



Doing Business with CalPERS

A Guide for Small Business
and Disabled Veteran Business
Enterprise Firms

Whether you're starting
a new company or
have been in business
for years, **CaIPERS**
is ready to help match
your products and
services to our needs.

Table of Contents

- 4 Contracting Opportunities
- 5 Contracting with CalPERS
- 6 How to do Business with CalPERS
- 7 Getting Certified
- 8 Typical CalPERS Contracts and Procurements
- 9 Advantages for Disabled Veteran Business Enterprises
- 10 DVBE Certification Checklist
- 11 Advantages for California Small Businesses
- 12 Small Business Certification Checklist
- 13 Advantages of Subcontracting



Contracting Opportunities

The California Public Employees' Retirement System (CalPERS) is committed to increasing contracting opportunities with California's certified Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) firms.

At CalPERS, we use a competitive process to award millions of contract dollars each year for a wide variety of goods and services, such as:

- › Consulting and professional services, including graphic design, mailing services, and printing.
- › Information technology-related products and services.

Our goal is to spend a minimum of 25 percent of our contracting and procurement dollars with certified SBs, and 3 percent with certified DVBEs, in support of Executive Order S-02-06 and the Military and Veterans Code 999(a).

Contracting with CalPERS

CalPERS fosters long-term relationships with certified Small Businesses (SB) and Disabled Veteran Business Enterprises (DVBE). We recognize the competitive business advantage diversity brings, and we promote an environment where all business types have equal access to opportunity. CalPERS Board of Administration adopted a provision and best practice to require all contracts over \$50,000 to include a 3 percent DVBE participation commitment.

The SB/DVBE Advocate supports this goal by providing outreach, advocacy, and assistance to Small Businesses, Disabled Veteran Business Enterprises, and other interested suppliers and contractors. We offer the following ways to contract with us:

SB/DVBE Option

This option allows us to avoid the lengthy formal bid process and contract with a certified SB or DVBE after obtaining price quotes from at least two SBs or DVBEs. This option applies to consulting and professional services, goods procurement, and information technology products valued between \$5,000.01 and \$249,999.00.

Spring Fed Pool

Our Spring Fed Pool (SFP) saves CalPERS and bidders time by allowing us to enter into a contract with several firms at once. The SFP begins with a solicitation for bid process, where interested firms bid during a specified time. When applicable projects are identified, we engage a firm from the SFP through a Letter of Engagement. This simple process can be used over and over throughout the life of the contract.

Vendor Pool

This process is used to procure various products and services. Firms can apply to be included in the Vendor Pool any time—there's no need to wait for a solicitation to "join." Those vendors with a current California Multiple Awards Schedule (CMAS) or General Services Administration (GSA) schedule, who meet the minimum qualifications and requirements, may be added to the Vendor Pool. For more information regarding the Vendor Pool, email us at OSSD_Vendor_Pool@calpers.ca.gov.

How to do Business with CalPERS

CalPERS has a variety of opportunities for you and your company to become an eBusiness partner. Follow these easy steps to register for an account:

1. Visit **www.calpers.ca.gov**
2. Navigate to About > Doing Business with CalPERS > Bid Opportunities.
3. In the Log in to Bids box, click **Register for an Account** link.
4. Select all categories for which you wish to receive email notifications (or click **All**).
5. Under Your Information, complete all fields.
Click the **Register for Account** button.
6. You will receive an email confirmation.
7. Click the link provided in the email to verify that you would like to receive information from CalPERS.
8. Once your registration is confirmed, you may view any current bidding opportunities by clicking on the **View Bid Opportunities** button.

Getting Certified

Getting certified as an SB or DVBE firm is an important step toward increasing opportunities for your firm to do business with CalPERS and other State agencies and departments.

The Department of General Services' (DGS) Office of Small Business and Disabled Veteran Business Enterprise Services certifies SB and DVBE firms. Applications for SB certification (STD 813) and DVBE certification (STD 812) are available on the DGS website at **www.dgs.ca.gov** under "Small Business & Disabled Veteran Business Enterprise Services."

If you haven't already become a certified SB or DVBE, visit the DGS website at **www.dgs.ca.gov** to begin the process today.

