) encourages businesses contracting with the state to provide information on the business owner's ERGSO voluntarily.

Departments are required to report to DGS on the ERGSO of business owners who voluntarily provide such information. In addition, awarding departments are required to send a Voluntary Statistical Data Sheet (VSDS) to every business owner who is awarded a contract. The ERGSO report is an accumulation of all voluntary VSDS forms returned to state departments by businesses participating in contracts.

ERGSO data is captured for goods, services, and construction. The same contract may be reported in more than one classification. As an example, a business owner may indicate more than one race and ethnicity classification for a contract. However, when multiple boxes are selected by the

business submitting a VSIDS, it is unclear if the preparer is reporting these categories for the owner(s), employees, the customers they serve, or a combination thereof.

Departments continued to report that many VSIDS forms are not returned by business owners, with only 54% of the departments having data to report in 2021-22, a slight decrease when compared to last year.

To help facilitate better reporting of this voluntary information, DGS will explore building an online voluntary ERGSO Survey for owners of businesses contracting with the state leveraging the diversity data voluntarily collected as a result of AB 2019. The online solution will be designed to preserve the confidentiality of responses and make the voluntary survey easier to complete for business owners.

Below are data highlights as voluntarily reported by the business community:

- **The Ethnicity classification contains the following categories: Asian-Indian, Black, Hispanic, Native American, Pacific Asian, and Other.**
 - Respondents identifying as Other reported the largest contract dollars awarded overall at \$32 million, of which 78% was in Services.
 - Respondents selecting the Asian-Indian and Hispanic classifications, followed with \$19 million and \$17 million, respectively, with the majority of dollars awarded in Services.
- **The Race classification contains the following categories: American Indian or Alaska Native, Asian, Black, or African American, Native Hawaiian or Other Pacific Islander, White, and Other.**
 - Respondents identifying as White reported as receiving the top dollars overall at nearly \$192 million, of which \$146 million was in Services.
 - Respondents selecting the Asian race classification, followed by \$15 million, of which \$14.5 million was in Services.
 - Respondents identifying as Other came in third on overall reported dollars at almost \$10 million, of which 95%, or \$9.6 million, was in Services.
 - Respondents identifying as American Indian reported \$1 million, of which 98% was in Services.
- **The Gender classification contains the following categories: Female, Male, and Transgender.**
 - Respondents identifying as Female reported receiving the most dollars in all categories at \$116 million, with \$101 million in Services and \$12 million in Construction.
 - Respondents identifying as Male reported receiving \$104 million overall, with \$77 million in Services and \$23 million in Goods.
 - Respondents identifying as Transgender added to the report in 2018 reported \$507,798 overall, entirely in the Services category.
- **The Sexual Orientation classification contains the following categories: Lesbian, Gay, and Bisexual.**

- Respondents identifying as Bisexual reported receiving the most overall dollars at nearly \$657,761, with \$631,773 in Services.
- Those identifying as Lesbian reported \$198,647, and those identifying as Gay reported receiving \$26,617.

Due to the complexity of defining and reporting race and ethnicity (as some business owners identify with more than one race or ethnicity) and the fact that just over 54% of reporting departments had data to report in 2021-22, this report is not to be representative of all the business owners contracting with the state; therefore, caution is strongly advised when analyzing, interpreting, or using the data in the 2021-22 ERGSO report. For ERGSO data, see [Exhibit F](#).

IX: Glossary of Terms

Definitions

Consulting services	Services of an advisory nature where the final product is a transmittal of information, either written or verbal.
Mandatory reporting departments	Departments that are under the Department of General Services' statutory purchasing authority.
Statewide departments	All state departments (both mandatory and voluntary).
Voluntary reporting departments	Departments that are not under the Department of General Services' statutory purchasing authority.

Acronyms

CalVet	California Department of Veterans Affairs
CAR	Consolidated Annual Report
DGS	California Department of General Services
DVBE	Disabled Veteran Business Enterprise
ERGSO	Ethnicity, Race, Gender, and Sexual Orientation
FI\$Cal	Financial Information System for California
I-Bond	Infrastructure Bond Acts of 2006
Micro	Microbusiness
OSDS	Office of Small Business and Disabled Veteran Business Enterprise Services
PCC	Public Contract Code
SARA	State Agency Recognition Awards
SB	Small Business
SB-PW	Small Business for the Purpose of Public Works
VSDS	Voluntary Statistical Data Sheet

X: Exhibits

- [Exhibit: Executive Summary - SB/DVBE participation by Agency](#)
- [Exhibit: Executive Summary - Emergency and Non-Emergency Spend](#)
- [Exhibit A: Small Business \(SB\) Participation](#)
- [Exhibit B: Disabled Veteran Business Enterprise \(DVBE\) Participation](#)
- [Exhibit C: Consulting Services Contracting Activity](#)
- [Exhibit D: SB Option, DVBE Option and DVBE Incentive](#)
- [Exhibit E: I-Bond Funds](#)
- [Exhibit F: Ethnicity, Race, Gender, and Sexual Orientation Report \(ERGSO\)](#)
- [Exhibit G: Other - Departments, Boards, or Commissions not under any state agency](#)