



STRATEGIC PARTNERSHIP PROGRAM OVERVIEW

CALIFORNIA DEPARTMENT OF GENERAL SERVICES



Office of Small Business
and Disabled Veteran
Business Enterprise Services

www.dgs.ca.gov/PD-OSDS | StrategicPartner@dgs.ca.gov

Introduction

The California Department of General Services (DGS Office of Small Business and DVBE Services (OSDS) within the Procurement Division (PD) administers the Strategic Partnership Program, which creates mutually beneficial partnerships with, and provides financial support to, nonprofit and diverse business organizations that provide resources and training to assist current and prospective California certified Small Businesses (SB), Small Businesses for the Purpose of Public Works (SB-PW) and Disabled Veteran Business Enterprises (DVBE) in contracting with the state. Through these partnerships, OSDS collaborates with various organizations such as ethnic chamber of commerce and regional or statewide business organizations and throughout California each year. This program began around 2007.

Authority

[Senate Bill 1045 \(Polanco\) \(Chapter 1165, Statutes of 2002\) Public employment and contracting](#) updated by [Senate Bill 1442 \(Liu\) \(Chapter 870, Statutes of 2016\) Discrimination: regulations and enforcement](#) authorized focused outreach activities in addition to general outreach for the purposes of increasing diversity in the state's contracting and procurement activities. [AB 1574 \(JEDE\) \(Chapter 756, Statutes of 2020\) Leveraging State Procurement for an Inclusive Recovery Act of 2021](#) requires, among other things, the state to make continuous efforts to expand the pool of underutilized small businesses

and microbusiness. Furthermore, [Assembly Bill 323 \(Chapter 341, Statutes of 2020\) Newspapers: state agency advertising: worker status: independent contractors](#) requires a report of media, marketing, and communication efforts to reach ethnic residents and the LGBTQIA community. The passing of this legislation emphasizes that state resources should continue to be directly aimed at supporting diversity-owned business opportunities and economic recovery programs.

Objectives & Goals

OSDS commits to helping small, diverse and disabled veteran businesses thrive. OSDS assists businesses with certification and access to procurement opportunities through outreach, education and advocacy. OSDS also works to ensure the state as a whole and each department and agency meets the goal of spending 25% of contract dollars with California certified SBs and 3% with DVBEs.

The objective of the Strategic Partnership Program is to create mutually beneficial partnerships where the state can provide programmatic assistance and financial support to organizations that share OSDS goals, promote business and economic development, and create opportunities to connect with business communities throughout the state of California. In doing so, OSDS' goals are to:

- Identify businesses suitable for state certification (SB, SB-PW, DVBE) and state procurement

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Objectives & Goals - continued

- Educate business owners about the applicable business certifications and state contracting process
- Assist with applications for state certifications
- Assist with efforts to win state contracts

To accomplish its mission and support these goals, OSDS makes continuous efforts to:

- Serve businesses in identified disadvantaged and underserved geographical regions and populations of California
- Support diversity, equity, and inclusion in state contracting
- Support the growth of the business associations OSDS partners with to better serve certified firms
- Support the growth of businesses to strengthen and grow California's economy

Benefits to SB/DVBES

Through these partnerships, current and prospective certified businesses are better able to connect with OSDS to receive education on state procurement, get certified and become involved in state contracting opportunities. Businesses that are served by our strategic partners are given more outreach and educational opportunities, one-on-one personalized assistance, resources, support, and information about contract opportunities.

Strategic Partners

OSDS creates strategic partnerships with chambers of commerce, women and minority business organizations, veteran organizations, Small Business Development Centers (SBDC), Procurement Technical Assistance Centers (PTAC), and other organizations. OSDS has many longstanding strategic partners and forms new strategic partnerships every year.

Creating Strategic Partnerships

OSDS seeks out and enters into strategic partnerships at the beginning of each fiscal year, which last until the end of that fiscal year. The state's fiscal year runs from July 1 to June 30. OSDS and prospective strategic partners fill out and sign a document to formalize the partnership.

