



SMALL BUSINESS AND SUPPLIER DIVERSITY INITIATIVE REPORT

OCTOBER 2022

DEPARTMENT OF ADMINISTRATIVE SERVICES

www.doas.ga.gov



Brian P. Kemp
Governor

Rebecca N. Sullivan
Commissioner

October 31, 2022

The Honorable Brian P. Kemp
Governor of Georgia
203 State Capitol
Atlanta, Georgia, 30334

Dear Governor Kemp:

Re: Small Business and Supplier Diversity Initiative Report

Enclosed please find the Small Business and Supplier Diversity Initiative Report prepared by the Georgia Department of Administrative Services as directed by Executive Order 07.13.22.01. The Report and recommendations build upon the effort began by the Georgian's First Commission to evaluate state government and its regulations, policies, and procedures which unnecessarily hinder small businesses. The Department appreciates the opportunity to continue this important work of supporting small businesses and strengthening Georgia's growing economy.

In fulfilling the obligations under the Executive Order, the Department sought feedback from small, minority-owned, woman-owned, and veteran-owned businesses regarding challenges they face and obstacles to their participation in the state procurement process. In addition to conducting direct outreach to the small business community, the Department also gathered information from chambers of commerce, private corporations, non-profit organizations, Georgia state government entities, other states, small business development partners, federal government entities, and others. We are grateful for those who took part in our outreach events, over 600 Georgia business representatives who responded to our survey, and our fellow state agencies and other organizations that helped inform our approach and direction.

In this report, the Department presents findings and nine preliminary recommendations to make the state's procurement process easier for small and diverse businesses to access:

- designate small business liaisons at each state entity, college and university subject to the Department's procurement authority;
- expand the minority business enterprise certification program;
- pilot an informal bidding process;
- revise state bidding and contracting requirements for certain projects;
- improved promotion of the Department's procurement systems trainings;
- expand matchmaking opportunities for small businesses;
- increased outreach, training and additional support to small businesses;
- expand business-to-business mentorship opportunities for small businesses; and,
- facilitate information sharing on access to capital resources.

These nine recommendations address three primary categories of obstacles to participation in the state procurement process that were shared in response to the Department's outreach to small businesses: (1) satisfying state requirements, (2) bid opportunity identification, and (3) readiness to bid. The recommendations provide a multifaceted

Honorable Brian P. Kemp

October 31, 2022

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and collaborative approach to addressing the challenges, and I am confident successful implementation will promote small and diverse business engagement in the state procurement process.

The Department looks forward to working alongside our many dedicated partners as well as the small business community to affect positive change in the state procurement process. Thank you for this opportunity.

Sincerely:

A handwritten signature in black ink that reads "Rebecca N. Sullivan". The signature is written in a cursive style with a large initial 'R' and a long, sweeping underline.

Rebecca N. Sullivan
Commissioner

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SMALL BUSINESS & SUPPLIER DIVERSITY INITIATIVE REPORT, FINDINGS & RECOMMENDATIONS

Executive Summary

Pursuant to Executive Order 07.13.22.01¹ issued by Governor Brian P. Kemp, the Georgia Department of Administrative Services (“the Department”) initiated a series of actions, including engaging in dialogue with the small business community and key small business development partners for the purpose of preparing this report. The Department sought feedback on challenges and obstacles small businesses face when participating in the state procurement process and will use this feedback to make the process more accessible for small businesses.

In addition to dialogue with the small business community, especially minority-owned, woman-owned, and veteran-owned businesses, the Department also gathered information from chambers of commerce, private corporations, non-profit organizations, Georgia state government entities, other states, small business development partners, federal government entities, and others. Special thanks are owed to the Georgia Department of Economic Development, the University of Georgia Small Business Development Center Multicultural Business Division, the Georgia Chamber of Commerce, the Georgia Minority Supplier Development Council, and many others for their support.

This report presents findings and preliminary recommendations for the Department and its key partners to implement and make the State’s procurement process more accessible.

¹ See Appendix A.

Governor's Executive Order

On July 13, 2022, Governor Brian P. Kemp issued Executive Order 07.13.22.01, affirming the State of Georgia's commitment to helping small businesses expand and create jobs. Employing nearly half of Georgia's workforce, small businesses are vital to the growth and success of Georgia's economy.

The State of Georgia's governmental agencies rely on the business community to provide a variety of goods, services, and technology to support critical state operations and programs which generates more than \$4.5 billion in contracting opportunities annually. However, small businesses that want to compete for state contracts may encounter difficulties navigating the state procurement process.

The Executive Order charges the Department, the state agency responsible for administering state procurement, with the following responsibilities:

- Creating the position of Small Business & Supplier Diversity Manager to facilitate communications and engagement with small businesses;
- Holding regular meetings with small business community stakeholders and small business development partners, including chambers of commerce, to better understand small businesses' needs;
- Increasing outreach efforts, including supplier education and training, to the small business community, focusing on minority-owned, woman-owned, and veteran-owned businesses;
- Identifying challenges and obstacles small businesses face participating in the state procurement process;
- Collaborating with the Georgia Department of Economic Development and other small business development partners, such as the University of Georgia Small Business Development Center Multicultural Business Division, to hold meetings and increase active outreach efforts to the small business community; and
- By October 31, 2022, issuing a report which provides specific recommendations to implement which will assist in making the state procurement process more easily accessible to small businesses.

State of Georgia Economy and Business Community

Georgia has been recognized as the #1 state for business for nine years in a row and Georgia QuickStart has been recognized as the #1 workforce development program for 13 years in a row.² Additionally, more Georgians across all regions and demographic groups are employed than ever in state history³ and Georgia has the lowest unemployment rate in the nation for African Americans and Hispanic Americans.⁴ Georgia also excels for all small businesses, including those owned by minorities, women, and veterans.



“Georgia Named No. 1 for Business for Unprecedented 9th Year in a Row”

–*Area Development Magazine*

Based on a review of the 2022 Small Business Profile report for each state recently published by U.S. Small Business Administration (SBA) Office of Advocacy,⁵ Georgia ranks as follows:

- **Small Businesses.** Georgia ranks #5 among states based on the total number of small businesses, with approximately 1.2 million small businesses.
- **Minority-Owned Small Businesses.** Georgia ranks #3 among states based on the percentage of small businesses that are minority-owned with 36.6% of its small businesses being minority-owned. Georgia minorities own more than 470,000 businesses.
- **Woman-Owned Small Businesses.** Woman-owned businesses are one of the fastest growing segments in the State. Georgia is ranked #5 in the U.S. for the greatest number of woman-owned small businesses.⁶ Georgia is ranked #7 among states based on the percentage of woman-owned small businesses with approximately 46.1% of its small businesses owned by women. Georgia women own more than 470,000 businesses.
- **Veteran-Owned Small Businesses.** Georgia is ranked #4 in the U.S. based on total number of veteran-owned small businesses. More than 7% of Georgia small businesses are owned by veterans. The percentage of small businesses owned by veterans ranges from 3.4% - 11.2% among U.S. states. Georgia veterans own over 76,000 businesses.

² Governor Brian P. Kemp today announces Georgia’s recognition by *Area Development* magazine as the No. 1 state for business for the ninth consecutive year. <https://www.georgia.org/press-release/georgia-named-no-1-business-unprecedented-9th-year>

³ Georgia Labor Commissioner Mark Butler announced today that Georgia's job numbers increased almost 13,000 over the month to a new all-time high. <https://dol.georgia.gov/press-releases/2022-10-20/jobs-hit-new-high-while-unemployment-rate-remains-low>

⁴ “Economic Indicators: State unemployment by race and ethnicity”, updated May 2022 and published by the Economic Policy Institute: <https://www.epi.org/indicators/state-unemployment-race-ethnicity/>

⁵ U.S. Small Business Administration (SBA) Office of Advocacy, 2022 Small Business Profiles for each state. <https://advocacy.sba.gov/2022/08/31/2022-small-business-profiles-for-the-states-territories-and-nation/>

⁶ Georgia Department of Economic Development: <https://www.georgia.org/small-business/women-owned-small-businesses>

Small Businesses

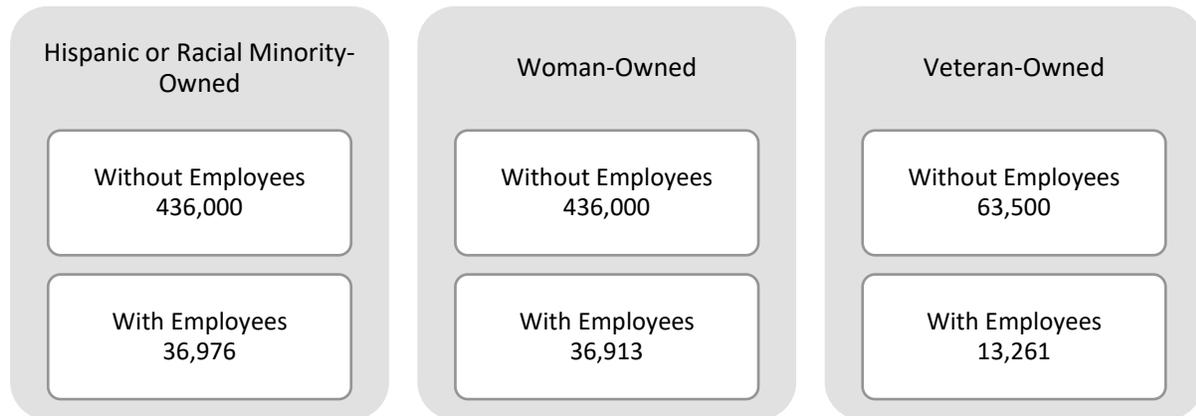
Based on statistics from the United States Census Bureau⁷ as reported by the SBA, there are approximately 1.2 million small businesses in the State of Georgia, representing 99.6% of Georgia businesses. The SBA Office of Advocacy's defines small businesses as businesses with fewer than 500 employees. These small businesses employ approximately 1.7 million employees, or 42.5% of Georgia's workforce.⁸

Within the State of Georgia, the top five industry areas with the greatest number of small businesses include: (1) Other Services (except Public Administration); (2) Professional, Scientific and Technical Services; (3) Administrative, Support and Waste Management; (4) Construction; and (5) Transportation and Warehousing.⁹

Many states, including Georgia, have adopted definitions of small business which differ from the federal definition. Currently, Georgia defines a small business as a business which is independently owned and operated and has either 300 or fewer employees or \$30 million or less in gross receipts per year.¹⁰ Following the General Assembly's passage of House Bill 611 in 2021, Georgia law further categorizes small businesses into tiers:

- Tier One: ten or fewer employees or \$1 million or less in gross receipts per year;
- Tier Two: 100 or fewer employees or \$10 million or less in gross receipts per year; or
- Tier Three: 300 or fewer employees or \$30 million or less in gross receipts per year.

Of the 1.2 million small businesses in Georgia, the SBA Office of Advocacy categorizes businesses as either with or without employees¹¹ and provides additional information related to business ownership, including how many small businesses may be primarily woman-owned, veteran-owned, or minority-owned. Georgia is home to more than 470,000 woman-owned small businesses, more than 470,000 minority-owned small businesses, and more than 76,000 veteran-owned small businesses.



⁷ U.S. Census Bureau's Survey of Business Owners and Self-Employed Persons (SBO): classifiable firms are for-profit, U.S. domestic enterprises with ownership distinguishable by race, ethnicity, gender, and veteran status.

⁸ U.S. Small Business Administration (SBA) Office of Advocacy, 2022 Small Business Profile for Georgia.

<https://cdn.advocacy.sba.gov/wp-content/uploads/2022/08/30121305/Small-Business-Economic-Profile-GA.pdf>

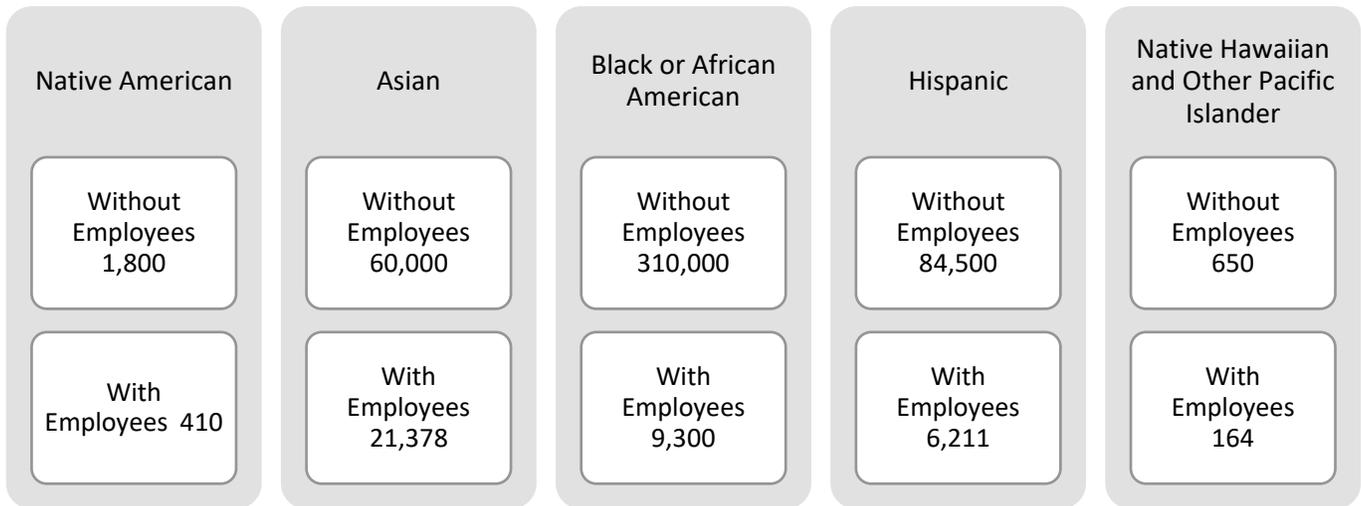
⁹ *Id.*

¹⁰ O.C.G.A. § 50-5-121.

¹¹ Based on data collected by the U.S. Census Bureau of businesses with no payroll and annual receipts of \$1,000 or more.

Minority-Owned Businesses

A minority-owned business may be defined as a business owned by an individual who is a member of a minority group or a partnership in which 51% or more of the ownership interest is owned by one or more members of a minority. Georgia recognizes minority groups as Black or African American, Hispanic, Asian-Pacific American, Native American or Asian-Indian American.¹² According to the SBA, approximately 39% of Georgia’s small businesses identified as minority-owned businesses:¹³



¹² O.C.G.A. §48-7-38.

¹³ U.S. Small Business Administration (SBA) Office of Advocacy, 2022 Small Business Profile for Georgia.

<https://cdn.advocacy.sba.gov/wp-content/uploads/2022/08/30121305/Small-Business-Economic-Profile-GA.pdf>

Economic Benefits from Small Businesses and Supplier Diversity

Small and diverse businesses contribute to Georgia's economy and prosperity in many ways, such as self-employment benefits for business owners and their families, employment opportunities for other Georgians, needed goods and services for the community, and a valuable export trade. The SBA reports over 14,000 Georgia businesses exported \$36.3 billion in goods from Georgia in 2020, with 87.5% of those businesses identifying as small businesses.¹⁴ Georgia set a record in 2021 with \$42.36 billion exports and more than 85% of the State's exporters identifying as small businesses.¹⁵

The U.S. Department of Commerce, Minority Business Development Agency, focuses on promoting the productivity and well-being of minority businesses in the United States. In a 2021 published report¹⁶ on the importance of investment in small and diverse businesses related to the U.S. economy, the Minority Business Development Agency and its research partners determined:

- Minorities are a growing share of U.S. employment and by 2046 will reach 50 percent, then surpass the non-minority share.
- The minority-owned business contribution to U.S. gross domestic product (GDP) is projected to increase three-fold from 2020 to 2060, from 2.5 percent to 7.4 percent.
- Identifying policy levers and private sector initiatives that support higher productivity growth of minority businesses must be a policy imperative.

In addition to the many benefits described above, the business community, both large and small, provides essential support to Georgia's state government operations and the critical services and programs provided by state government agencies and the public colleges and universities. Making the state procurement process easier to access increases the likelihood of small business participation thereby driving competition, encouraging innovation, and expanding the supplier base for Georgia's state government.

¹⁴ *Id.*

¹⁵ The State of Georgia announced a record year for international trade in 2021: <https://www.georgia.org/press-release/georgia-announces-record-year-international-trade>

¹⁶ The Contribution of Minority Business Enterprises to the U.S. Economy, published September 2021 by the U.S. Department of Commerce, Minority Business Development Agency: <https://www.mbda.gov/contribution-minority-business-enterprises-us-economy>

Georgia Department of Administrative Services

The Georgia Department of Administrative Services is an entity of the state executive branch of government. The Department functions as an “enterprise” agency that serves other state government entities through five primary business services:

- State Purchasing
- Risk Management
- Human Resources Administration
- Fleet Management
- Surplus Property

As an enterprise agency, the Department regularly engages with more than 70 state government agencies, the Technical College System of Georgia and its 22 technical colleges, and the University System of Georgia and its 26 institutions of higher education. The Department is well positioned to partner with these state government entities and accomplish the Executive Order’s objectives. This report highlights several of these state entities’ programs and resources, which are available to the small business community and interconnect with the Department’s recommendations and ongoing work.

State Purchasing Division

The primary focus of this report is the State Purchasing Division (SPD), which administers the Department’s authority to solicit sources of supply and to contract for the lease, rental, purchase, or other acquisition of all supplies, materials, equipment, and services required by the state government or any of its offices, agencies, departments, boards, bureaus, commissions, institutions, or other entities of this state.¹⁷ SPD oversees the purchase of more than \$4.5 billion in goods, technology, and services annually.

Critical functions performed by SPD include:

- Maintaining procurement rules and policies governing the State’s procurement process
- Maintaining a portfolio of statewide contracts to serve the State’s needs
- Supporting state entities in complex solicitations
- Administering the State’s purchasing card program
- Providing training certification, policy guidance, and continuous monitoring
- Providing various procurement systems and tools

The purchase of certain goods and services are statutorily excluded from the Department’s purview, including, but not limited to, personal and professional services¹⁸ and investments and investment-related services, which are subject to the authority of the Office of State Treasurer. Additionally, public works procurements by the Georgia Department of Transportation, the University System of Georgia, and the Georgia Public Telecommunications Commission are not subject to the Department’s purview. Certain entities are completely exempt from the Department’s oversight, including local governmental entities such as counties, cities and public school systems, and state authorities and public corporations.

¹⁷ See O.C.G.A § 50-5-51(1).

¹⁸ *Id.*

Agency and Statewide Contracts

Georgia law requires any purchase of \$25,000 or more to be competitively bid.¹⁹ For commonly needed goods and services, the Department establishes statewide contracts for use by both state and local government entities. Currently, the Department's portfolio includes more than 400 statewide contracts, covering more than 70 categories of goods and services.

