County of Los Angeles
INTERNAL SERVICES DEPARTMENT
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TOM TINDALL
Director

"To enrich lives through effective and caring service"

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April 23, 2013

To: Each Supervisor

From: Tom Tindall
Director

Subject: **STATUS REPORT - REVIEW OF THE COUNTY'S SMALL BUSINESS COMMISSION PRIORITIES (ITEM 10, AGENDA OF JANUARY 29, 2013)**

On January 29, 2013, your Board instructed the Internal Services Department (ISD) to work with County Counsel and other County departments, as necessary, to investigate and report back to the Board within 90 days with recommendations in response to the Small Business Commission's priorities, which included:

- Establishing a utilization goal for purchasing and contracting dollars with local small businesses;
- Providing regular reports reflecting the overall and individual department results in achieving the goal;
- Reviewing the existing local small business program and activities to determine its effectiveness;
- Consideration of raising departmental delegated purchasing authority for local small business awards; and
- Establishing a Disabled Veterans Business Enterprise (DVBE) Preference Program.

Current Status

1. Establish a utilization goal and review the effectiveness of the existing local small business programs.

   To address the overall effectiveness of the County's small business programs in comparison to other public agencies, and to establish a reasonable utilization goal for local small business, ISD has enlisted the assistance of the California State University, Los Angeles (CSULA) College of Business and Economics to:

- Conduct an expanded survey and analysis based on business registration data for the State and the County.
- Analyze secondary data based on business profiles, employment, public finance, overall production level, etc.
- Define an economic impact model for the County.
- Prepare simulations of the economic impact of a reasonable small business utilization goal.

Expected results from the CSULA report include:

- Identify a recommended rate of small business utilization in County contracts and procurements.
- Identify the significant economic impacts of small business procurements and contracts for the County and the local economy.
- Provide recommendations on the structure and mechanism of managing contracts and bids to further County goals for the small business programs.

Based on the CSULA report, ISD will also review the Small Business Commission's recommendations for departmental reporting and increased delegated purchasing authority. The estimated timeframe for CSULA to complete its study and report is approximately 12 weeks, or by mid-summer 2013.

2. Establish a DVBE preference program.

   ISD is in the process of developing a DVBE program that is consistent with the State's program criteria and requirements. In concert with the Chief Executive Office and County Counsel, we plan to bring forward a recommended ordinance and program for consideration by your Board within the next 90 days.

ISD will provide your Board with the CSULA study results in August 2013.

If you have any questions or need more information, please call me at (323) 267-2101, or your staff may contact Joe Sandoval at (323) 267-2109.

TT:JS

c: Chief Executive Officer
County Counsel
ISD Board Deputies