The CalPERS SB/DVBE Advocate can:

- › Provide information on becoming a certified SB or DVBE.
- › Help you partner with a "prime" or "sub" contractor in order to secure contracts or qualify for SB or DVBE advantages.
- › Put your business information into the hands of key CalPERS decision makers and purchasers.

If you have questions or need assistance, contact the CalPERS SB/DVBE Advocate by e-mail at: **SB_DVBEadvocate@calpers.ca.gov** or by TTY for Speech and Hearing Impaired at: **(916) 795-3240**.

Typical CalPERS Contracts and Procurements

- › Legal counsel
- › Staff training and development
- › Investment managers & advisors
- › Graphic design
- › Accounting services
- › Actuarial services
- › Video production and multi-media services
- › Software engineering
- › Interpreter services
- › Off-site meeting facilities
- › Pre-employment background investigations
- › Reproduction & mailing services
- › Human resources projects
- › Deferred compensation administration
- › Equipment maintenance
- › Courier & delivery services
- › Health benefit consultants
- › Auditing services
- › Financial planning for CalPERS members
- › Janitorial services
- › Shorthand reporting
- › Information technology-related services and products
- › Office Supplies
- › Miscellaneous consulting services
- › Books, maps & reference materials
- › Telecommunications equipment
- › Property Management services
- › Catering services

Advantages for Disabled Veteran Business Enterprises

At CalPERS, we're committed to achieving our goal of awarding 3 percent of our contract and procurement dollars to Disabled Veteran Business Enterprise (DVBE) firms.

The simple, yet strategic decision to have your firm certified as a DVBE gives you a competitive advantage to receive a share of the millions of contract dollars CalPERS spends each year to purchase goods and services from California businesses.

Benefits of Being a Certified DVBE

Being a certified DVBE has its privileges when it comes to doing business with CalPERS and other State agencies and departments.

As a certified DVBE, your firm:

- › Can benefit from an incentive of up to five percent, which is applied during the bid evaluation process.
- › Becomes eligible to participate in a streamlined procurement process that allows us to contract directly with a certified DVBE for products and services valued between \$5,000.01 and \$250,000.00. This includes consulting and professional services, goods, and information technology products and services. Before contracting with a firm, we must obtain price quotes from at least two DVBEs.
- › Receives increased visibility for expanded business networking opportunities by being included in the Department of General Services' (DGS) online Certified Firm Listing.

DVBE Certification Checklist

To qualify as a disabled veteran, you must:

- Be a veteran of the U.S. military, naval, or air service.
- Have a service-connected disability of at least 10 percent.
- Be a California resident.

To be certified as a DVBE, your firm must:

- Be at least 51 percent owned by one or more disabled veterans. In the event your firm is a Limited Liability Company, it must be 100 percent owned by one or more disabled veterans. The disabled veteran must be domiciled in California.
- Have one or more disabled veterans managing and controlling its daily business operations.
- Have its home office located in the California.

DGS' Office of Small Business and Disabled Veteran Business Enterprise Services is responsible for certifying businesses that meet these criteria.

Complete information about the California DVBE Certification Process and eligibility requirements are available on the DGS website at **www.dgs.ca.gov**. Just select the "Small Business & Disabled Veteran Business Enterprise Services" link.

Advantages for California Small Businesses

At CalPERS, we're committed to achieving our goal of awarding 25 percent of our contract and procurement dollars to certified Small Business (SB) firms.

In today's highly competitive marketplace, becoming a certified SB may be just the strategy you need to add a share of CalPERS business to your operating portfolio.

Benefits of Being a Certified Small Business

Being a certified SB has its privileges when it comes to doing business with CalPERS and other State agencies and departments. As a certified SB, your firm:

- › Qualifies for a 5 percent bid preference on applicable State contracts.
- › Becomes eligible to participate in a streamlined procurement process that allows us to easily contract with a certified SB for products and services valued between \$5,000.01 and \$250,000.00. This includes consulting and professional services, goods, and information technology products and services. Before contracting with a firm, we must obtain price quotes from at least two SBs.
- › Receives increased visibility for expanded business networking opportunities through the Department of General Services' (DGS) online Certified Firm Listing.
- › Becomes eligible for benefits under the Prompt Payment Act, including higher interest penalties for late, undisputed invoice payments. For more information about the Prompt Payment Program, visit the DGS website at www.dgs.ca.gov.