Although the Department is authorized to conduct purchasing activities on behalf of those state government entities subject to its authority, the Department has delegated authority within certain dollar limits to state government entities to establish their own agency contracts to support their unique programs and needs. SPD provides oversight and conducts complex, high-risk, or high-value contracts on behalf of state entities.

The primary means of advertising competitive bid opportunities is through the Georgia Procurement Registry, an online database of state and local government bids accessible to both the business community and the general public. Businesses interested in providing goods and services to state government entities are encouraged to register with the Department in the Team Georgia Marketplace™ supplier portal. The registration process is free and completed online. One important benefit of registration in Team Georgia Marketplace™ is courtesy email notices as new bid opportunities that match the goods and services selected during the registration process are posted to the Georgia Procurement Registry. More information concerning the state procurement process and bidding tools is available through the Department's supplier outreach and training programs or by visiting the website www.doas.ga.gov.

¹⁹ O.C.G.A. § 50-5-69(a).

Current Supplier Training and Outreach

Through the work of SPD, the Department currently provides essential training to the business community through monthly training, outreach and networking events, online tutorials, quick reference guides, and more. As the entity within state government with the authority over the procurement of goods and services, the Department is best positioned to identify and recommend improvements to make the procurement process more accessible to small and diverse businesses. Before addressing specific initiatives the Department has undertaken at the direction of the Executive Order, the following sections provide an overview of the Department's current efforts to support small businesses in the procurement process.

The Department hosts monthly virtual training sessions for businesses interested in contracting with the State. The monthly supplier orientation training provides an overview of the state procurement rules, processes, and systems. Suppliers learn state purchasing basics, such as how to become registered and search for bid opportunities. Additionally, the Department offers monthly systems trainings that explore the State's procurement tools, including the Georgia Procurement Registry, Team Georgia Marketplace™, and Jaggaer Sourcing Director, the electronic bidding tool used by state colleges and universities.

The annual Georgia Procurement Conference is another outreach and networking opportunity offered by the Department. Hosted in Jekyll Island, Georgia, the conference offers excellent opportunities to foster business partnerships between state and local government entities, exhibitors, statewide contractors, and small businesses. The 4th Annual Georgia Procurement Conference was hosted in April 2022 with more than 1,000 attendees, exhibitors, and speakers. This conference was an excellent opportunity for procurement professionals to learn best practices and for suppliers to network with each other and with government purchasing officials.

Increasing engagement with the business community has been a longstanding focus of the Department. In FY 2020, FY 2021, and FY 2022, the Department engaged between 4,000 and 4,500 business attendees annually through its supplier training and outreach programs.



Small Business Initiative

In January 2019, the Georgians First Commission was established through Executive Order 01.14.19.01 signed by Governor Brian P. Kemp. Charged with evaluating state government and identifying regulations, policies, or procedures which negatively or unnecessarily impact small businesses, the Commission gathered information and developed recommendations to streamline the regulatory system and make Georgia the #1 state for small businesses.

In response, the Department sought opportunities to improve the state procurement process for small businesses. Through the Small Business Initiative, the Department improved available online resources by completing an overhaul of the Georgia Procurement Registry, creating a dedicated small business website, and promoting small businesses available through statewide contracts. The Department placed significant emphasis on developing training and outreach opportunities for the small business community, launching two new training programs, and creating a new annual small business conference.

Redesigned Georgia Procurement Registry

The Department maintains the Georgia Procurement Registry, which serves as the State's central bid registry, and includes bid notices for state and local government entities. In recognition of the importance of the registry to small and large businesses alike, the Department initiated enhancements to the Georgia Procurement Registry to simplify access to bid opportunities. Completed in February 2020, the new registry landing page was redesigned to display all bids in "open" status with a "count-down" of the days remaining to submit bid. The Department also enhanced the bid search criteria to offer advanced search criteria for bids, including by solicitation time and date range.

The "Supplier Search" feature was also enhanced to allow state and local buyers as well as prime contractors to search for registered small businesses, increasing visibility of small businesses and opportunities for contract work.



GROWING SMALL BUSINESS IN GEORGIA
LEARN. CONNECT. THRIVE.

Dedicated Small Business Webpage

In April 2020, the Department launched a dedicated webpage with information, training, and resources to assist small businesses interested in state bid opportunities. Small businesses can access upcoming training, view recordings of previous sessions, and connect with key partners. During state fiscal year 2021, over 300 unique visitors accessed the small business page each month.

Small Business Statewide Contract Awards

As described earlier, the Department manages a portfolio of competitively bid statewide contracts for commonly needed goods, services, and technology. As part of the new small business initiative, the Department began promoting small businesses holding statewide contracts within Team Georgia Marketplace™ by using a small business logo visible to shoppers. Currently, there are more than 180 small businesses awarded as prime contractors on statewide contracts.

Small Business Procurement Readiness Workshop Series

Through information gathering sessions with small business owners and state procurement staff, the Department identified different challenges impacting small businesses' participation in state procurement. The Department sought to address these challenges by building on its partnership with the University of Georgia's Small Business Development Center (SBDC) Multicultural Business Division (MBD) to create a new series of training sessions for a group of small businesses. Through this partnership, the inaugural Small Business Procurement Readiness Workshop series was launched in February 2021 as part of efforts by the State and the Department to support small businesses in the midst of the COVID-19 pandemic.

The workshop combines tips on the state procurement process with essential small business development training on how to increase a small business' core capability and capacity. Featuring small business development partners, industry professionals, and state and local government procurement staff, the workshop leverages subject matter experts to provide essential information in an efficient and affordable way. Utilizing existing program resources, the Department and the SBDC MBD were able to rapidly launch the program at a minimal cost to a group of small business owners who met pre-determined criteria. The initiative received buy-in from public and private sector partners.



Delivered virtually through a series of modules, the Small Business Readiness Workshop's goal is to provide an engaging platform that delivers business-building techniques applicable to doing business with the State of Georgia through the growth and sustainability of each small business. The Department has created a dynamic learning experience that includes pre-work activities, remote participation, live online instruction, and other learning activities to reinforce key concepts. The modules ensure that all learners have the opportunity to engage with the content in a variety of ways, such as Q & A, panel discussions, and breakout sessions. These sessions are distinguished from similar webinar trainings that only allow one-way communication. The Department's breakout sessions allow small business owners to network and make connections with other participants, even through a virtual platform.

Business and financial development topics include analysis of financial needs, marketing strategies, organizational structure, and key policies and procedures related to human resources, insurance, bonding, and other financial considerations that may improve business efficiency to achieve state government contract goals. State procurement topics include the following:



- Navigating the supplier registration process and state bidding systems
- Connecting with key partners and purchasing professionals
- Do’s and Don’ts for submitting bids
- Elements of government contracting and subcontract agreements
- Understanding procurement opportunities
- Purchasing methods and acceptance of P-cards
- Most common attributes of awarded suppliers
- Additional resources available to small businesses

Upon completion of the workshop series, participating small businesses shared lessons learned and success stories, including successful supplier registration, increased understanding and participation in the bidding process, improved understanding of the “elevator pitch,” concise capability statements, a successful marketing strategy, and more. 28 small businesses successfully graduated from the first training series in 2021. At the time of graduation, three business owners reported receipt of new contracts, and a fourth business owner established a referral agreement.

The Small Business Procurement Readiness Workshop does not just have an immediate impact on the small businesses who participate. These workshops also benefit state and local government by increasing the pool of competitive and capable suppliers. Based on the success of the first series and positive feedback from small business owners, the Department and the SBDC MBD elected to continue the program for a second series with a class of 30 small businesses graduating as of September 22, 2022. Both the Department and the SBDC MBD are committed to continuing this educational program on an annual basis in partnership with our featured speakers from the public, private, and nonprofit sectors.



Procurement Connect Informational Sessions

In October 2020, the Department launched a new training series, Procurement Connect Informational Sessions, featuring subject matter experts on topics relevant to the supplier community. Presented virtually, businesses across the State can easily connect to receive essential information on doing business with the State. Offered on a quarterly basis, the Department has completed ten training sessions on a variety of topics, including: the State's minority business enterprise certification program, the State's surplus property program, the State's new supplier debriefing process, local government and federal government purchasing opportunities, compliance with Georgia's e-Verify requirements for employers, the vendor payment process, recognizing contract fraud, and more. Special guest speakers have included the Office of the Inspector General, the State Accounting Office, the Department of Audits and Accounts, the Georgia Tech Procurement Assistance Center, and the Department of Transportation. Live attendance for the virtual sessions averages around 200 participants per session.

Small Business Symposium

Designed as a full-day professional development and networking event, the inaugural Small Business Symposium was hosted on February 12, 2020, at the Oconee Fall Line Technical College in Dublin, Georgia. The 275 small business attendees had access to 13 unique training sessions, including a networking event with state procurement staff, small business partners, and statewide contract holders with subcontracting opportunities.

Because of the COVID-19 pandemic, the Department hosted virtual events for the next two small business symposiums. The November 17, 2020, symposium provided 447 small business attendees with six informational sessions featuring SPD and Surplus Property program experts. Showcasing small business success stories, the symposium featured guests Lowe Electric and Whitehead Industrial. These two Georgia-based small businesses recently won statewide contract awards for maintenance, repair, and operations. The third symposium was hosted in December 2021 with more than 260 attendees.



The next symposium will be hosted in person at the Georgia Highlands College, Cartersville Campus, on November 9, 2022. The upcoming event will feature a full day of training sessions with an afternoon networking event to encourage small businesses to connect and hear directly from small business development partners, statewide contract suppliers offering subcontracting opportunities and various state agencies, colleges, and universities with purchasing opportunities. Registration information is available at www.doas.ga.gov.

Georgia’s Minority Business Enterprise Program

According to the National Conference of State Legislatures, more than half of U.S. states offer a state-level minority business enterprise certification.²⁰ The Department is authorized to administer Georgia’s state minority business enterprise (MBE) certification, established in Georgia law in 1991.²¹ Georgia defines a “minority business enterprise” as “a small business concern which is owned and controlled by one or more minorities and is authorized to do and is doing business under the laws of this state, paying all taxes duly assessed, and domiciled within this state.”²² To be considered minority-owned, the business must be independently owned and operated by at least 51% minorities, which includes individuals who are:

- African American,
- Hispanic/Latino,
- Asian American,
- Native American, or
- Pacific Islander.²³

Georgia law requires a MBE to comply with the certifications required by federal law²⁴, which SPD satisfies through its partnership with the Georgia Department of Transportation (GDOT). GDOT administers a Unified Certification Program to provide federal disadvantaged business enterprise (DBE) certification. Additional information regarding the federal DBE requirements is summarized in the next section.



²⁰ Source: <https://www.ncsl.org/research/labor-and-employment/minority-business-development.aspx>

²¹ O.C.G.A. § 50-5-130 *et seq.*

²² *Id.*

²³ O.C.G.A. § 48-7-38.

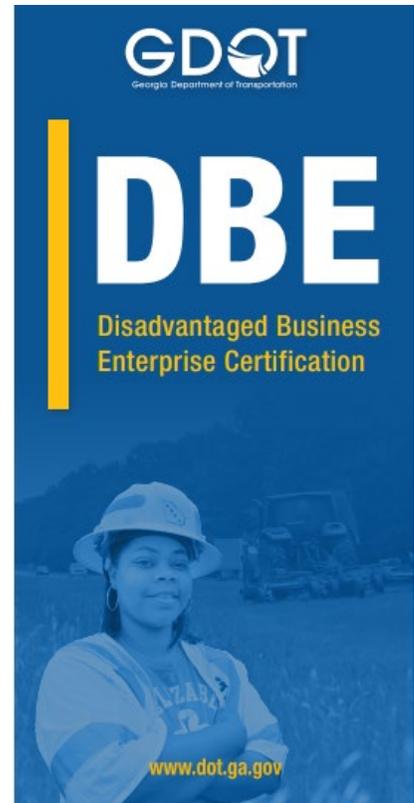
²⁴ O.C.G.A. § 50-5-132(a) states any “minority business enterprise that desires to claim such status under any law of this state or any regulation promulgated pursuant thereto shall first apply for certification, in addition to any other certification required by the provisions of 49 C.F.R. 23, to the Department of Administrative Services.”

Federal Disadvantaged Business Enterprise Program

GDOT is an executive branch state agency authorized to construct and maintain the state highway system and perform certain other road construction work as permitted by Georgia law.²⁵ As a recipient of federal funds from the U.S. Department of Transportation, GDOT is required to implement and administer the DBE program in compliance with federal regulations.²⁶

The federal DBE program is “designed to remedy ongoing discrimination and the continuing effects of past discrimination in federally-assisted highway, transit, airport, and highway safety financial assistance transportation contracting markets nationwide.”²⁷ The primary goal and objective of the DBE program is “to level the playing field by providing small businesses owned and controlled by socially and economically disadvantaged individuals a fair opportunity to compete for federally funded transportation contracts.”²⁸

GDOT is the lead agency authorized to conduct the federal DBE certification program for Georgia businesses. To be eligible for certification, the business must meet specific criteria related to small business status, ownership, and control.²⁹



| Small Business Status | Socially or Economically Disadvantaged | Financial Limits |
|---|--|--|
| <ul style="list-style-type: none">• For profit business• Small business status based on U.S. SBA standards (generally less than \$28.48 million in annual gross receipts over last three fiscal years) | <ul style="list-style-type: none">• At least 51% owned and controlled by socially or economically disadvantaged individuals• Presumed disadvantaged status applies to permanent U.S. residents that are African American, Hispanic, Native Americans, Asian-Pacific, and subcontinent Asian-Americans, as well as women | <ul style="list-style-type: none">• Owner personal net worth must not exceed \$1,320,000• Net worth excludes the value of the business and the primary residence of the owner |

²⁵ O.C.G.A. §32-2-2.

²⁶ Applicable federal regulations include 49 CFR Part 23 (for airport concessionaires) and 49 CFR Part 26.

²⁷ General information about the federal DBE program is available through the U.S. Department of transportation website: <https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise>

²⁸ See above.

²⁹ The complete list of eligibility requirements for DBE certification is stated in 49 CFR Part 26 and can be viewed online at <https://www.ecfr.gov/>.

Interested businesses must submit GDOT's provided application, which is generally processed within 90 days.³⁰ Businesses that meet the requirements to become certified as DBEs receive certification letters and their information is listed in the DBE Directory on GDOT's website.³¹ More than 2,800 businesses are currently certified as DBEs. There is no fee applicable to the GDOT DBE certification. The business is required to file an annual affidavit with GDOT certifying its continued compliance with the eligibility requirements to be considered a DBE.

DBE certification gives groups that have been historically under-represented in the construction contracting industry a chance to work on GDOT federally funded highway projects as each of these projects has goals for DBE business participation. DBE-certified businesses are listed in GDOT's directory of certified DBE firms which is searchable by prime contractors seeking subcontracting partners for GDOT projects.

Joint Certification Program

The Department does not administer a separate application process for the State's MBE program. Instead, the Department partners with GDOT to receive information on all businesses that complete the DBE certification that are minority-owned businesses. DBEs that are woman-owned but not minority-owned are not eligible to receive MBE certification under Georgia law. There is also no fee requirement for the MBE certification. By filing an annual affidavit with GDOT to maintain its DBE status, the business maintains its MBE status also. Through the joint certification program, the Department certified more than 300 MBEs each year during state fiscal years 2020, 2021 and 2022.

The Department is not authorized to establish goals for MBE participation in state contracts. However, Georgia law encourages prime contractors receiving state contract awards to subcontract with MBEs and obtain a tax benefit. Businesses may reduce reported federal taxable income or federal adjusted gross income in an amount equal to 10% of qualified payments to certified minority subcontractors, not to exceed \$100,000 each taxable year.³²

³⁰ Firms located in Fulton, DeKalb, or Clayton Counties must submit their applications electronically through MARTA. However, GDOT, as the lead certifying agency, remains available to answer questions or respond to any concern regardless of the firm's county of record.

³¹ GDOT's public directory of certified DBEs is named the Unified Certification Program (UCP) directory: <https://www.dot.ga.gov/GDOT/pages/DBE.aspx>

³² O.C.G.A. § 48-7-38.

Small Business Community Outreach for New Initiative

Governor Brian P. Kemp's Executive Order directs the Department to create the position of Small Business and Supplier Diversity Manager to lead outreach, communications, and engagement initiatives that help minority-owned small businesses navigate the State's contract process and collaborate with other small business development partners to increase outreach efforts to the small business community. Effective July 16, 2022, the Department created and filled the position of Small Business and Supplier Diversity Manager.³³ The Department has also established a specialist position to assist the new Small Business and Supplier Diversity Manager. This position, which is currently being recruited, will report directly to the Small Business and Supplier Diversity Manager. Together, these employees will lead the State's Small Business and Supplier Diversity Initiative and the implementation of approved recommendations outlined later in this report.

In response to the Executive Order, the Small Business and Supplier Diversity Manager recently led the Department's efforts to meet with key partners, including the Georgia Department of Economic Development, the University of Georgia Small Business Development Center Multicultural Business Division, and the Georgia Chamber of Commerce. These partners planned engagement with the small business community. Through partnership with multiple chambers, small business development partners, and other community stakeholders, the Department has participated in more than 20 events across the State, including outreach and training sessions, networking events, and leadership meetings as part of this Initiative.

Through these outreach activities, the Department has shared information about the Small Business and Supplier Diversity Initiative and opportunities to conduct business with state government entities. Most importantly, the Department has sought input from small business representatives and other stakeholders on the challenges they face with the state procurement process. Additionally, the Department also sought small business input on resources they considered beneficial for readiness to bid. As part of its outreach efforts, the Department met with several private corporations with successful supplier diversity programs. The Department is grateful to all of the organizations that provided an opportunity to connect with businesses.

³³ See Appendix B.