The process of entering into a new partnership involves:

- Assessing the needs of the state, DGS and OSDS relevant to strategic partnerships
- Research to identify new organizations to partner with
- Determining eligibility
- Communication with current and potential strategic partners
- Evaluation of submitted Strategic Partnership Request forms
- Creating the new strategic partnership

Assessing the state's partnership needs and identifying new prospective partners

In May to June of each year OSDS wraps up current strategic partnerships and begins planning for future strategic partnerships. OSDS looks for new organizations to partner with. When doing so, OSDS considers the organization's ability to:

- Reach a geographic region of the state with low SB/DVBE certification and/or participation in state contracting
- Provide new/additional support to businesses (access to capital, help with bonding and insurance, etc.)
- Support or their representation of an underserved/disadvantaged community
- Support the inclusion of businesses from a particular industry (construction, public works, emergency response, etc.) in state contracting
- Support OSDS strategic goals and needs, as assessed by OSDS

Organizations interested in becoming a strategic partner can contact OSDS at **StrategicPartner@dgs.ca.gov**

Eligibility criteria to become a strategic partner

To qualify to become a strategic partner, organizations must at a minimum meet the following requirements:

- Be an organization that supports current and potential California state certified firms and their efforts to pursue contract opportunities with the state of California

- Be able to provide outreach and educational opportunities to those businesses
- The organizations mission and goals must align with those of the state, DGS, PD and OSDS within the scope of the SB/DVBE Program

Note: Many other factors are considered in the evaluation of a strategic partnership request.

Evaluation criteria for strategic partnerships

The following factors are considered when evaluating strategic partnerships:

- The size of the organization's membership
- The geographic region the organization serves
- The types of businesses (industry) the organization serves and how fit/ready those businesses are for state contracting
- The organization's service to disadvantaged and underserved businesses communities
- The types of opportunities the organization offers to connect with the businesses they serve, such as workshops, webinars, conferences, expositions, etc.
- Ability to provide OSDS with access to new business communities and partners
- Ability and willingness to promote OSDS educational information and outreach opportunities, procurement opportunities, and connect with OSDS through social media platforms (LinkedIn)

Evaluation criteria for strategic partnerships - continued

- Prior work with OSDS, even outside a strategic partnership
 - Good track record on and willingness to working with OSDS
 - Fulfillment of a previous strategic partnership agreement
 - Ability to follow through on agreements and commitments
- Ability to support a DGS or PD strategic goal within the scope of SB/DVBE outreach

Creating the Partnership

Toward the end of each fiscal year (May and June) OSDS reaches out to organizations OSDS is interested in entering a strategic partnership agreement with for the coming fiscal year. OSDS meets with the organizations to discuss and plan out the strategic partnership. OSDS provides the organization the Strategic Partnership Request form, which the organization fills out and submits to OSDS.

OSDS Management and staff meet with organization leadership to discuss the details of the strategic partnership in more detail. These discussions include, but are not limited to:

- Alignment of the organization mission and goals with DGS/ OSDS mission and goals
- The make-up of the organization's network, and access to new business communities
- Details of the events the organization proposes (virtual and in-person)

- The events with a potential audience of small, diverse or disabled veteran-owned businesses
- Sponsorship deliverables the organization marked they can provide
- Reporting ability of the organization (attendee data, membership data, etc.)
- Support on emergency contracts
- Promoting DGS outreach events and procurement opportunities
- Connecting on LinkedIn
- Justification of sponsorship funds requested by the organization

When organization leadership and OSDS management reach an agreement, both sign the Strategic Partnership Request form to finalize the Strategic Partnership.

Reporting Requirements for Strategic Partners

OSDS requires all strategic partners provide aggregate event attendee information. When possible, OSDS requests strategic partners provide disaggregated (detailed) event attendee information. OSDS compiles this information to get an accurate and detailed account of the businesses served and determine effectiveness of partnership.

OSDS requires all strategic partners to provide reports of expenditures of strategic partnership funds to ensure funds are spent in accordance with the agreement.

Accountability & Enforcement

OSDS communicates regularly with strategic partners throughout the fiscal year to ensure deliverables are received.

OSDS may, should a strategic partner fail to meet conditions of the strategic partnership agreement and upon its discretion, withhold some or all amount of funds or terminate the strategic partnership agreement. OSDS may also reduce any funds given in future years or determine a strategic partner to be ineligible for strategic partnership the following year.

Strategic partners shall, upon failure to fulfill an agreed upon event involving funds where OSDS has already made payment, refund the funds to OSDS. In making these determinations, OSDS considers unanticipated and uncontrollable circumstances, like the COVID-19 pandemic, which can prevent organizations from providing certain deliverables.

Transparency

Strategic partnerships, designed to be strategically valuable to DGS, are carefully identified, evaluated, and selected by OSDS to align with identified goals and needs. This process is not fitting for widespread public promotion, which could invite organizations not appropriate for strategic partnerships to submit requests for strategic partnerships and run the risk of greatly burdening OSDS with the task of evaluating numerous frivolous requests.

While OSDS does not publish information about strategic partners, it is required to report these expenditures in accordance with the new reporting requirements of AB 323 (2020). In addition, the information provided on strategic partnership agreements and reports is subject to the California Public Records Act.