Small Business Certification Checklist

To qualify for Small Business certification, your firm:

- Must be independently owned and operated.
- Cannot be dominant in its field of operation.
- Must have its principal office located in California.
- Must be owned by a resident of California.
(Note: If your business is incorporated, its officers must be California residents.)

In addition, your business, together with its affiliates, must either have no more than 100 employees and average annual gross receipts of \$15 million or less over the previous three tax years, or be a manufacturer with 100 or fewer employees.

If your business—together with its affiliates—has gross annual receipts of \$3.5 million or less over the previous three years, or has 25 or fewer employees, it will be designated as microbusiness. All microbusinesses qualify for the same benefits as SBs.

DGS' Office of Small Business and Disabled Veteran Business Enterprise Services is responsible for certifying businesses that meet these criteria.

Complete information about the California Small Business Certification Process and eligibility requirements is available on the DGS website at www.dgs.ca.gov. Just select the "Small Business & Disabled Veteran Business Enterprise Services" link.

Advantages of Subcontracting

CalPERS is committed to doing business with certified Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) firms.

Most CalPERS solicitations require participation of a certified DVBE. If your firm is not eligible to become a certified DVBE, you may consider subcontracting with one. This will help you meet the minimum qualifications of the solicitation, and can increase your firm's chances of winning a contract with CalPERS through the benefit of a DVBE incentive. Also, while SB participation is not required on our contracts, your firm may want to partner with a certified SB in order to benefit from SB contracting preferences.

Many SBs and DVBEs will not be able to meet all the requirements of a solicitation and will need the support of a "prime" contractor in order to participate in a contracting opportunity. That's why it is advantageous for both "primes" and "subs" to network and subcontract with each other.

Through its online certified firm listing, the California Department of General Services (DGS) can help uncertified firms connect with State certified businesses. By helping "prime" uncertified firms identify certified SBs and DVBEs for the purpose of subcontracting, both "primes" and "subs" increase their chances of receiving a share of the millions of contract dollars CalPERS spends each year.

SB Preference and DVBE Incentive

At CalPERS, we extend a 5 percent preference to California certified SBs on applicable solicitations. The SB Preference is also available to uncertified firms that claim 25 percent participation by a certified SB subcontractor. As an incentive, an uncertified prime contractor that uses certified SB subcontractors for at least 25 percent of its net bid price is eligible for a bid preference of 5 percent of the lowest responsible bid when competing against other uncertified businesses.

In addition, all of our solicitations comply with the Military and Veterans Code by providing a 1–5 percent incentive to firms that commit to a percentage of DVBE participation. This is known as the DVBE Incentive.

When certified SBs and DVBEs are teamed on the same contract, the prime may qualify for both the SB Preference and the DVBE Incentive.

Finding a Certified Subcontractor

To find a certified SB or DVBE subcontractor, you should:

- › Identify the role a subcontractor would play in the contract. Be creative and think broadly. What function could another firm perform? What services or supplies could they provide?
- › Visit the DGS website at www.dgs.ca.gov and select the “Small Business & Disabled Veteran Business Enterprise Services” link. Then choose “Search for Certified SB/ DVBE Firm” to look for certified businesses by name, type of business or certification, location, keywords, etc.
- › Contact the identified firm to ensure the business is ready, willing, and able to become a part of your contract bid to CalPERS. You may wish to contact several firms to find the one that’s the “right fit” for your contract bid.

To request a list of firms that have expressed an interest in a specific CalPERS solicitation, please contact our SB/DVBE Advocate.

When considering subcontracting, keep in mind that State law requires all subcontractors to perform a Commercially Useful Function. This means the subcontracting firm:

- › Is responsible for executing a distinct element of the contract work.
- › Carries out its obligation by actually performing, managing, or supervising the work involved.
- › Performs work that is normal for its business services and function.
- › Cannot further subcontract a greater portion of the work than would be expected by normal industry practices.

More information on Commercially Useful Function is available on the DGS website at www.dgs.ca.gov.

At CalPERS, we use
a competitive process
to **award millions of
contract dollars** to
businesses each year.



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