August & September 2022

- Georgia Hispanic Chamber of Commerce's 34th Annual Awards Gala (Atlanta, GA)
- America's Small Business Development Center National Conference (San Diego, CA)
- Hispanic Chamber Breakfast Meeting (Atlanta, GA)
- Atlanta Black Chamber Luncheon Meeting (Atlanta, GA)
- Georgia Tech Procurement Assistance Center Training Session (Virtual Event - Statewide)
- Northeast Georgia Chambers Breakfast Session (with leadership from Georgia Coalition of Black Chambers; Central Georgia Coalition of African American Businesses; Greater Augusta Black Chamber; River Valley Black Chambers; Greater Savannah Black Chamber; Heart of Georgia Black Chamber; Southern Georgia Black Chambers; West Central Georgia Black Chamber and others) (Athens, GA)
- Georgia Minority Supplier Development Council Minority Business Week Conference Training Session (Atlanta, GA)
- Georgia Chamber's Joint Small Business Advisory Council and Diversity & Inclusion Council (Atlanta, GA)
- Global Supplier Diversity Conference Training Session (Atlanta, GA)
- Georgia Minority Supplier Development Council Fall Opportunity Series Training Session (Atlanta, GA)
- U.S. Pan Asian American Chamber of Commerce Southeast Chapter (USPAACC-SE) Diversity in Action Awards Gala (Atlanta, GA)
- Pramukh Swami Maharaj Centennial Celebrations – A Unique Cultural Women's Program (Lilburn, GA)
- Greater Women's Business Council "Mornings with GWBC" (Virtual Event - Statewide)
- Access to Capital for Entrepreneurs (ACE) 2022 Annual Awards Reception (Atlanta, GA)
- National Association of Minority Contractors Annual "Hard Hat" Banquet (Atlanta, GA)

October 2022

- Georgia Veterans Education Career Transition Resource Center (VECTR) Ribbon Cutting Event (Marietta, GA)
- ACE Women's Business Center Training Session (Norcross, GA)
- Macon-Bibb County Government Training Session (Macon, GA)
- Georgia Chamber of Commerce Board of Governors Meeting (Sea Island, GA)
- Russell Innovation Center for Entrepreneurs (RICE) Training Session (Atlanta, GA)
- ACE Business Center Training Session (Savannah, GA)
- Governor's Mansion Breakfast Meeting with Small Business Community Leaders (Atlanta, GA)
- Georgia Department of Administrative Services Training Session (Atlanta, GA)
- University of Georgia Small Business Development Center Multicultural Business Summit (Atlanta, GA)

The Department collected input from the small business community in a variety of ways. In addition to feedback shared during outreach events, the Department also released an online survey on September 8, 2022. Targeted to small businesses interested in contracting with state government entities, the survey consists of 12 questions, including a general comment box. Survey participants were asked to share information about:

- Small and diverse business status
- Industry area
- Years in operation
- Geographic service area
- Targeted clients
- Interest in conducting business with state government agencies
- Level of readiness to bid for state contracts (or resources needed if not ready to bid)
- Participation in bid process and contract award
- Types of challenges when bidding on state contracts
- Resources to best assist small businesses in readiness to bid on state contracts

This report includes the survey results received through October 18, 2022. However, the online survey remains open so that small businesses may continue to share feedback. Small businesses can access the survey link online at <https://doas.ga.gov/state-purchasing/supplier-services/small-business>.

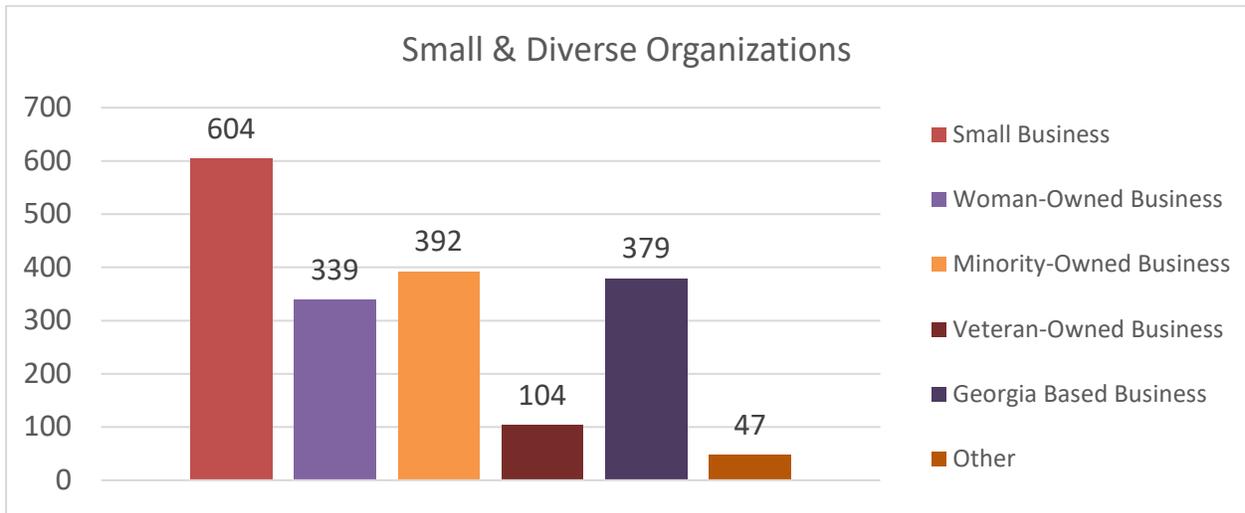
Small Business Survey Respondents

As of October 18, 2022, 629 participants submitted responses to the online survey. In reviewing the survey responses, the Department noted the following observations:

- More than 90% of survey respondents are small businesses interested in state bid opportunities
- 74% are Tier 1 small businesses (smallest category of small business)
- More than 60% have no previous experience participating in state bid process
- More than 50% are interested in additional information and training to improve “readiness to bid”
- More than 90% of survey respondents identified resource needs. The top three resources selected:
 - Matchmaking/Networking with state government agencies for contract opportunities
 - Matchmaking/Networking with prime contractors
 - Access to capital
- The Top Three Challenges Specific to Bidding Identified:
 - Finding Bid Opportunities
 - Limited Time/Staff Resources to Respond to Bid
 - Meeting Prior Work Experience Requirements

The figures below provide an aggregated overview of information shared by all survey respondents:

Survey Question #1: Please help us get to know your business.



The survey encouraged respondents to share more information about their business, and respondents were allowed to select multiple categories. Each selection is represented above. For example, a respondent selecting small business, woman-owned business, and minority-owned business, would be counted in each of those three categories. Respondents used the “Other” category to: (1) identify as a large business, (2) identify as a non-Georgia business, or (3) share additional information such as specific certification status.

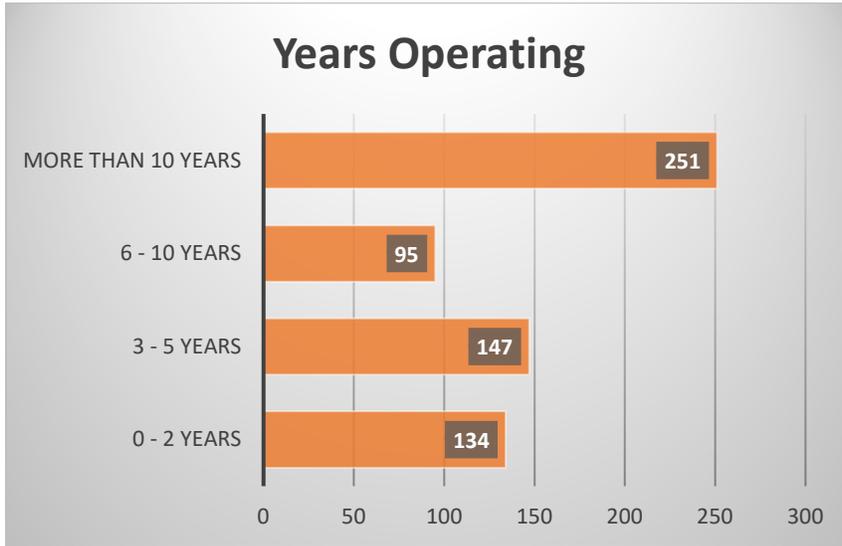
Survey Question #2: What best describes your company’s line of business?

76% of survey respondents identified their line of business by selecting from the following answer choices:

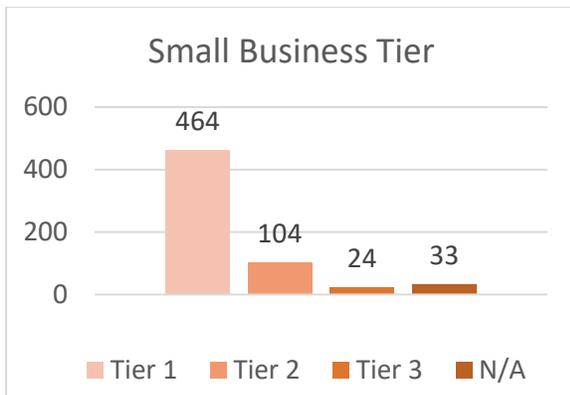
- Consulting, Financial, Accounting or Professional Services (30%)
- Facilities Maintenance, Construction or Roadwork (11%)
- Information Technology Products and Services (10%)
- Goods or Retail Trade (9%)
- Healthcare or Social Services (6%)
- Transportation or Warehousing (4%)
- Educational Services (3%)
- Accommodation and Food Services (2%)
- Scientific and Technical Services (2%)

The remaining 24% of survey respondents selected “other.” Answers varied broadly. A few examples included future manufacturing, medical transportation, architectural services, human resource investigations, art, catering, media content production, medical devices temporary staffing, janitorial services, and waste collection.

Survey Question #3: How long has your business been operating?



Survey Question #4: Please identify your small business tier.³⁴



Tier 1

10 or fewer employees OR \$1 million or less in annual gross receipts

Tier 2

100 or fewer employees OR \$10 million or less in annual gross receipts

Tier 3

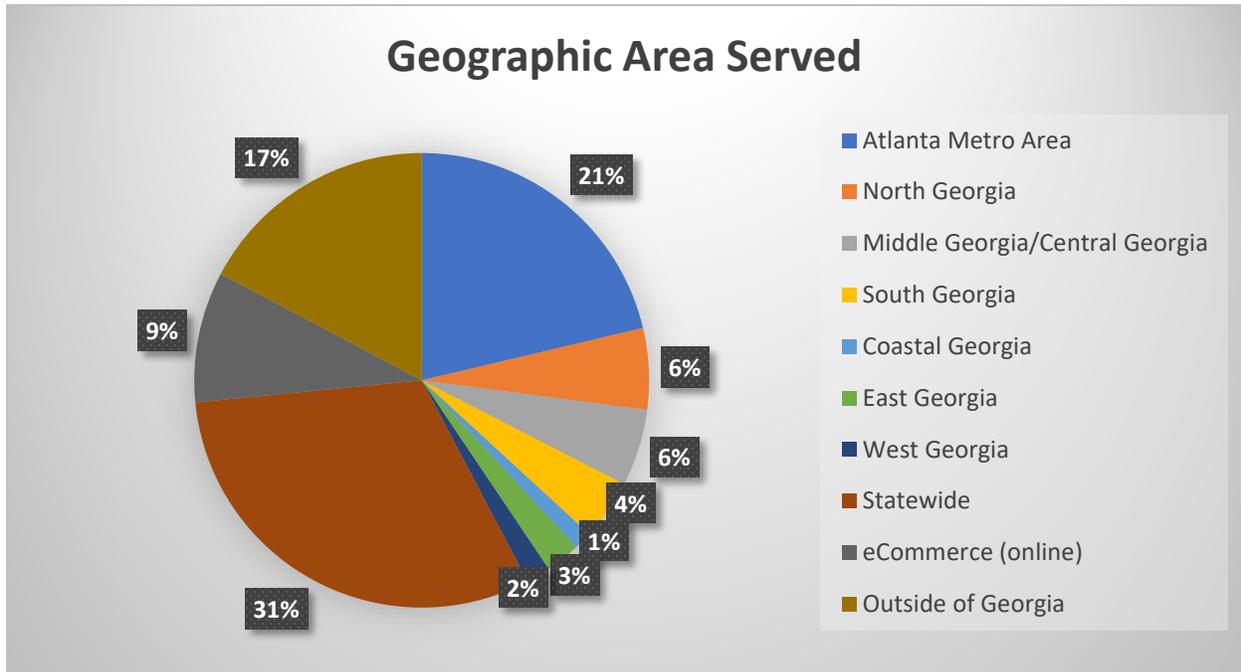
300 employees or fewer employees or \$30 million or less in annual gross receipts

The "N/A" response includes survey respondents that either identified as a large business or selected "prefer not to answer."

³⁴ Georgia law was amended by the General Assembly in 2021 through HB 611 to create small business tiers.

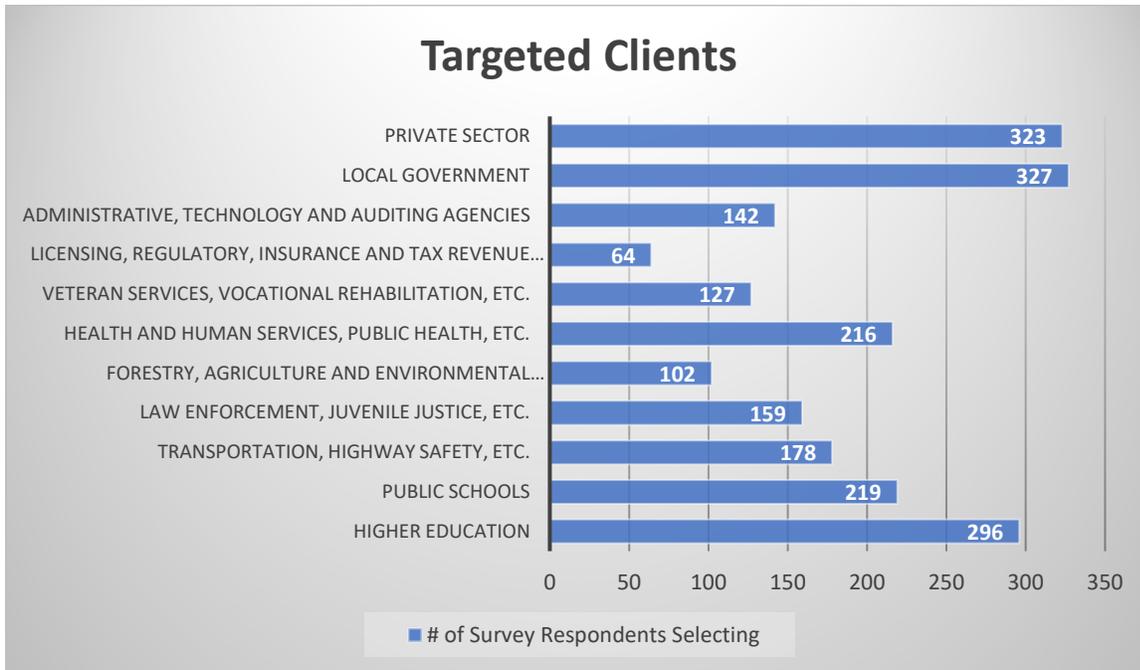
Survey Question #5: Do you operate in a specific area of Georgia?

The majority of survey respondents either provide goods and services to all areas of Georgia or operate exclusively in the Atlanta Metro Area. Note that other geographic areas within the State of Georgia are distinct counts only if the survey respondent did not select “statewide.” For survey respondents selecting “Outside of Georgia”, individuals provided a variety of responses, including operating internationally, nationally, regionally, or in specific states.



Survey Question #6: Who do you consider to be your targeted clients?

Survey respondents were allowed to choose as many targeted clients as desired. An “other” category was also included with a variety of responses provided by businesses, such as federal government, non-profit organizations, and other small businesses as target clients.

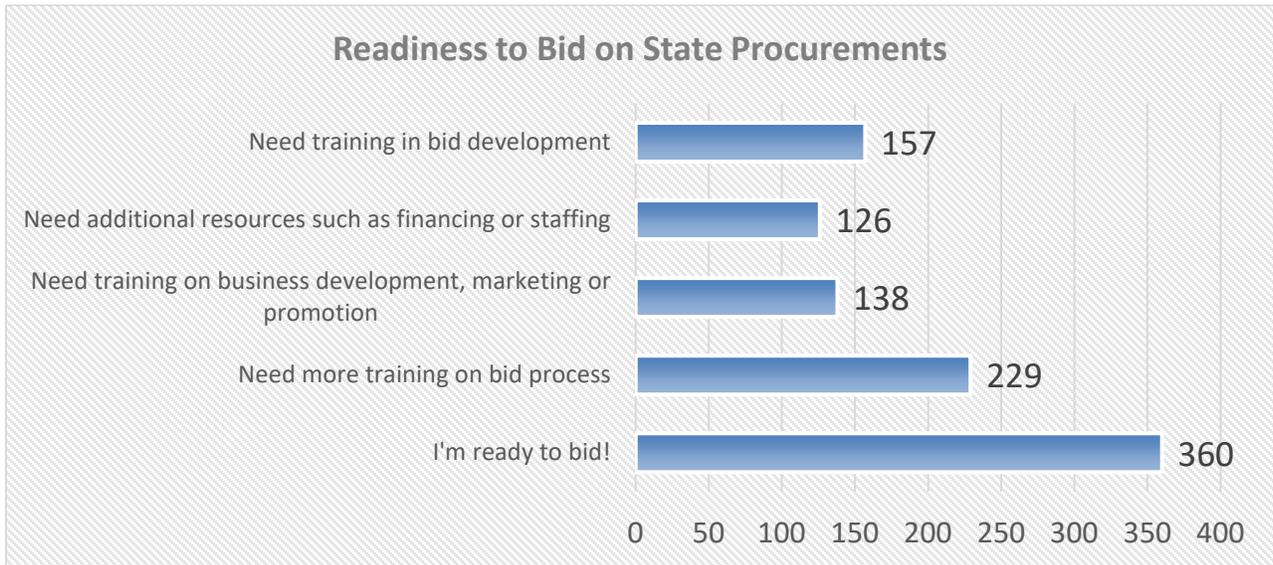


Survey Question #7: Is your company interested in doing business with the State of Georgia?

95% of survey respondents identified as interested in contracting with state government.

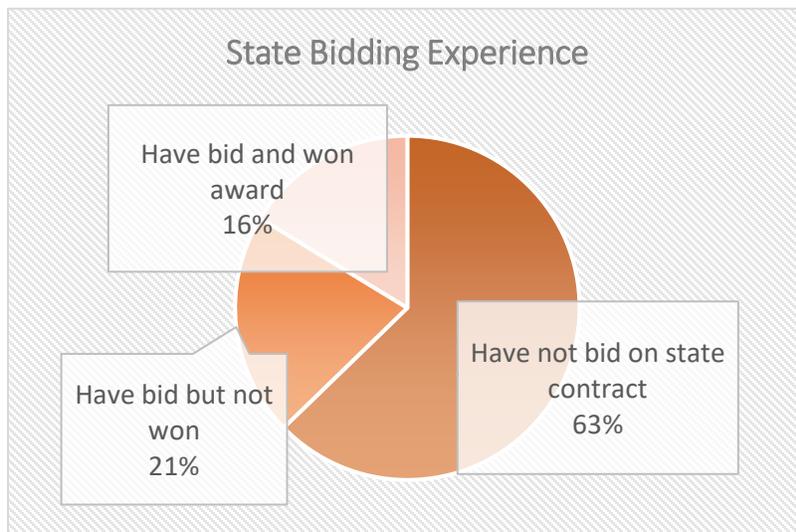
Survey Question #8: What is your level of readiness to bid for state contracts? If not ready to bid, please select resources that would be beneficial to your business.

