



Memo

July 8, 2024

TO: Equity Committee
Supervisor Federal D. Gover, District V, Chair
Supervisor John Gioia, District I, Vice Chair

FROM: Cynthia Shehorn, Procurement Services Manager

SUBJECT: Small Business Enterprise, Outreach, and Local Program Report

RECOMMENDATION:

ACCEPT report on purchasing transactions by SBE business designation and an update on SBE outreach efforts.

BACKGROUND:

The Board of Supervisors has set a goal of awarding at least 50% of eligible product and service dollars to small businesses. The Small Business Enterprise (SBE) Program applies to: (1) County-funded construction contracts of \$100,000 or less; (2) purchasing transactions of \$100,000 or less; and (3) professional/personal service contracts of \$100,000 or less. In November 2023, the Board of Supervisors approved increasing the threshold for the three categories to \$200,000 which will be reflected in the reporting period for January 1, 2024 through June 31, 2024.

The following businesses are included under the SBE Program:

- Disabled Veteran Business Enterprise
- Disadvantaged Business Enterprise
- Local Business Enterprise
- Women Business Enterprise
- Minority Business Enterprise
- Small Business Enterprise

At the May 20, 2024, Equity Committee Meeting, the committee received the SBE, Outreach, and Local Programs report, reflecting departmental data for the period July 1, 2023 through December 31, 2023. The data included the following summary table of department activity on a countywide basis.

July – December 2023

ACTIVITY TYPE:	Total # of ALL Contracts	Total # of SBE Contracts	SBE Percent of Total	Total Dollar Value of ALL Contracts	Total Dollar Value of SBE Contracts	SBE Percent of Total
Professional/Personal Services	408	231	56.6%	\$23,946,496	\$10,391,280	43.4%
Purchasing Transactions	677	335	49.5%	\$12,547,855	\$5,517,087	44.0%
Construction Contracts	0	0	0%	0	0	0%

The committee requested additional information on the amount of purchasing transactions by SBE business designation and a summary of the County’s SBE outreach efforts. This data is included in the following summary table.

Purchasing Transactions by SBE Business Designation July – December 2023

1 Designation	41%	47%	2%	10%		Total
	LBE	SBE	MBE	WBE		
	61	69	1	15		146
2 Designations	57%	11%	23%	8%	1%	
	LBE, SBE	SBE, WBE	SBE, MBE	MBE, WBE	SBE, DVBE	
	65	12	27	9	1	114
3 Designations	37%	32%	6%	25%		
	SBE, MBE, WBE	LBE, SBE, WBE	SBE, WBE, DISADV	LBE, SBE, MBE		
	6	5	1	4		16
4 Designations	94%	3%	3%			
	LBE, SBE, MBE, WBE	LBE, SBE, MBE, DIS	LBE, SBE, WBE, DISADV			
	55	2	2			59
Total						335

The Purchasing Division is working on several initiatives to improve outreach to Small Business Enterprises including the development of a guide to assist businesses in becoming aware of, and to compete for, County business opportunities. The guide is currently in English and Spanish, and staff are working on additional translations to Chinese, Tagalog, and Farsi.

Purchasing staff are currently working with the Office of Communications and Media to produce an instructional video on how to do business with the County. The video will be translated to Spanish. The guide and instructional video will be shared with County staff, Board of Supervisors offices and through the website and social media. The video is anticipated to be completed this month.

The Department of Information Technology recently developed a map and instructional video for County staff to identify registered SBEs and facilitate targeted outreach to communities that are underrepresented in the Purchasing registry (Purchasing Portal). The map was shared with County Department Heads and sent via memo to Department Heads to share with their staff. The Procurement Services Manager is meeting with the County's SBE Coordinators this month and will share this resource with the coordinators to further share within their departments.

Additional future initiatives include more targeted in person outreach. Purchasing Services was approved for additional positions in fiscal year 2024-25 which will allow more staff time to attend community events and outreach to Chambers of Commerce and other business associations. Staff are also looking for opportunities to partner with County departments that are performing outreach to assist with sharing information on how to do business with the County.

CR:CS

c: Warren Lai, Public Works Director