

SB/DVBE OPTION

A streamlined procurement process to help increase SB/DVBE contracting participation

California state agencies and departments per Government Code 14838.5 and 14838.7 may use a streamlined procurement process known as the SB/DVBE Option by contracting directly with a California certified Small Business (SB) or Disabled Veteran Business Enterprise (DVBE) for goods, services, and information technology valued between \$5,000.01 and \$249,999.99 (or up to \$333,000 for public works contracts) after obtaining price quotes from at least two such businesses. The SB/DVBE Option is an outstanding procurement tool for agencies and departments to actively pursue and/or exceed the Governor's 25% small business participation and 3% DVBE participation in the procurement process.

The SB/DVBE Option is a streamlined procurement method notable for the following:

Innovation - It is a significant and laudable process that has expanded certified SBs and DVBEs opportunity to access and compete for billions in state contracting opportunities.

Transferability - It can be easily adopted by any state or public agency. Because it guarantees SB/DVBE participation on the contracts on which it is used, it has been adopted by many California state departments as an internal policy to help increase SB/DVBE contracting goals.

Service Improvement - Use of the SB/DVBE Option has provided a steady increase in contracting participation for certified SBs and DVBEs and has assisted many departments with increasing their contract participation goals.

Cost Reduction and Time Savings - The SB/DVBE Option is the fastest and least expensive procurement process in comparison to other competitive methods. The cost reduction benefits at different stages of the contract process when using the SB/DVBE Option can amount to 90-days in time savings cost reduction/avoidance, and include:

- No advertising
- A minimum of two bids required
- Potential one-day contract award
- No protest
- Flexible, convenient

For more details, go to www.dgs.ca.gov/OBAS/Resources and click on "DGS Contracting Commitment with Small Businesses, DVBEs."

E-mail questions to: advocate@dgs.ca.gov