57% of survey respondents self-identified as “ready to bid.” More than 50% of respondents selected one or more resources to assist with readiness. Please note that respondents identifying as “ready to bid” were also allowed to identify resource needs.



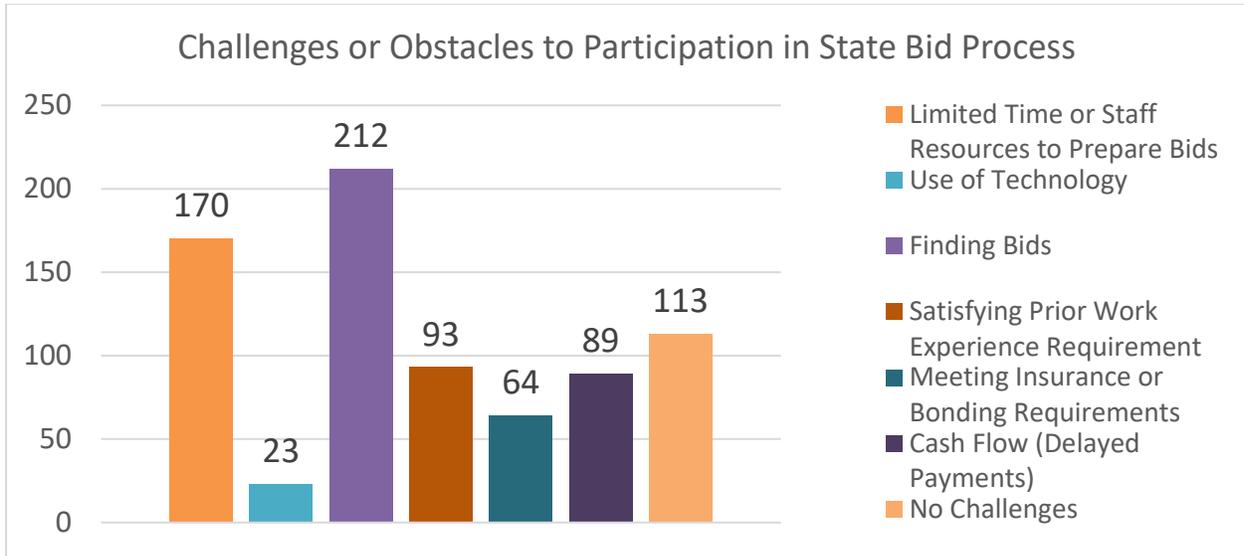
Survey Question #9: Have you participated in a competitive bidding process for the State of Georgia?

More than half of survey respondents indicated they had not participated in a state bid process.



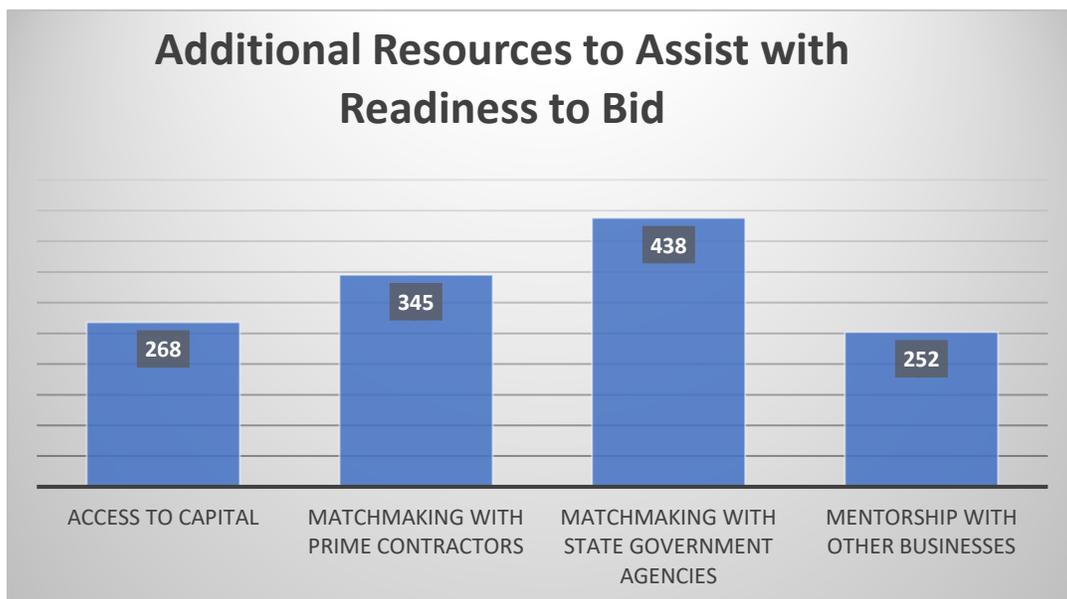
Survey Question #10: Does your company experience any challenges when bidding on state contracts?

67% of survey respondents reported one or more challenges when bidding. The top three challenges identified were finding bids, limited resources, and satisfying previous work experience requirements.



Survey Question #11: What other resources would best assist you in readiness to bid on state contracts?

90% of survey respondents identified one or more resource needs to assist with readiness to bid. The most selected resource was matchmaking/networking with state government agencies.



Survey Question #12: Please share any other feedback on obstacles to participation in the state procurement process or desired resources.

The Department’s survey included a general comment box, inviting respondents to share any other feedback on obstacles to participation in the state procurement process or desired resources. Approximately 200 of the 629 survey respondents provided comments. Many respondents provided comments directly related to answers provided as part of the survey, including the need for access to capital, matchmaking, mentoring, and training. Some respondents provided comments related to challenges, such as experience requirements, finding bid opportunities, meeting insurance or bonding requirements, limited time and staffing resources, and use of systems. Some survey respondents used the comment box to share additional information about their line of business and interest in future opportunities. A few respondents asked questions through the comment box – for example, how to register as a supplier in Team Georgia Marketplace™. Other topics included supplier certification, with feedback from a couple of businesses related to the difficulty or confusion in obtaining the different certifications.

Finally, businesses were encouraged to share contact information as part of completing the survey. For those businesses electing to share contact information, the Department will incorporate these businesses into mailing lists for ongoing communications with the supplier community, such as the bi-annual Supplier Source Newsletter, invitations to training and outreach events, periodic news announcements, and follow-ups that result from the Small Business and Supplier Diversity initiative.

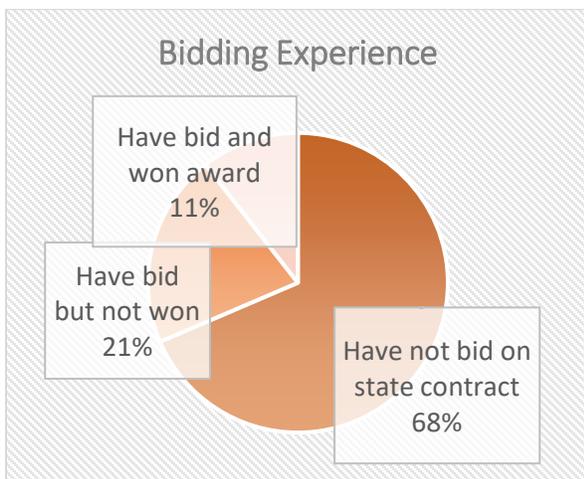
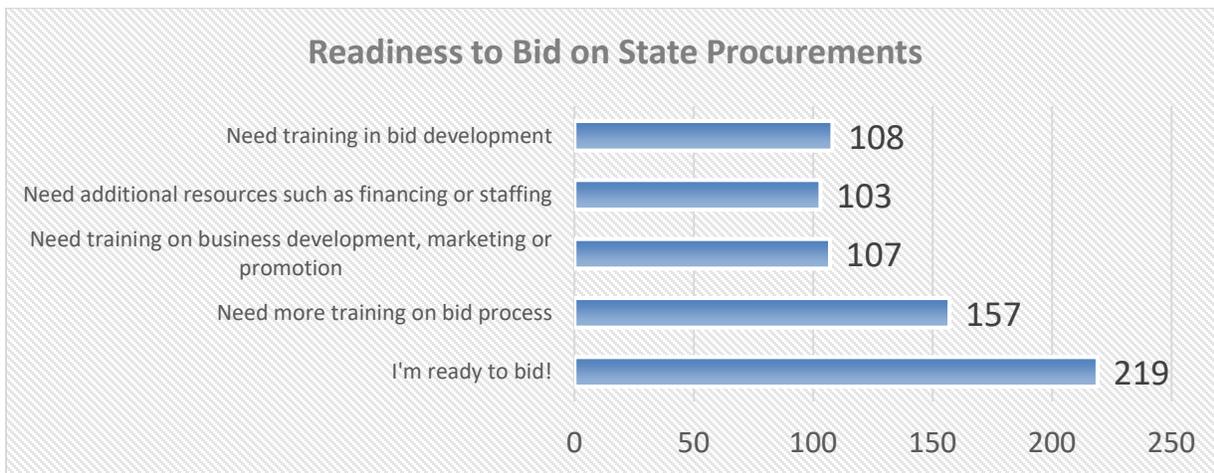
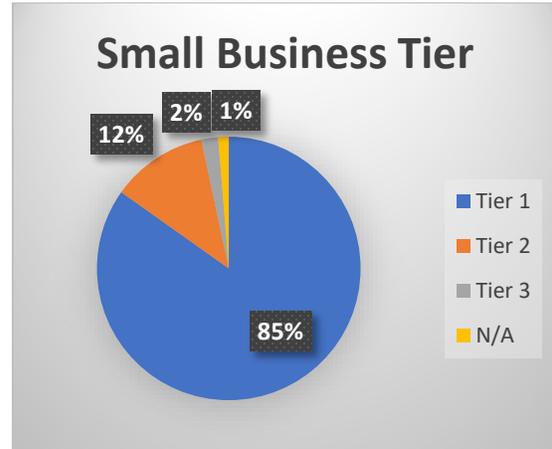
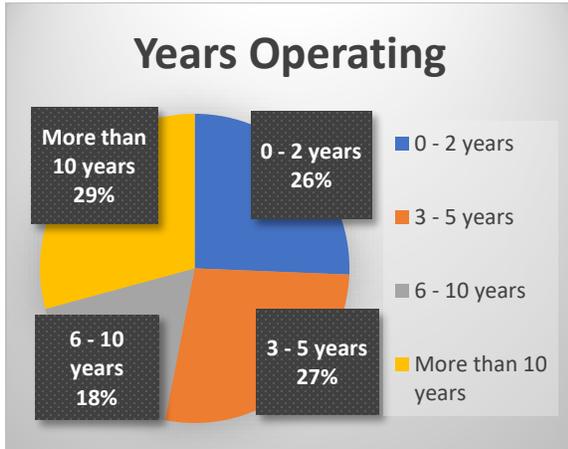
Survey Responses Based on Business Ownership

The Department isolated the responses from those identifying as minority, woman, or veteran-owned small businesses for further analysis. The following subsections provide details regarding each ownership category.



Survey Responses: Minority-Owned Small Businesses

- 392 (or 62%) of survey respondents identified as minority-owned small businesses
- 245 (or 62%) of these minority-owned businesses identified as woman-owned businesses
- 61 (or 15%) of these minority-owned businesses identified as veteran-owned businesses
- 219 (or 56%) minority-owned small businesses self-identified as “ready to bid”



Most Requested Resources:

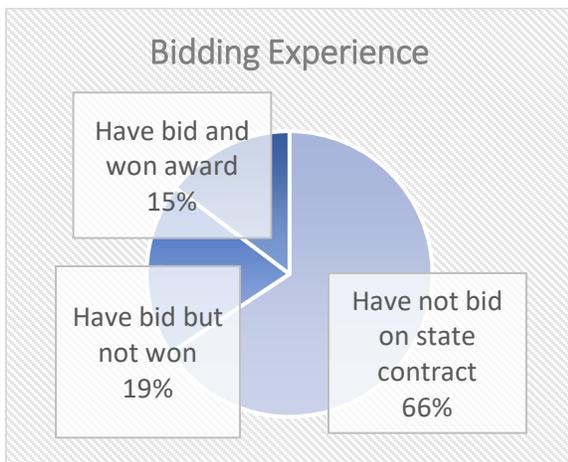
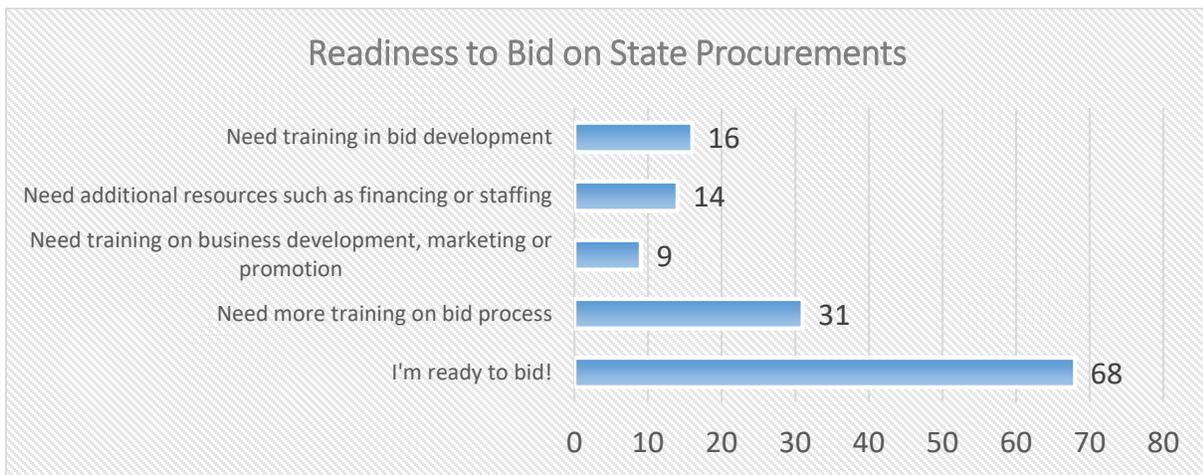
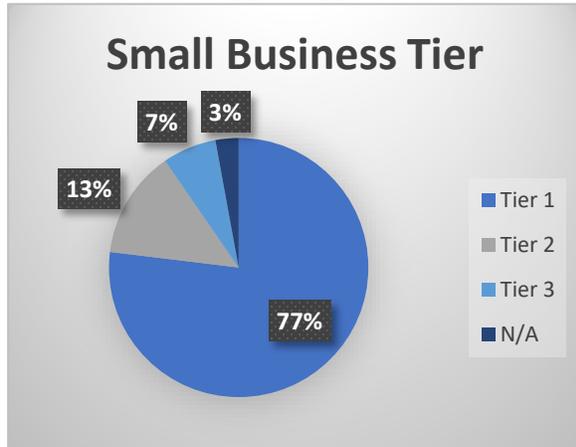
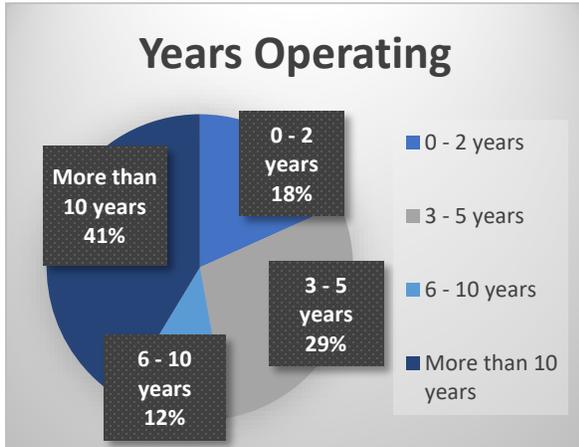
- Matchmaking with State Agencies (75%)
- Matchmaking with Prime Contractors (57%)
- Access to Capital (35%)

Top Three Challenges:

- Finding Bid Opportunities (46%)
- Resources (Staff/Time) (38%)
- Cash Flow (delayed payments) (22%)

Survey Responses: Veteran-Owned Small Businesses

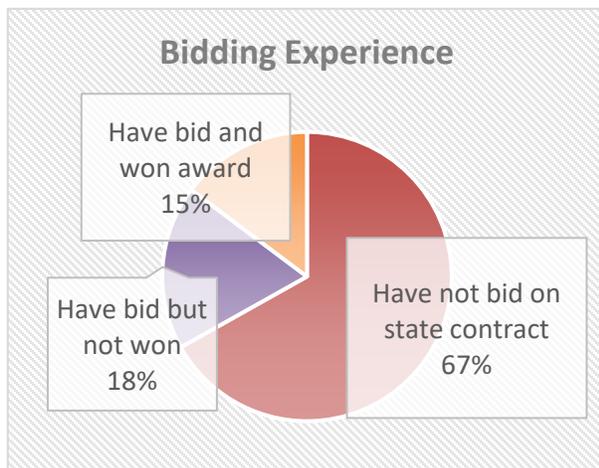
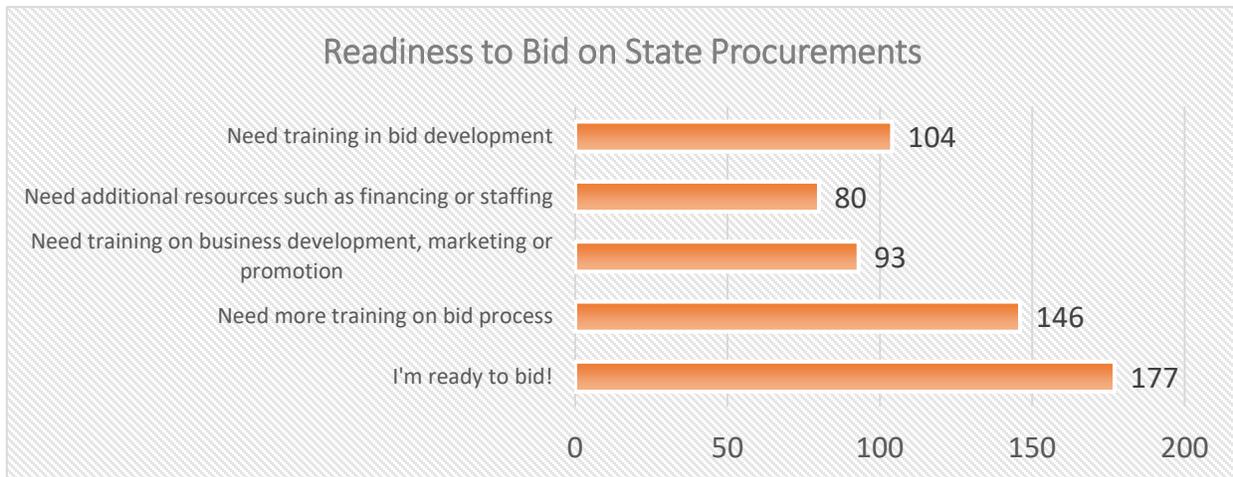
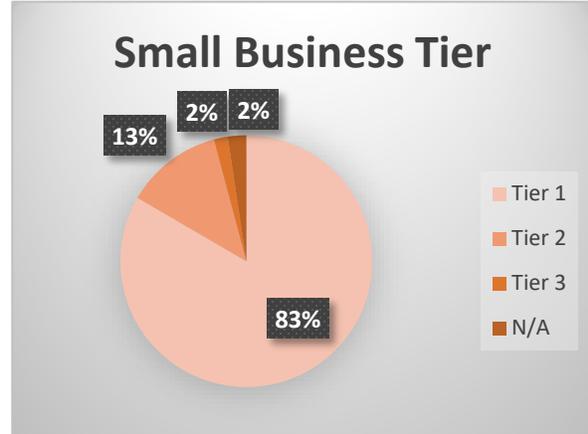
- 104 (or 17%) of survey respondents identified as veteran-owned small businesses
- 28 (or 27%) of these veteran-owned businesses identified as woman-owned businesses
- 61 (or 59%) of these veteran-owned businesses identified as minority-owned businesses
- 68 (or 65%) veteran-owned small businesses self-identified as “ready to bid”



- Most Requested Resources:**
- Matchmaking with State Agencies (73%)
 - Matchmaking with Prime Contractors (62%)
 - Access to Capital (54%)
- Top Three Challenges:**
- Finding Bid Opportunities (42%)
 - Resources (Staff/Time) (38%)
 - Satisfy Prior Work Experience Requirements (19%)

Survey Responses: Woman-Owned Small Businesses

- 339 (or 53%) of survey respondents identified as woman-owned small businesses
- 245 (or 72%) of these woman-owned businesses identified as minority-owned businesses
- 28 (or 8%) of these woman-owned businesses identified as veteran-owned businesses
- 177 (or 52%) of these woman-owned small businesses self-identified as “ready to bid”



Most Requested Resources:

- Matchmaking with State Agencies (73%)
- Matchmaking with Prime Contractors (59%)
- Access to Capital (48%)

Top Three Challenges:

- Finding Bid Opportunities (45%)
- Resources (Staff/Time) (35%)
- Cash Flow (delayed payments) (20%)

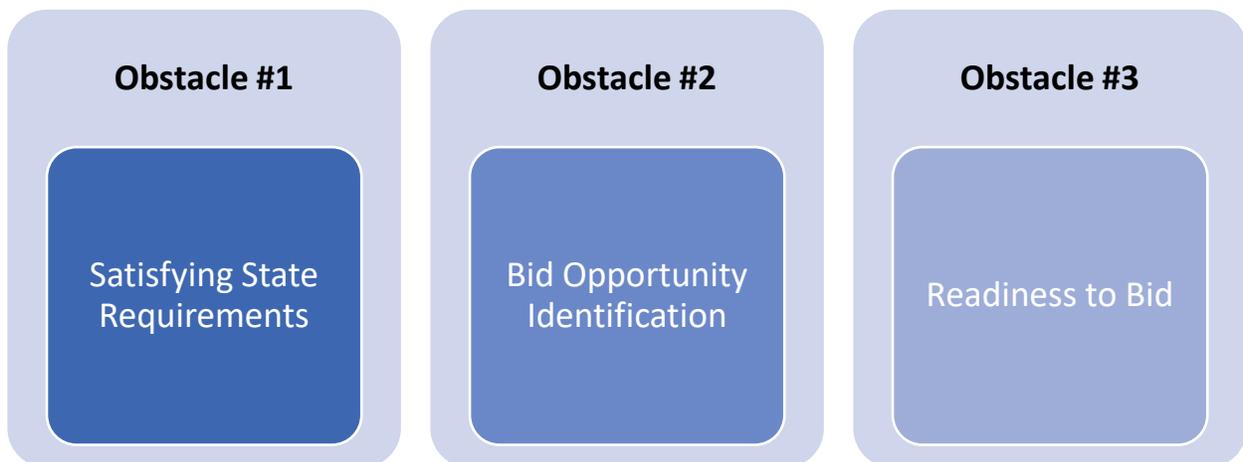
Preliminary Recommendations

Expanding the State’s supplier base promotes competition and ensures that the State has an adequate amount of business partners to assist state agencies in fulfilling their missions. Increased participation by small and diverse businesses in the state procurement process is beneficial to the success of individual businesses and the State’s economy.

The Executive Order tasked the Department with understanding the challenges small businesses face in the state procurement process, identifying obstacles to participation, and issuing a report with specific recommendations to make the process more accessible. The Department conducted a survey and engaged in extensive supplier outreach to identify these obstacles. Based on feedback from the outreach and survey to the small and diverse business community, the Department has determined that there is room for improvement to make the state procurement process more easily accessible and to expand small businesses’ participation with the State to deliver necessary goods and services. The Department proposes a number of initial, high-level recommendations to tackle the identified barriers and obstacles.

The Small Business and Supplier Diversity Manager will play a vital role in the implementation of approved recommendations, but increased communication and partnership at the agency-level will be imperative. **Therefore, the first action the Department recommends is the designation of an existing staff member to serve as the Small Business Liaison at each state agency, college, and university subject to the Department’s procurement authority.**

All categories of small business suppliers expressed their primary obstacles in engaging with the State’s procurement process as ***Satisfying State Requirements; Bid Opportunity Identification; and Readiness to Bid***. The initial recommendations outlined below are built around these three primary obstacle categories. Successful implementation of these recommendations will require continued partnership with other governmental and non-profit entities and an ongoing, enterprise-wide strategic focus from state agencies and colleges and universities.



Upon acceptance of these recommendations, the Department will further develop them and provide a project plan, including estimated execution timeframes. These recommendations are not exhaustive and do not preclude the Department from pursuing additional outreach and policy changes following the feedback of additional stakeholders.

Satisfying State Requirements

Obstacle #1

Satisfying State Requirements

Recommendation #1

Designate Small Business Liaisons

Recommendation #2

Expand Minority Business Enterprise Certification

Recommendation #3

Pilot Informal Bidding Process

Recommendation #4

Revise State Bidding and Contracting Requirements for Certain Projects



Designate Small Business Liaisons (Recommendation #1)

As previously noted, satisfying state requirements is at the top of the list of obstacles faced by small and diverse businesses. Within certain dollar limits, the Department has delegated authority to state government entities to establish their own agency contracts to support their unique programs and needs. Individual agencies are best suited to identify lower risk projects that are suitable for less stringent state requirements. Therefore, collaboration and communication with state agencies is imperative to the success of this Initiative and addressing this obstacle. **To facilitate communication and partnership at the agency-level, the Department recommends that each state agency, college, and university subject to the Department's procurement authority designate an existing staff member to serve as the small business liaison.** Each small business liaison would be responsible for supporting the Small Business and Supplier Diversity Initiative by:

- Serving as a point of contact to the Small Business and Supplier Diversity Manager
- Participating in informational and training sessions conducted by the Department related to the Small Business and Supplier Diversity Initiative
- Sharing information related to the liaison's organization, including, but not limited to, purchasing and contracting activities, identified challenges or needs of businesses interacting with the organization, opportunities for engagement within the geographic area, ideas for making the state procurement process more easily accessible, and any other relevant information
- Participating in public events hosted or coordinated by the Department, such as outreach, training, networking, or matchmaking events
- Serving as a liaison between state agencies and small and diverse businesses
- Identifying and sharing bid opportunities "right sized" for small businesses
- Identifying and sharing bid opportunities that may lend themselves to less experienced businesses
- Sharing small business success stories or lessons learned from activities
- Other duties identified by the Department

This recommendation can be implemented through amendment of the Georgia Procurement Manual which sets policy for procurement subject to the Department's authority. However, the support of agency leadership regarding the time, effort, and resources necessary for the implementation of this recommendation will be crucial.³⁵

Expand Minority Business Enterprise Certification Program (Recommendation #2)

As described above, any business seeking certification as an MBE must first apply and receive federal certification as a DBE through GDOT. This joint certification program has many benefits. For the qualifying minority-owned business, a single application and review process results in two certifications under the joint application program. The joint program also saves staff resources by eliminating duplicative review and validation activities performed by GDOT's certification staff. However, businesses that are not in the market to provide highway, airport, or transit-related project services have expressed confusion in being directed to complete the federal DBE process administered by GDOT to be recognized as a state MBE. Limiting the State's MBE certification to DBE-certified businesses also limits the number of minority

³⁵ A primary takeaway from the Department's meetings with private corporations with successful supplier diversity programs was the need for top-level buy-in from decision makers.

businesses that may earn certification. **The Department makes the following recommendations to expand the State’s MBE certification program and expand the State’s recognized certifications.**

Expand Eligibility for MBE Certification Program (Recommendation #2A)

For the DBE certification, federal regulations impose two financial limitations on the business: (1) a limit of \$1.32 million on the owner’s personal net worth³⁶ and (2) a limit of \$28.48 million in annual gross receipts over the last three fiscal years. While GDOT must comply with these federal regulations as part of administering the federal DBE program, Georgia law governing the State’s MBE certification could be modified to expand eligible minority businesses. Based on research conducted by the Department, only one other state, North Carolina, appears to administer the state-level minority-owned business certification like Georgia by tying the state certification to completion of the federal DBE certification.

The Department recommends that Georgia policymakers consider the viability of potential legislation³⁷ to allow either (1) any minority-owned business, regardless of size, to qualify as an MBE or, as an alternative, (2) any minority-owned business meeting Georgia’s definition of a small business to qualify as an MBE. By expanding the number of businesses eligible for certification, the Department anticipates more businesses would become certified and receive benefits such as:

- Promotion on the Department’s website to prime contractors, state buyers, and other organizations, such as local governments, seeking to work with MBEs, and
- Increased attractiveness to prime contractors seeking subcontractors for state contracts.

Georgia provides tax incentives to prime contractors utilizing MBE certified businesses as subcontractors for state contracts. The Department recognizes that expanding eligibility for MBE certification could impact tax revenue, and that policymakers must balance the financial impact to state government with the potential public good of the program’s expansion.

Expand Certification Options for MBE Certification Program (Recommendation #2B)

In addition to continuing to accept DBE-certified businesses as eligible to receive the State’s MBE certification, the Department also recommends exploring partnerships with and accepting certifications offered by other certifying organizations. Similar to the joint certification program with GDOT, partnership with another certifying organization would allow a minority business to receive two certifications, the certification organization plus the State’s MBE, and would eliminate the necessity of obtaining multiple certifications. At least two other states, Tennessee and Arkansas, offer state minority certification programs and accept the National Minority Supplier Development Council (NMSDC) certification for purposes of state MBE certification.

As an example of a potential partner, the Georgia Minority Supplier Development Council (GMSDC) offers certification to ethnic minority-owned businesses. The GMSDC certification is nationally recognized by the NMSDC network, and Georgia’s top corporations look to the GMSDC first for diverse suppliers. Certified

³⁶ Excluding the value of the business and the primary residence of the owner.

³⁷ If Georgia law governing the MBE process is not revised to expand eligibility beyond the DBE certification, the law should be updated to include reference to 49 CFR Part 26. Currently, O.C.G.A. § 50-5-132(a) only references 49 CFR Part 23 for airport concessionaries.

MBEs have ongoing access to corporate executives, buyers, and decision-makers. Additional member benefits include networking and matchmaking activities and trainings.

In addition to the specific benefits described above, research indicates a positive link exists between minority certification and business profitability. In its 2018 study of Latino-owned businesses in Georgia, the UGA SBDC and its partners reported that:

“Although 58% of the Latino-owned businesses in Georgia do not have a minority certification, the analysis shows that the probability of reporting profits increases for businesses with one or more certifications. The likelihood that a business will report profits is 72% for Latino-owned businesses with a minority certification, and the probability decreases to 43% for Latino-owned businesses without a minority certification. Thus, the preceding probabilities evidence the importance of expanding minority certification access to business owners in Georgia.”³⁸

Increase Promotion of MBE Certification Program (Recommendation #2C)

The Department recommends increasing promotion of the MBE certification program through the following actions conducted by the Small Business and Supplier Diversity Manager and support staff:

- Revamping the existing public list of MBE-certified businesses with more descriptive information, such as the line of business, to increase usefulness to state buyers and prime contractors
- Creating a certification logo that certified MBEs can display for marketing purposes
- Highlighting newly certified MBEs to the state buyer community through newsletters or other appropriate channels
- Promoting benefits of subcontracting with MBEs to the supplier community
- Providing additional information to existing MBEs on state procurement process, including inviting MBEs to become registered in Team Georgia Marketplace™
- Collaborating with GDOT on any publicity they choose to pursue for the DBE certification

Expand Small and Diverse Business Certifications (Recommendation #2D)

In addition, the Department recommends that Georgia policymakers consider the viability of potential legislation to expand recognition of certifications of small businesses, veteran-owned businesses, and women-owned businesses. Certifying eligible businesses as small, veteran-owned, and woman-owned would further highlight the great importance these businesses hold to the State of Georgia and its communities. Doing so will not only provide benefits to these businesses but will also assist with the State’s data collection efforts around identification of suppliers in qualifying categories. By improving the State’s data, state buyers and small business liaisons will have access to a larger pool of businesses for purposes of training, outreach, and invitations for bid opportunities.

Georgia could accept the certifications for these categories from other certifying organizations such as:

³⁸ 2018 Georgia Latino Entrepreneurship Study: Report of Research Into the Characteristics, Challenges, and Needs of Latino Business Owners in Georgia, published by Ms. Carolina Ramon, the co-Principal Investigator (Director of the University of Georgia Small Business Development Center Multicultural Business Division), in collaboration with researchers from Stanford University, Emory University, and The Latino Community Fund. https://www.georgiasbdc.org/wp-content/uploads/2019/05/Georgia_Latino_Study_V4_.pdf

- Small Business Enterprise (SBE)
- SBA's Women-owned Small Business (WOSB)
- Women's Business Enterprise National Council Women Business Enterprise (WBE)
- Veterans Affairs Veteran-owned Small Business (VOSB) Verification
- Service Disabled Veteran-owned Business Enterprise (SDVBE)
- Service-Disabled Veteran-owned Small Business (SDVOSB)

Pilot Informal Bidding Process (Recommendation #3)

Based on survey responses, finding bid opportunities was identified as the #1 challenge in the bidding process, with 33% of small business survey respondents reporting this challenge. The #2 challenge in the bidding process identified by survey respondents was limited time or staffing resources to prepare and submit a response to a bid, with more than 27% of survey respondents reporting this challenge. Online systems dominate the State's current competitive bidding process. For all purchases of \$25,000 or more, state entities conduct formal sealed bidding through the Department's approved electronic bidding tools. Competition for these bids is generated through public advertisement on the Georgia Procurement Registry, system-generated email notifications to businesses registered in the State's Team Georgia Marketplace™ supplier portal, and any businesses directly invited by the buyer based on market research or other data. Interested companies must logon to the electronic bidding tool, complete the required information, and upload all necessary documents prior to the stated bid deadline.

The Georgia Procurement Registry and the State's electronic bidding tools are accessible online at no cost to participating businesses. To assist businesses, the Department offers free monthly training on its systems, access to online resources such as quick reference guides, and free helpdesk support, which is accessible by phone, email, or chat. However, these resources are only beneficial to the businesses aware of the Department's procurement program and resources.

Under Georgia law, the Department has discretion to allow informal bidding for any purchases less than \$100,000. In 2020 - 2022, state entities conducted around 300 solicitations less than \$100,000 each fiscal year.

To make the procurement process easier to access for small businesses, the Department recommends piloting a state procurement process in which state entities, colleges, and universities would have the option to conduct an informal bidding process and receive quotes via email within the following parameters:

- Market research indicates that small businesses are able to provide the needed goods, services, or technology
- The total purchase will not exceed \$100,000
- With assistance from small business liaison, the buyer identifies and invites three or more small businesses to submit a quote via email
- The informal bid is tracked and reported to the Department as small business participation
- Any other parameters identified by the Department

The Department anticipates that a direct invitation from a buyer to a small business to submit a quote via email rather than through the State's electronic bidding tool will increase the likelihood of small businesses participating in the state procurement process. The informal bidding process also presents

potential time efficiencies for the buyer and the opportunity to show previous experience doing business with the State. The Department would study the results of the pilot and determine if the informal bidding process was successful in making the state procurement process easier to access for small businesses or if alternative approaches are needed.

In conducting research on other procurement programs, the Department consulted with the Georgia State Finance and Investment Commission (GSFIC), which is responsible for managing the planning, design and construction of state projects funded from bond sale proceeds. In FY 2021, GSFIC received approximately \$25



million in state funds for projects following a recommendation from the Governor's Office of Planning and Budget. The funding was distributed among 24 different state agencies to fund 42 individual projects statewide. Creating the "Special Projects Program," GSFIC piloted a new approach to the formal competitive bidding process by directing the state agencies receiving funds to reach out to local companies to obtain quotes for the scope of work. In lieu of submitting bids through GSFIC's Enterprise Project Management System (e-Builder), companies were allowed to email quotes. Contractor/Subcontractor/Trades bonding was only required for contracts greater than \$100,000 and insurance was not a requirement. State agencies were required to document that at least three quotes were received prior to finalizing award. As a result of this procurement process, GSFIC reports that 87% of businesses awarded had never worked for the State previously. To date, all companies awarded have met performance requirements. As a result, GSFIC anticipates repeating this process with another \$10 million in funding received for state fiscal year 2022 and has committed to collecting data on the small and diverse status of businesses that participate moving forward.

Revise State Bidding and Contracting Requirements for Certain Projects (Recommendation #4)

Through outreach activities as well as the survey responses, it became apparent that common contract terms and conditions used by the State are impediments to small business participation in state contracts. The following recommendations respond to these small business concerns.

Establish Lower "Tier" of Insurance and Bonding for Certain Projects (Recommendation #4A)

Meeting insurance or bonding requirements was identified in response to the supplier survey as a challenge to participation in state contracts. While insurance and bonding requirements in state contracts are generally necessary to protect the State's interest and minimize risk, the Department recommends tailoring these requirements to the specific level of risk related to any given procurement.

The Department's Risk Management Division maintains an informational resource for state buyers, providing guidance on insurance and bonding. Referred to as the Insurance and Bonding Guidelines, this document defines key terms, identifies insurance and bonding requirements required by law, and establishes recommended insurance coverage for standard and high-risk contracts. Recommended insurance coverage for standard contracts includes a \$1 million commercial general liability policy, \$1 million automobile liability policy, and \$2 million umbrella liability policy.

Requiring businesses to provide proof of insurance coverage protects the State in the event of harm. Insurance is also an important protection to businesses against losses such as property damage and liability claims. Without insurance, small business owners may have to pay out-of-pocket for expensive damages or legal claims, which could threaten ongoing business operations.

While the benefits of insurance coverage for both the State and small businesses are readily apparent, it is equally important to balance the requested coverage against the risk. Requesting unnecessary insurance coverage or bonds can increase the cost to the State and limit the number of businesses competing. Based on survey responses, more than 60 (or 10%) of businesses identified meeting required insurance or bonding to be a challenge.

Therefore, the Department recommends creating lower “tiers” of insurance or bonding requirements for certain low-risk contracts under \$100,000. In addition, the Department recommends creating a resource guide for state buyers on how to assess risk and providing training on the new resource guide.

Train Buyers on Small Business-Friendly Payment Strategies (Recommendation #4B)

Based on state policy, state entities are prohibited from making advance payment for goods and services to protect the State in the event of non-delivery, receipt of defective products, or other performance issues. Withholding payment until after acceptance of the goods and services avoids the State being forced to recover advance payments, but delays in payments can harm small businesses who may not have sufficient cash flow to cover business costs. 14% of survey respondents identified cash flow (delayed payments) as a challenge when bidding on state procurements.

As a supplement to sharing information about loan resources with small businesses, the Department recommends developing written guidance and training for state procurement staff and others on small business-friendly payment strategies. For example, the State can structure progress payments or deliverable-based payments for projects, which allows the state agency to make incremental payments as work proceeds instead of making a single lump sum payment at the end of the project.

Another method to assist small businesses challenged by cash flow is to promote time efficient forms of payment, such as the State’s purchasing card. Small businesses that accept payment by credit card can receive payment more quickly as the bank will issue payment to the small business at the time of the transaction.

The Department will consult with the Office of the Governor, the General Assembly, and other state leaders to assess these and other potential small business friendly payment strategies and provide guidance to state procurement staff for adoption.

Bid Opportunity Identification

Obstacle #2

Bid Opportunity Identification

Recommendation #5

Continued & Improved
Promotion of Systems
Training

Recommendation #6

Expand Matchmaking
Opportunities



Improved Promotion of the Department Procurement Systems Trainings (Recommendation #5)

More than 200 of the 629 survey respondents identified locating state government bids as a challenge or obstacle to state procurement process participation. We learned from the outreach events conducted pursuant to the Executive Order that many potential suppliers are unaware of the resources currently provided by the Department for small businesses. Accordingly, the Department recommends not only continuing, but improving promotion of its current efforts to ensure small businesses are well trained on how to locate bid opportunities within the State's system.

Monthly supplier orientation trainings provide an overview of state purchasing basics, guidance on how to become registered, and tips to search for bid opportunities on the State's system. The Department also offers system-specific training on procurement tools like the Georgia Procurement Registry, Team Georgia Marketplace™, and Jaggaer Sourcing Director, the electronic bidding tool used by state colleges and universities.

The Department's new Small Business Readiness Workshop training series conducted in partnership with the University of Georgia's Small Business Development Center (SBDC) Multicultural Business Division (MBD) also includes modules specifically designed to assist the participating businesses with the supplier registration process, bid locating, and navigation of the State's bidding systems. As mentioned earlier, the Department has already committed to continuing the program on an annual basis.

At many of the small business outreach events, the Small Business and Supplier Diversity Manager discussed the availability of these trainings and the Small Business Readiness Workshop. She also highlighted the importance of registering in the system to access bid opportunities. Over the course of many outreach events, it became evident that much of the audience was not yet registered and/or was unaware of our current offerings. **Accordingly, in addition to continuing these trainings which specifically assist businesses with searching for and receiving notifications for bid opportunities, the Department commits to incorporating a marketing and promotion strategy for these trainings into the project plan.**

Expand Matchmaking Opportunities (Recommendation #6)

Matchmaking (or networking) opportunities ranked highly among survey respondents with 70% seeking networking opportunities with state government agencies and 54% seeking networking opportunities with prime contractors. Hosted in a variety of ways, matchmaking events facilitate connections between suppliers and buyers and between prime contractors and subcontractors.

For state government agencies, matchmaking events draw together buyers and suppliers, identifying products and services that align with buying needs of state agencies, colleges, and universities that are present. Matchmaking events afford small businesses an opportunity to showcase their business, pitch their product or service offerings, and learn about potential contract opportunities. Discovering potential business partners is essential for state agencies, colleges, and universities to maintain a healthy supplier pool. It is especially vital for state entities in more rural areas where the business pool is smaller. For these reasons, matchmaking presents one option for combatting difficulty in finding bid opportunities, which was the #1 challenge to bidding.

The Department has facilitated engagement among state buyers and small businesses by inviting state staff to participate in different training or outreach events, such as the annual Small Business Symposium, annual Small Business Procurement Readiness Workshop series, and other special events. During the

annual Georgia Procurement Conference, the Department hosts a supplier expo with hundreds of businesses showcasing to state and local government attendees. The Department recommends continuing these opportunities while also expanding the available opportunities for matchmaking.

Similarly, matchmaking events can offer connections for prime contractors and potential subcontractors to connect and share information with each other to form possible subcontracting relationships or other partnerships. The Department has invited several statewide contract holders to join the upcoming Small Business Symposium on November 9, 2022, to share information with small business about potential subcontracting opportunities. Trade and membership associations, such as the National Contract Management Association, the National Association of Minority Contractors, U.S. Minority Contractors Association, Georgia Hispanic Construction Association, and others provide opportunities for business to matchmake and seek out new partnerships.

The Department recommends statewide and regional training, networking, and matchmaking events that help state buyers connect with small and diverse businesses and that help prime contractors connect with subcontractors. These events can be facilitated by and/or promoted in partnership with other state agencies, private sector corporations, chambers of commerce, or trade associations. The Small Business and Supplier Diversity Manager will encourage and promote matchmaking opportunities through the state entity small business liaisons. With the support of their agency leadership, these liaisons will serve as the primary point of contact for these events.

Readiness to Bid

Obstacle #3

Readiness to Bid

Recommendation #7

Increase Outreach, Training, and Marketing Support

Recommendation #8

Expand Mentorship Opportunities

Recommendation #9

Facilitate Information Sharing on Access to Capital



Increased Outreach, Training, and Support to Small Businesses (Recommendation #7)

Per the Executive Order, the Department will increase outreach efforts, including supplier education and training, to the small business community, focusing on minority-owned, woman-owned, and veteran-owned businesses. As described previously, the Department has expanded its existing supplier training and outreach program to include programs targeted to the small business community, including the annual Small Business Procurement Readiness Workshop series, quarterly Procurement Connect Informational Sessions, and annual Small Business Symposium. In addition, by partnering with organizations such as local chambers, other state entities, and community. Through the information gathering phase preceding this report, the Department recognizes that a variety of chambers, certification bodies, non-profit organizations, and entities provide support to Georgia businesses. In addition, by partnering with these organizations, the Small Business and Supplier Diversity Manager will develop plans to conduct additional workshops and trainings throughout the State. The Department recommends continuing to build relationships with these organizations, with focus on those serving the minority-owned, woman-owned, and veteran-owned small business community.

Based on the survey results, the Department's continued focus on small business training is aligned with small business owners' needs. More than 50% of survey respondents identified the need for assistance, training, or other resources to improve readiness to bid on state contracts. **To assist small and diverse businesses in readiness to bid on state contracts, the Department commits to further grow and create new relationships with state agencies and non-profit organizations that are better equipped to provide such development resources.** Additionally, the Department will evaluate ways to streamline online resources available to small businesses interested in state procurement.

For example, the Department has successfully partnered with the Georgia Department of Economic Development's (GDEcD) Director of Small Business Outreach, Allen Fox, to fulfill the directives under the Executive Order. Governor Kemp appointed Mr. Fox as Director of Small Business Outreach during the 2021 National Small Business Week and in response to other findings of the Georgians First Commission, which has been referenced previously by the Department.

The Department foresees continuing this collaboration with GDEcD and Mr. Fox as our missions are complementary in nature. As the lead sales and marketing arm for the State, GDEcD is tasked with attracting new business and expanding existing ones. This includes minority-owned small businesses. In order to increase business development, GDEcD champions policies that support business growth, connects important resources and networks so small businesses can remain competitive, and provides marketing resources as businesses find new customers across the globe. GDEcD is committed to supporting job creators across Georgia with seven different divisions that work alongside small businesses: Global Commerce, International Trade, the Centers of Innovation, Explore Georgia, Film, Georgia Council for the Arts, and International Relations.

GDEcD directly champions small business in Georgia through its small business resource page, which serves as the main outreach arm for small business support in Georgia. [This resource page](#) serves as a model to the Department and any other state entity looking to provide a clearinghouse of resources to small businesses. GDEcD also promotes a multitude of state incentives and tax credits that are available to any business that meets the requirements for jobs created and dollars invested. GDEcD has 12 regional project managers across the State and other project managers who support specific industries, such as

life sciences and aerospace. These economic development professionals work with businesses to help them expand and employ more Georgians.

GDEcD connects small businesses with networks, markets, innovative solutions, and funding resources. There are also certain marketing opportunities through Explore Georgia for small businesses in the tourism industry. The tourism department is structured to promote marketing tools and support for these businesses, plugging them into Georgia's thriving hospitality and tourism industry. Finally, a marketing resource that has grown in popularity is the "Rock Star" program, which highlights a handful of outstanding, unique, and impactful small businesses in Georgia. Since its inception, the program has had over 2,000 nominations and honored 35 small businesses. Several awardees report they have seen an increase in sales and e-commerce traffic after receiving this state recognition.

The resources and support that GDEcD offers to small business are beneficial to suppliers who seek to do business with the State. Through continued collaboration, the Department and GDEcD can continue to create synergy in small and diverse business outreach and provide more comprehensive information regarding resources available to businesses.

Additionally, the Department has learned that the Georgia Department of Revenue (DOR) plans to create a Small Business Advisory Group to foster transparency and open communication with small and diverse businesses. DOR oversees the application and enforcement of Georgia's tax laws, including the collection of taxes and applicable fees from individual taxpayers and taxpaying entities across the state. The Small Business Advisory Group will be modeled after other groups that DOR engages on a quarterly basis.

DOR is always seeking new ways to be a solutions-oriented, customer-friendly state agency. DOR recognizes the important role of small businesses throughout the State of Georgia and values input from these vital stakeholders. The function of this group will be to engage with small business stakeholders, seek ways to improve customer service, highlight DOR's existing resources and programs that can assist small businesses, and collaborate with thought leaders to deliver results for Georgia taxpayers. The Department is supportive of the creation of this advisory group and looks forward to working with DOR and identifying opportunities to support small and diverse businesses across Georgia.

Increase Procurement Assistance to Small Businesses (Recommendation #7A)

The Department currently offers monthly supplier training regarding the State's procurement process and systems and strongly encourages all interested suppliers to participate in these training opportunities. Furthermore, the Department will explore opportunities to promote these resources. Additionally, the Department has identified potential opportunities for increased collaboration with state agencies to provide additional procurement assistance to small business.

The Georgia Department of Transportation (GDOT) successfully operates a Small Business Help Center which is open to assisting certified Disadvantaged Business Enterprises, registered small businesses, and veteran-owned small businesses participating in state-funded transportation projects. **The Department recommends partnering with GDOT to expand small business assistance support available through GDOT's contracting partner to small businesses interested in other state procurement opportunities available through the Department.** Such an expansion would provide a centralized platform for small business suppliers to access assistance in state procurement processes, regardless of the industry the supplier operates in. The Department will continue discussions with GDOT to further support small businesses at the Small Business Help Center.

Additionally, the Georgia Department of Transportation administers the Quick Response Program. This program is operated through GDOT's seven field offices, and the quick response projects are done on a shorter timeline than normal GDOT projects. These quick response projects include operational improvements such as turn lanes and U-turns. Georgia law currently caps each operational improvement at a maximum of \$200,000. GDOT has proposed increasing this cap in response to the rising cost of construction materials over the past decade and more difficulties finding projects below the \$200,000 cap. This existing program and its modified bidding practice often offers smaller contractors the opportunity to complete projects for GDOT. The field offices try to receive three estimates before awarding a quick response project, and each GDOT field office is required to review one estimate from a certified DBE. This is an example of a procurement model designed to increase small business participation. The Department is supportive of legislation that improves this GDOT program and supports smaller contractors.

The Georgia Tech Procurement Assistance Center (GTPAC) is part of a nationwide network of procurement professionals who provide technical assistance to businesses interested in federal contracting. Funded in part through a cooperative agreement with the Defense Logistics Agency, GTPAC provides training, mentoring, and coaching to businesses interested in federal, state, or local government contracting. The Department currently partners with GTPAC at Georgia's Tech Enterprise Innovation Institute. The Department will continue to conduct GTPAC's "Marketing to State and Local Government," as well as "Selling to State and Local Government" training on a quarterly basis and will also strategize with GTPAC on opportunities to expand this collaboration.

Continue Small Business Development Partnership (Recommendation #7B)

As described previously, the Department has expanded its existing supplier training and outreach program to include the annual Small Business Procurement Readiness Workshop series hosted in collaboration with our educational partners at the University of Georgia Small Business Development Center Multicultural Business Division. The Department is also grateful for the opportunity to offer state procurement training to small business participants in the most recent Prime Development Program hosted by the UGA SBDC MBD. During the 2021 UGA SBDC Multicultural Business Summit, the Department facilitated a panel discussion among procurement officers from state colleges and universities and exhibited during the networking session. The Department welcomed the opportunity to participate in the 2022 UGA SBDC Multicultural Business Summit hosted at Morehouse College on October 27, 2022, to continue engagement with the minority business community.

Conducting the annual Small Business Procurement Readiness Workshop series represents a significant investment of time and staff resources by both the Department and the UGA SBDC MBD during the multi-week series; however, continuing this program is essential to small business developing and increasing readiness to bid. **The Department will continue to build the relationship with the UGA SBDC MBD and other small business development centers to promote the critical services of the State's small business development centers and to inform small businesses about state procurement opportunities.**

Expand Business-to-Business Mentorship Opportunities (Recommendation #8)

40% of survey respondents expressed interest in mentorship opportunities with other businesses to improve readiness to bid. Whether through a formalized training program or through informal

interactions with experienced industry professionals, mentorships create valuable opportunities for a less experienced business owner to gain insight and advice from another professional.

As an example of a formal program, the U.S. Small Business Administration's Mentor-Protégé Program matches a qualified protégé with a qualified mentor through the SBA's application process.³⁹ Open to small businesses with industry experience, the program promotes business development in a variety of areas, including internal business management systems, financial assistance, education about international trade and strategic planning, general administrative assistance, and more.

Veteran owned businesses seeking mentorship opportunities have resources at their disposal provided by the Georgia Veterans Education Career Transition Resource and the Veteran's Business Outreach Center (VBOC). VECTR is a state-wide center with locations in Cobb and Houston counties. VECTR serves as a one-stop-shop for transitioning military, veterans, and their families.

The VECTR Center in Houston County hosts the Georgia and the South Carolina VBOC. With support from the Technical College System of Georgia (TCSG) and the Georgia Department of Veterans Service (DVS), the VBOC Program provides entrepreneurial development services such as business training, counseling, and resource partner referrals to transitioning service members, veterans, and others interested in starting or growing a small business. The VBOC program is designed to help those looking to start, purchase, or grow a business. It is also responsible for the Boots to Business, Reboot, business development assistance, training, counseling, mentoring, and resource referrals across Georgia and South Carolina.⁴⁰ The VECTR Center also assists military-affiliated personnel discover their talent, aptitude, and unique skills in starting or growing their own business.

Some of the business services provided by the centers include pre-business plan workshops designed to deal with major issues of self-employment, concept assessments that assist clients in assessing their entrepreneurial needs and requirements, business plan preparations, comprehensive feasibility analyses of the strengths and weaknesses of business plans, and mentorship opportunities for clients to ensure their adherence to their business plans.

VBOC and the VECTR Center often make referrals to the Service Corps of Retired Executives (SCORE). SCORE is a nonprofit organization that has been recognized as the nation's largest network of volunteer, expert business mentors. Through mentoring and educational workshops, SCORE volunteers help small businesses develop and grow. SCORE's Small Business Resilience Hub, created in response to the pandemic, has served more than 700,000 business owners to date through online mentoring, resilience training, and partner resources.⁴¹

The UGA Small Business Development Center (UGA SBDC) also provides tools, training, and resources to help small businesses grow and succeed. Designated as one of Georgia's top providers of small business assistance, the SBDC fulfills UGA's public service and outreach mission through its 18 offices in Albany, Athens, Atlanta, Augusta, Brunswick, Carrollton, Columbus, DeKalb, Gainesville, Gwinnett, Kennesaw,

³⁹ More information is available through the SBA's website: <https://www.sba.gov/federal-contracting/contracting-assistance-programs/sba-mentor-protége-program>

⁴⁰ More information on the Boots to Business Program is available online: <https://sbavets.force.com/s/>

⁴¹ SCORE FY2020 Annual Report: https://s3.amazonaws.com/mentoring.redesign/SCORE-FY2020_Annual%20Report%20FINAL.pdf

Morrow, Macon, Rome, Savannah, Statesboro, and Valdosta. Each location, along with the SBDC's virtual programs, serves the needs of Georgia's business community through counseling and other services.

Women-owned businesses can also take advantage of Women's Business Centers (WBCs) which are entrepreneurship centers designed to assist women in starting and growing small businesses. WBCs offer free and low-cost counseling and training to women with an entrepreneurial spirit.

Mentorship opportunities are also available through personal networks and institutional networks such as trade associations, private-sector corporations, or chambers of commerce.⁴² The Georgia Mentor Protégé Connection is a business development program that matches small business protégé firms in Georgia with a Georgia corporation for a mentoring and business development partnership for one year. The Georgia Mentor Protégé Connection is a small business development program of the Georgia Education Foundation. The Georgia Mentor Protégé Connection is supported by the Georgia Minority Supplier Development Council, the Georgia Department of Economic Development, and the Georgia Tech Enterprise Innovation Institute.

The Department commits to increased awareness and utilization of these mentorship programs among the small business community. The Department recommends increasing information sharing through various channels, including the Department's small business and supplier diversity webpage, through training and outreach events, and through periodic communication with the supplier community. The Department will work alongside state agencies, chambers of commerce, trade associations, private sector companies, educational institutions, and any other partner to champion existing mentorship programs and help create new opportunities for less-experienced business owners to learn from industry professionals.

Facilitate Information Sharing on Access to Capital Resources (Recommendation #9)

Over 200 of the 629 survey respondents identified access to capital as a bid readiness obstacle. Capital is necessary for all businesses but can be an especially difficult challenge for small businesses. A lack of capital can jeopardize a business's ability to cover day-to-day operations, purchase assets and resources to start or expand the business, and bid on a particular contract opportunity. As evidenced by the Department's survey results, small business entrepreneurs sometimes lack the institutional knowledge to locate available resources on access to capital. All categories of survey respondents (minority-owned, women-owned, and veteran-owned) expressed a need for resources regarding access to capital. The barrier of access to financial products such as microloans, commercial lending, and investment capital is prevalent in the small and diverse business community. For example, the Georgia Minority Supplier Development Council's "State of Minority-Owned Businesses in Georgia" report found that access to capital was a challenge for diverse business with "only about 1% of Black-owned businesses receiving loans in the first year of business, compared to 7% of non-minority businesses."⁴³

The Department recommends sharing information regarding offerings from financial institutions, governmental entities, and nonprofits that will assist small and diverse businesses with locating the capital to expand or begin businesses. In its 2018 study of Latino-owned businesses in Georgia, the UGA

⁴² More information is available through the GA VECTR website: <https://gavectr.org/vboc/>

⁴³ "State of Minority Owned Businesses in Georgia" 2022 report published by the Georgia Minority Supplier Development Council: <https://gmsdc.org/wp-content/uploads/2022/02/State-of-Minority-Owned-Businesses-in-Georgia.pdf>

SBDC and its partners identified funding awareness as a success enabler. The study found that “participants with funding knowledge were significantly more likely to have a profitable organization.” Of the 36% of respondents that reported a need for additional funding knowledge, the study found the “probability of operating a profitable business declined from 61% to 43%.”

This information sharing will be accomplished through some of the current small business support the Department is already providing including the Procurement Connect Informational Sessions that were launched October of 2020. These virtual presentations feature subject matter experts on topics relevant to the supplier community. Similarly, the Small Business Symposium can be leveraged to address these information gaps by creating opportunities for organizations such as Access to Capital for Entrepreneurs (ACE) to share critical information with small businesses

ACE is a nonprofit lender and a Community Development Financial Institution (CDFI) certified by the U.S. Department of the Treasury which provides loans and business development services to underserved people and places, with a focus on diverse entrepreneurs, including minorities, women, veterans, and low to moderate-income businesses. In 2021, ACE loaned more than \$37 million in capital to almost 800 businesses.⁴⁴ ACE provides business advisory services to its loan clients to strengthen operations, achieve growth, and improve organizational sustainability through complimentary counseling, training, and technical assistance with each loan. ACE partners with the Morehouse Innovation and Entrepreneurship Center to deliver leadership development training for business owners. These programs provide proof that mentorship and access to capital can often be provided hand-in-hand.

Local banks are another important partner for access to capital information sharing. The Community Reinvestment Act (CRA), enacted in 1977, requires the Federal Reserve and other federal banking regulators to encourage financial institutions to help meet the credit needs of the communities in which they do business, including low- and moderate-income neighborhoods. As part of developing its strategy to promote financial resources, the Department will engage with the Georgia Department of Banking and Finance.

A Congressional Research Service Report on small business access to capital noted that smaller businesses may have difficulty obtaining loans due to a lack of credit history and experience.⁴⁵ One way that capital can be more accessible to these businesses is through loans that have lower lender risk including those backed by the U.S. Small Business Administration (SBA). SBA guaranteed loans range from small microloans (\$50,000.00 or less) to larger loans which may be long-term, fixed-rate financing (504 loans) or loans structured to provide financial help for small businesses with special requirements (7(a) loans).

The Department consulted with the Georgia Department of Community Affairs (DCA) regarding resources currently offered to support small businesses with access to capital. DCA is an executive branch state agency with the mission to build strong, vibrant communities by providing support to Georgia communities, including small and diverse businesses, on their journeys towards growth and prosperity. DCA also assists with laying the groundwork for economic opportunities and local development efforts across the State. One area that DCA supports small businesses is through the administration of the State

⁴⁴Access to Capital for Entrepreneurs: <https://aceloans.org/organization-overview/>

⁴⁵ U.S. Congressional Research Service. “Small Business: Access to Capital and Job Creation” (R40985, July 14, 2022), by Robert Jay Dilger and Anthony A. Cillufo, <https://sgp.fas.org/crs/misc/R40985.pdf>, Accessed: October 20, 2022.

Small Business Credit Initiative which assists small businesses in their efforts to identify and access capital. The Small Business Jobs Act of 2010 created the State Small Business Credit Initiative (SSBCI) and provided funding of \$1.5 billion for the purpose of strengthening state lending programs that support small businesses. Of the total amount funded, Georgia was allocated approximately \$46 million in December of 2011 and DCA administered the program with oversight from the U.S. Treasury through March of 2017.

DCA's work to support small businesses through SSBCI assistance continued with the offering of two state-administered loan programs: 1) the Georgia Loan Participation Program (GA LPP) where the State purchases a participation of up to 25% of an approved loan to a maximum and 2) the Georgia Small Business Credit Guaranty (SBCG) where a 50% loan guaranty with a maximum loan amount is offered. These programs offer Georgia Lenders credit enhancement to strengthen bank loans, reduce risk, and streamline procedures to provide quicker responses to project loan requests.



The American Rescue Plan Act of 2021 reauthorized and amended the Small Business Jobs Act of 2010, providing an additional \$10 billion to fund the State Small Business Credit Initiative (SSBCI). Governor Kemp designated DCA as the executive branch agency that would be allocated \$199.6 million to assist socially and economically disadvantaged individuals (SEDI-owned businesses) and very small businesses (VSBs) throughout the State through the "SSBCI 2.0" program. In addition to continuing the GA LPP and SBCG programs, DCA will revive the Georgia Community Development Financial Institution (CDFI) Program which is a companion loan program among the non-depository CDFIs and private lending institutions to provide access to capital to borrowers. SSBCI 2.0 will also incorporate two new venture capital programs to help grow venture capital access for small businesses and startups. The program will deploy funds through approved lenders, Certified Development Financial Institutions (CDFIs) and Invest Georgia, for various debt and venture capital programs. The reauthorized SSBCI is expected to create billions of dollars in lending and investments to assist business enterprises owned and controlled by SEDI-owned businesses and VSBs.

SSBCI 2.0 creates untapped financing opportunities for owner-occupied small and diverse businesses that are newly created or existing businesses looking to expand. SSBCI 2.0 is a financing gap and credit risk-mitigation program to assist approved lenders in providing loans to small and diverse businesses who need assistance in obtaining a loan. Financing needs that can be addressed through SSBCI 2.0 resources include working capital, purchase of inventory and equipment, purchase of real estate for construction of a place of business, purchase of existing structures for a place of business, franchise fees, and other business growth needs. SSBCI 2.0 is expected to begin operations in early 2023 and a list of approved lenders will be posted on the SSBCI webpage at <https://www.dca.ga.gov/community-economic-development/funding-programs/state-small-business-credit-initiative-ssbci>. The Department will continue to partner with GDEcD and other state agencies to promote the work DCA is doing through this initiative.

Ongoing Strategic Initiatives

In addition to the recommendations included above which are designed to specifically address the identified challenges and resources needed by small businesses, the Department recognizes the need to further develop operational support functions to fully realize the vision of making the State's procurement process more accessible to minority-owned, women-owned, and veteran-owned businesses. Some initiatives in progress that are expected to positively impact recommendation outcomes include improved data collection for analysis and decision making and expanding existing communication channels.

Transparency is a fundamental tenet of the State's procurement process, as it is necessary to maintain fairness, accountability, and public confidence in the State's stewardship of taxpayer dollars. This commitment to transparency extends to the Small Business and Supplier Diversity Initiative.

To measure the success of the Initiative and increase reporting accuracy, it is necessary for the State to improve its data regarding identification of small and diverse suppliers and establish a baseline of current spend with existing partners. In consulting with several Fortune 500 companies implementing supplier diversity programs, both the importance of and challenges of accurately tracking spend with diverse businesses were discussed. The Department is exploring several strategies to improve data integrity of diverse businesses' participation in the state procurement and contracting process. These strategies include improving data collection processes, exploring data enrichment services, collecting subcontractor information on statewide contracts, publishing spend data, and transforming the State's Enterprise Resource Planning (ERP) system.

In partnership with the Georgia State Accounting Office, the Department has recently worked to update the current payment set-up process for new businesses to increase the likelihood of small and diverse information being collected and entered into the State's financial system. The Department has also updated the Team Georgia Marketplace™ supplier portal to require new businesses registering to participate in the bidding process to self-report small and diverse business status. Following Georgia's update to the definition of small business and introduction of business tiers in July 2021, the Department also modified the Team Georgia Marketplace™ supplier portal so these data points would be collected for all business registrations going forward. These updates to the payment profile and supplier registration process are critical and will improve information collection.

The information collected in the payment profile and supplier registration process is self-reported and unverified. In addition, a business's size and ownership may change from the time the business initially registers or its payment profile created. For these reasons, the Department is exploring the purchase of data enrichment services to supplement and validate existing small and diverse business data.

As described previously, the Department establishes and maintains a portfolio of statewide contracts for commonly needed goods, services, and technology. Through a survey of existing statewide contract suppliers, the Department has gathered self-reported data on small and diverse business status. However, as many statewide contract suppliers utilize subcontractors to perform vital tasks, tracking state spend at the prime contractor level alone does not provide a complete picture of small or diverse business participation. For example, the State's statewide contract for information technology temporary staffing resources relies on a large network of more than 500 businesses to support the State's needs. The

Department is exploring methodologies for requiring all statewide contract suppliers to begin collecting and reporting subcontractor information, including small and diverse business status.

In addition to the short-term data improvement efforts listed above, the State has initiated a project to select and implement a next generation administration system to address issues with the current Human Capital Management (HCM) and Financial systems. The State's current Oracle/PeopleSoft (TeamWorks) HCM and Financial system was implemented in 1998. Since 1998, the Financial and HCM systems have served as the primary ERP system for most Georgia government entities. Although the current system has served the State for over 20 years, there are several challenges with the current environment. One of the main challenges with the current environment is that the existing platform's customizations have limited the State's ability to leverage new features and functionality available in more recent software releases. In addition, different agencies use the functionality in various ways to meet their unique business requirements further complicating the support and underlying data model associated with the system.

The new ERP will provide self-service operational reporting and built-in analytics to all levels of users. Enhanced reporting capability should support more efficient compliance, improved decision-making, intelligent automation, and predictive analytics. Robust workflow will be available and easily configured to move data from one department to another, thus providing insight-driven decision making and reporting. As part of the planning and implementation processes for the new ERP tool, the Department will seek additional avenues to improve small and diverse business data collection and robust reporting functionality.

Following on the efforts noted above, the Department envisions creating and publishing a report of small and diverse business spend data as data improvements are realized. Published to the Department's website, the report will be updated on an annual basis. The purpose of this report is to increase transparency and facilitate information-sharing among small business community stakeholders, advocates, lawmakers, and other partners. This report is one component of ongoing communications efforts.

As directed by the Governor's Executive Order, the Department will continue to meet with small business community stakeholders and small business development partners, including chambers of commerce and small business supplier diversity non-profit organizations to better understand the needs of small businesses. Throughout the information gathering stage of this initiative, the Georgia Chamber of Commerce has demonstrated its value and capabilities in representing the business community, with more than 500 industry sectors represented. With its affiliates and the 159 local chambers participating through the Georgia Chamber Federation, the Georgia Chamber serves as the State's largest business advocacy organization and can share critical information with the Department on the small business community and its needs. The Department has identified additional small and diverse business community organizations, such as chambers with a focus on minority business owners, with which to collaborate.

In collaboration with the Georgia Department of Economic Development and other small business development partners, such as the University of Georgia Small Business Development Center Multicultural Business Division, the Department's Small Business and Supplier Diversity Manager will coordinate with a variety of stakeholders to facilitate reoccurring meetings. The Department intends to coordinate these meetings on a quarterly basis or such other meeting frequency to encourage open dialogue and solicit advice and counsel.

Many resources are available to small and diverse businesses through Georgia state government entities, chambers of commerce, private corporations, non-profit organizations, small business development partners, federal government entities, and others. To facilitate information sharing, the Department will be supplementing its existing small business website to link to more resources. Through ongoing training and outreach programs such as the Procurement Connect Informational Sessions, the Department intends to showcase these resource partners to increase awareness and utilization within the small business community.

These ongoing initiatives of increasing transparency, improving data collection for analysis and decision making, and expanding existing communication channels is expected to positively impact recommendation outcomes and help us move toward full realization of making the State's procurement process easier for small and diverse businesses to access.

Conclusion

The Department is grateful to the many businesses sharing their input on the state procurement process by completing the Department's online survey. Special thanks to the Georgia Department of Economic Development, the UGA Small Business Development Center (SBDC) Multicultural Business Division (MBD), the Georgia Chamber of Commerce, Georgia Minority Supplier Diversity Council (GMSDC), and many others for their support in sharing information and facilitating outreach to the small business community. These efforts were essential in identifying challenges faced by small businesses and preparing recommendations to make the state procurement process easier to access.

The Department will continue to work in partnership with the small business community and other stakeholders to implement the Governor's Executive Order. The Department's Small Business and Supplier Diversity Manager will lead efforts to hold meetings with small business stakeholders and increase engagement with the small business community with a focus on minority-owned, woman-owned, and veteran-owned businesses.

To make the state procurement process easier to access, the Department will act to address the three primary obstacle categories: (1) satisfying state requirements, (2) bid opportunity identification, and (3) readiness to bid. The Department proposes nine preliminary recommendations to tackle these challenges as further detailed in this report:

- Designate small business liaisons at each state entity, college, and university subject to the Department's procurement authority
- Expand minority business enterprise certification program
- Pilot informal bidding process
- Revise state bidding and contracting requirements for certain projects
- Continued and improved promotion of the Department's procurement systems trainings
- Expand matchmaking opportunities for small businesses
- Increased outreach, training, and support to small businesses
- Expand business-to-business mentorship opportunities for small businesses
- Facilitate information sharing on access to capital resources

The Department recognizes and reiterates that the submission of this report is not the conclusion of our efforts on supporting small business and supplier diversity. Upon acceptance of the preliminary recommendations outlined in this report, the Department will begin implementation. The Department has identified several actions that can be initiated immediately, such as the designation of small business liaisons within each state entity. Other recommendations require conversations with our partners or additional action from policymakers. Therefore, the Department will further develop these actions and provide a project plan by the end of 3Q FY 2023, including estimated execution timeframes. The Department will then issue quarterly updates to the public on the progress of this initiative.

As these recommendations are implemented, the Department will track and assess its progress and seek continued input from the small business community, executive branch agencies, the General Assembly, and other stakeholders. Finally, the Department will continue work on the ongoing strategic initiatives referenced in this report with the goal of improving data collection and expanding existing communication channels.

Appendix A



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

WHEREAS: The State of Georgia is committed to helping small businesses expand and create jobs; and

WHEREAS: Small businesses are important to the growth and success of Georgia's economy and are responsible for employing nearly half of Georgia's workforce; and

WHEREAS: Georgia's agencies are currently required to offer information about procurement opportunities with the state; and

WHEREAS: The process to enter into procurement contracts with the state can be difficult for small businesses to navigate; and

WHEREAS: The Department of Administrative Services ("DOAS") provides various opportunities for small businesses to learn and participate in the state procurement process such as the Small Business Procurement Readiness Workshop series, the Small Business Symposium series, and the Minority Business Enterprise certification process; and

WHEREAS: DOAS has the statutory duty to administer the state procurement process pursuant to Code Section 50-5-51, *et seq.*

NOW, THEREFORE, PURSUANT TO THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That DOAS shall create the position of Small Business and Supplier Diversity Manager and create a position to facilitate communications and engagement with minority-owned small businesses.

IT IS FURTHER

ORDERED: That DOAS shall schedule and hold regular meetings with representatives from small business community stakeholders and small business development partners, including chambers of commerce in order to help

better understand the challenges faced by small businesses and identify obstacles to participation in the state procurement process.

IT IS FURTHER

ORDERED: Through these meetings, DOAS shall increase active outreach efforts to the small business community with a particular focus on the minority-owned, women-owned, and veteran-owned business community - these efforts shall include, but are not limited to, supplier education and training.

IT IS FURTHER

ORDERED: That DOAS shall coordinate with the Georgia Department of Economic Development's Director of Small Business Outreach and other small business development partners, such as the University of Georgia's Small Business Development Center Multicultural Business Division, to hold these regular meetings and increase active outreach efforts to the small business community.

IT IS FURTHER

ORDERED: By October 31, 2022, DOAS shall issue a report which provides specific recommendations to implement which will assist in making the state procurement process more easily accessible to small businesses.

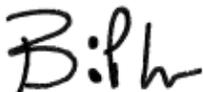
IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

IT IS FURTHER

ORDERED: That this Order shall be effective upon signature.

This 13TH day of July 2022.



GOVERNOR

Appendix B



Brian P. Kemp
Governor

Rebecca N. Sullivan
Commissioner

Department of Administrative Services Names Julian Bailey Small Business and Supplier Diversity Manager



The Department of Administrative Services (DOAS), State Purchasing Division (SPD) is pleased to announce the promotion of Julian Andrea Bailey to the position of Small Business and Supplier Diversity Manager. In this new position, Bailey will lead the Division's efforts to facilitate communications and engagement with minority-owned, woman-owned, and veteran-owned businesses, building on her previous work with the small business community.

Governor Brian P. Kemp recently issued an Executive Order directing DOAS to create the position of Small Business and Supplier Diversity Manager to lead communications and engagement initiatives that help minority-owned small businesses navigate the state's contract process and collaborate with other small business development partners to increase outreach efforts to the small business community.

Bailey joined the DOAS in 2013 and has established a strong knowledge base in state procurement operations, policies, and systems through her administration of SPD's communications and marketing program prior to assuming supervision of the Minority Business Enterprise (MBE) Certification Program and supplier outreach and training programs in 2018. Beginning in 2020, Bailey's advocacy and work with other small business development partners and supplier community stakeholders enabled DOAS to significantly increase outreach and engagement with the supplier community as part of the agency's small business initiative, hosting or participating in more than 70 supplier engagement events with more than 3,800 participants in Fiscal Year 2022.

Through the introduction of new training programs, such as the Georgia DOAS Procurement Connect Informational Series, Bailey continues to champion training opportunities for businesses interested in state contracting opportunities. In partnership with the University of Georgia's Small Business Development Center's Multicultural Business Division, the Georgia Small Business Procurement Readiness Workshop series was established in 2021. Bailey is an integral part of this program which was honored as a finalist through the National Association of State Procurement Officers' Georgia Cronin Award program.

Prior to joining DOAS, Bailey worked with the Minority Business Development Agency (MBDA) Business Center-Atlanta at the Georgia Institute of Technology, Enterprise Innovation Institute. While there, Bailey successfully managed various programs including a Lunch-and-Learn Series and an Entrepreneur-in-Residence Program. Through outreach activities, she assisted the Center with increasing the clients served goal by over 150%. This Center helps Minority Business Enterprises access capital, increase profitability, create jobs, and become sustainable.

Bailey earned a Bachelor of Arts degree in Public Relations from Howard University and a Master of Business Administration degree in Management from Troy University. She resides in McDonough, Georgia with her husband, Leeroy, and their four children.

###

Outreach Events



ACE Women's Business Center Event



Russell Innovation Center for Entrepreneurs Event



Georgia Chamber's Joint Small Business Advisory Council and DE&I Council Meeting



Georgia Minority Supplier Development Council Event



Macon Bibb County Office of Small Business Affairs Event



Georgia Department of Administrative Services Event

Appendix D



1

Governor's Executive Order 07.13.22.01

- Create the position of Small Business & Supplier Diversity Manager
- Hold regular meetings with small business community stakeholders
- Increase outreach to small business community with focus on minority-owned, woman-owned and veteran-owned businesses
- Identify challenges faced by small businesses in the state procurement process
- Prepare recommendations to make state procurement process more easily accessible
- Collaborate with Georgia Department of Economic Development and UGA SBDC Multicultural Business Division
- Report due October 31, 2022

2

2

Georgia Department of Administrative Services

- The Georgia Department of Administrative Services (DOAS) is an entity of the state executive branch of government.
- DOAS is an “enterprise” agency that serves other state government entities.
- DOAS has five primary business services:
 - State Purchasing
 - Risk Management
 - Human Resources Administration
 - Fleet Management
 - Surplus Property



3

3



State Purchasing Division

- Creates and manages **statewide contracts** for commonly needed goods and services
- Collaborates with **state entities on large value, complex, or specialized procurement** activities
- Manages the state's card program
- Assesses compliance and provides guidance, training, and certifications
- Provides procurement systems and tools

Oversees purchase of more than **\$4.5 Billion** in goods and services annually

Ranked #1 and #2 in the Nation by Governing Magazine Excellence in Procurement Ranking of States (2016 – current)

4

4



Statewide Contracts

- Statewide Contract Portfolio of **400+ contracts**, providing more than **70 categories** of goods and services
- Available for use by both **state government** entities as well as **local government** entities

Agency Contracts

- Within certain dollar limits, SPD has **delegated authority to state government entities** to establish their own agency contracts to support their unique programs and needs.
- SPD provides oversight and conducts **complex, high-risk, and high-value contracts** on behalf of state entities

Note: Purchases of **\$25,000 or more** must be competitively bid

5

5

Who We Serve – Georgia State Entities



GEORGIA DEPARTMENT
OF AGRICULTURE



GEORGIA

DEPARTMENT OF NATURAL RESOURCES



6

6

Who We Serve – Public Colleges and Universities



7

7

Supplier Community

- Georgia **ranked #5** in the U.S. for the greatest number of **woman-owned firms**; more than **450,000 woman-owned firms**
- More than **97,000 veteran-owned businesses** within the State of Georgia
- More than 450,000 **minority-owned small businesses**
- Businesses partnering to provide goods and services to state government agencies provide **vital support** to our State entities, colleges and university in their day-to-day operations and service to our citizens



8

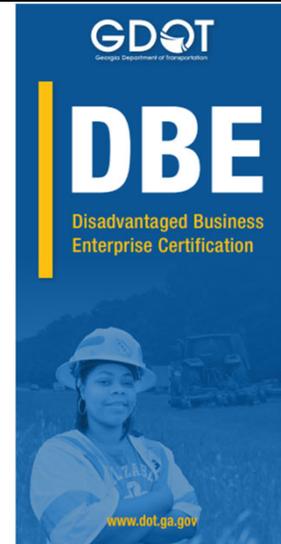
8

Georgia's Certified MBE/DBE Program

The Minority Business Enterprise (MBE) program is a collaborative effort between the Georgia Department of Administrative Services and the Georgia Department of Transportation and provides a joint process for minority certification.

A company cannot receive an MBE certification with the state of Georgia government without first receiving the Disadvantaged Business Enterprise (DBE) certification.

There is no cost to obtain the MBE certification with the State of Georgia government.



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Small Business Initiative Launched 2020

Mission: To support Georgia-based, small businesses by providing access to the State's purchasing opportunities, create jobs and to provide economic opportunity by providing greater access to education, and business support services.



GROWING SMALL BUSINESS IN GEORGIA
LEARN. CONNECT. THRIVE.

Small Business Symposium

A one-day professional development/learning and networking symposium for small businesses. The next Symposium will be on **November 9, 2022!**



Small Business Procurement Readiness Workshops

In collaboration with our educational partner, the University of Georgia Small Business Development Center, Multicultural Business Division, DOAS hosts a series of readiness workshops that are targeted to the small business community. 2022 classes wrapped up in September. Stay tuned for next year's series!

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Other Supplier Training Opportunities

Monthly Supplier Orientations

- Supplier orientation sessions provide information on registering in the State's procurement system, general information on the purchasing process and the various kinds of purchases that are made by government entities, and the procurement systems used by the State. In addition, information is provided on resources to help suppliers grow their businesses.

Monthly Supplier Webinars

- During these sessions, companies are shown the steps to respond to bids in Team Georgia Marketplace™ and Jaggaer Sourcing Director. They will learn how to search the Georgia Procurement Registry for open and awarded solicitations and download and attach required documents. They will also be shown important things to remember as they navigate through the State's procurement process.

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Small Business & Supplier Diversity Initiative Survey

As directed by Governor Brian P. Kemp through Executive Order 07.13.22.01 discussed earlier, DOAS is increasing outreach to small businesses across our state, with a focus on minority-owned, woman-owned, and veteran-owned businesses.

We want to hear from you. As the Department responsible for procuring goods and services for state government agencies, we are asking for your input in helping us identify challenges faced by small businesses looking to participate in the state procurement process.

Your input will help us develop recommendations on ways DOAS can enhance the state procurement process, making it more accessible to Georgia's small businesses.

<https://www.surveymonkey.com/r/GeorgiaSmallBusinessSupplierDiversitySurvey>

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Georgia DOAS Small Business and Supplier Diversity Initiative Contact

Julian Andrea Bailey, MBA
Small Business and Supplier Diversity Manager
Email: supplier.diversity@doas.ga.gov
Telephone: (404) 651-9704



Mrs. Bailey is responsible for facilitating engagement and communications with minority-owned, woman-owned, and veteran-owned businesses.

www.doas.ga.gov

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Small Business and Supplier Diversity Webpage

<https://doas.ga.gov/state-purchasing>

The screenshot shows the Georgia Department of Administrative Services (DOAS) website. The top navigation bar includes the Georgia logo, the text 'Department of Administrative Services' with the tagline 'Improving efficiency, compliance and workforce performance', and links for 'Learn About DOAS', 'Our Community', and 'Need Help'. Below the navigation is a banner image with the text 'Ensuring reliable sources of goods and services at the lowest possible cost while promoting fair and open competition and small business opportunity to maximize government efficiency and compliance.' The main content area is titled 'STATE PURCHASING DIVISION' and includes a brief description of the division's role. To the right is a 'CONTACT' section with the phone number 404-657-6000 and the email procurementhelp@doas.ga.gov. Below this is another navigation bar identical to the top one. The 'AREAS OF FOCUS' section contains a grid of ten links, with 'SMALL BUSINESS AND SUPPLIER DIVERSITY' highlighted by a red border.

| AREAS OF FOCUS | | | | |
|------------------------------------|--|--|---------------------|--------------------------------|
| STATE PURCHASING COVID-19 RESPONSE | SMALL BUSINESS AND SUPPLIER DIVERSITY | GEORGIA PROCUREMENT REGISTRY FOR LOCAL GOVERNMENTS | STATEWIDE CONTRACTS | GEORGIA PROCUREMENT CONFERENCE |
| IT TEMPORARY STAFFING | SUPPLIER SERVICES | LAW, ADMINISTRATIVE RULES AND POLICIES | ORDER OF PRECEDENCE | SEVEN STAGES OF PROCUREMENT |

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Director of Small Business Outreach

***Allen Fox** is the department's lead in programs and initiatives relative to small business.*

Email: afox@georgia.org

Telephone: 404.962.4117

Georgia Department of Economic Development

75 5th Street, NW, Suite 1200

Atlanta, Georgia 30308

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Georgia Department of Economic Development Small Business Resource Links



We **SPEAK** Business



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University of Georgia, Small Business Development Center, Multicultural Business Division



Carolina Ramon
Director of Specialty Programs
University of Georgia Small Business Development Center (SBDC)
Email: cramon@georgiasbdc.org

Carolina Ramon is the Director of Specialty Programs for the UGA SBDC. In this role she oversees the International Trade Center, Multicultural Business Division, and the new UGA SBDC Center at Morehouse College.

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Small Business
Development Center
UNIVERSITY OF GEORGIA

HOME ABOUT TRAINING SERVICES CONTACT



<https://www.georgiasbdc.org/minority>

19

19



State Purchasing

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Doing Business with the State of Georgia Government!



State Purchasing Division

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State Purchasing Division



Ensuring reliable sources of goods and services at the lowest possible cost while promoting fair and open competition and small business opportunity to maximize government efficiency and compliance.

State Purchasing is responsible for the purchase of more than \$4.5 billion of goods and services each year for state entities, colleges and universities.

www.doas.ga.gov

Georgia Department of Administrative Services

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Georgia Procurement Manual

Access the Georgia Procurement Manual to obtain information on procurement in the State of Georgia!

Available in print and online.

Georgia Department of Administrative Services

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Georgia Procurement Manual

Order of Precedence

Any procurement staff requesting the purchase of a service and/or product must first check the Order of Precedence for purchasing.

Only after checking the first 3 tiers, can we procure from the Open Market.

Georgia Department of Administrative Services

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Competitive Bidding Requirements



< \$25,000 No formal bidding required

≥ \$25,000 Requires a formal bidding process

- Bids are posted on the Georgia Procurement Registry
- Sourcing methods include RFQ, RFP, RFI, RFQC
 - RFI and RFQC do not end in award
- Sourcing tools include Team Georgia Marketplace™ and Jaggaer Sourcing Director.

Georgia Department of Administrative Services

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Team Georgia Marketplace™

Team Georgia Marketplace

My Homepage

News and Announcements

latest news

Sign In

Important Notice

This is a State of Georgia application. It is provided to conduct official State business and must be used appropriately. All individuals using this application must follow the appropriate use policy and procedures defined by their individual Agencies or as defined by Georgia Technology Authority's appropriate use policy. All information in the system belongs to the State of Georgia and may be read or monitored by authorized persons.

By logging into this application, you agree to abide by all established Enterprise, State and Federal policies governing the appropriate use of State of Georgia resources.

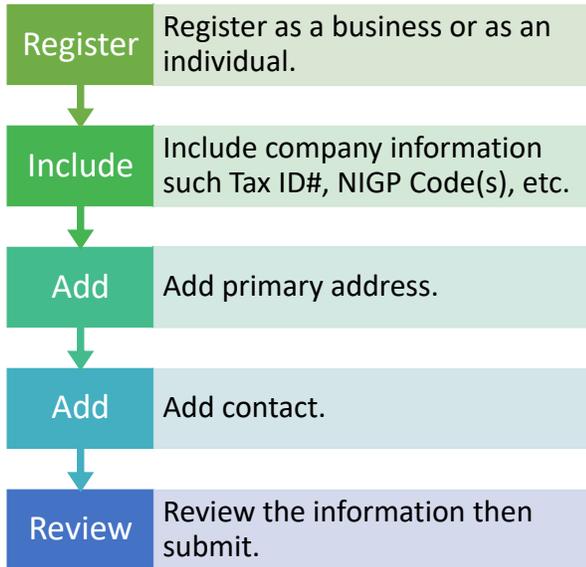
User Registration

Bidding Opportunities

First step in
doing business
with the State of
Georgia!

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TGM 5-Step Registration Process



Georgia Department of Administrative Services

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Georgia Procurement Registry (GPR) Bids

GEORGIA PROCUREMENT REGISTRY
 Team Georgia Marketplace

Find bidding opportunities offered by the State of Georgia. To submit a bid or pro bidder. To register, [click here](#). To search for a bidding event, use a keyword or an in the search results.

Event Search Criteria

OPEN Events

Show entries

| Event ID | Event Title | Government Entity | S |
|----------|--|--------------------------------------|------|
| 21-05 | Janitorial & Cleaning Services for Co Facilities | Newton County Board Of Commissioners | Au@i |

Search the GPR frequently for Bids!

Georgia Department of Administrative Services

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Georgia Procurement Registry (GPR) Bids

Georgia Department of Administrative Services

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Georgia Procurement Registry – Award Bids

Awarded Bids
Searching for "Awarded" bids will help you:

- Determine which entities buy what you sell
- Help you to locate NIGP Codes to add to your profile
- Obtain cost paid for past bids
- See the companies that have won the bids in the past

Georgia Department of Administrative Services

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Awarded Bid: Notice of Award



NOTICE OF AWARD

Form must be posted to GA Procurement Registry (GPR)
Reminder to Issuing Officer: Attach Copy of Bid Tabulation or
Administrative Review Document (if not already posted with NOIA)

Solicitation Title/EventName: Marketing, Advertising, & Public Relations Services

Solicitation No/Event ID: ES-RFP-55400-409

Solicitation Close/ EventEnd Date: 01/04/2021

Notice of Award Posting Date: 4/12/2021

Issuing Officer: isa.elliott.little@westga.edu

The State intends to award a contract to the apparent successful offeror(s). The Notice of Intent to Award should not be considered as a binding commitment by the State. Inquiries should be addressed to the Issuing Officer. Although the State will provide the reason(s) an offeror was not successful in accordance with Georgia law, please note that the reasons listed beside the names of the unsuccessful offeror(s) should not be interpreted as an exhaustive list. NOTE: In the event any of the following is applicable, then all identified award amounts (if any) are estimates only: (1) this is an open agency contract and/or (2) the state entity has identified primary/secondary awardees. All protests must be submitted electronically via email at doas.protests@doas.ga.gov. Please reference the *Georgia Procurement Manual* for the supplier protest process updated August 2020: <http://doas.ga.gov/state-purchasing/law-administrative-rules-and-policies>

| APPARENT SUCCESSFUL OFFEROR(S) | AWARD AMOUNT |
|--|------------------------------|
| Crawford Strategy | Estimated \$1,464,700.00 |
| UNSUCCESSFUL OFFEROR(S) In Alphabetical Order | REASONS |
| ADV Market Research and Consulting, LLC | Not Highest Scoring Proposal |
| I Speak Business Consulting Services idfive | Not Highest Scoring Proposal |
| Jacob's Eye LLC | Not Highest Scoring Proposal |
| Markstein Consulting, LLC | Not Highest Scoring Proposal |
| Nobox Marketing | Not Highest Scoring Proposal |
| Richard Harrison Bailey, Inc. | Not Highest Scoring Proposal |
| SimpsonScarborough | Not Highest Scoring Proposal |
| Success Advertising, Inc. | Not Highest Scoring Proposal |
| The Morrison Agency | Not Highest Scoring Proposal |
| The Partnership of Atlanta, Inc. | Not Highest Scoring Proposal |
| The Zimmerman Agency | Not Highest Scoring Proposal |
| VisionPoint Marketing | Not Highest Scoring Proposal |
| WeUsThem, Inc. | Not Highest Scoring Proposal |
| Wier Stewart | Not Highest Scoring Proposal |
| Ivy Exec, Inc. | Non-Responsive |
| Graystone Group | No Bid |
| 3 Atlanta, LLC | No Bid |
| Hope Beckham | No Bid |

Authorized Signature: John Haven 4/12/2021
 John Haven - Vice President
 Business and Financial Services

Georgia Department of Administrative Services

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Jagger Sourcing Director

Bidding tool used by the University System of Georgia and its state colleges and universities

CAMPUS SPOTLIGHT

Illuminating Excellence on Campus



UNIVERSITY SYSTEM
OF GEORGIA

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How to Locate the Event



**GEORGIA PROCUREMENT
REGISTRY**



Event Announcement to Suppliers

Julian Bailey
julian.bailey@doas.ga.gov

Board of Regents (University System of Georgia), a Georgia government entity, has posted an Event which is available for your company's response. Your firm may have been selected based on NIGP code(s) listed in your registration profile.

The Event details are summarized below.

Event Number: 47200-eRFP-000000374-2023
Event Title: USG - Online Patron Account Registration and Renewal
Event Open Date: 8/23/2022 at 11:00 AM EDT
Event Close Date: 9/27/2022 at 2:00 PM EDT

The event can be reviewed at: <http://ssl.doas.state.ga.us/gpr/eventDetails?eSourceNumber=47200-eRFP-000000374-2023&sourceSystemType=jag>
 (Please Copy and Paste the link into a browser)

The event can be reviewed at: Please click the link to view the sourcing event

For first time users, please register at https://fscm.teamworks.georgia.gov/psc/supp/SUPPLIER/ERP/c/NUI_FRAMEWORK_PT_LANDINGPAGE.GBL prior to accessing the event.

If you have any questions regarding this Event, you may email:

Barbara Burns 1-404-6562291- barbara.burns@doas.ga.gov

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How to Locate the Event



**GEORGIA PROCUREMENT
REGISTRY**



Quick Links

- Bidding Event Search
- Supplier Search
- NIGP Search
- Team Georgia Marketplace
Bidder and Supplier Portal
- GPR Buyer Login
- References

| | | | | | | |
|-----------------------------|--|---|-------------------------|-------------------------|--------|------|
| 2022-IFB-GTRI-0085 | GTRI - Solidworks Licenses | Georgia Institute Of Technology | Mar 19, 2022 @ 03:00 PM | Mar 25, 2022 @ 01:00 PM | 1 days | Open |
| E 92100-GCI0000651 | Cotton Seed | Georgia Correctional Industries Administrati | Mar 22, 2022 @ 11:41 AM | Mar 25, 2022 @ 02:00 PM | 1 days | Open |
| BR-30-2203-CM | D.M. Smith Building Renewal | Regents, Board Of(University System Of Georgia) | Mar 04, 2022 @ 10:48 AM | Mar 25, 2022 @ 02:00 PM | 1 days | Open |
| E 46700-GDC0000992 | Residential Substance Abuse Treatment Program | Corrections, Department Of | Jan 27, 2022 @ 03:01 PM | Mar 25, 2022 @ 02:00 PM | 1 days | Open |
| E 51800-eRFP-000000207-2022 | UGA Mechanical, Electrical, Plumbing Task Order Contract | University Of Georgia | Feb 22, 2022 @ 04:30 PM | Mar 25, 2022 @ 02:00 PM | 1 days | Open |
| E 46100-DJU0000299 | Thinking for a Change (T4C) | Juvenile Justice, Department Of | Mar 04, 2022 @ 08:18 AM | Mar 25, 2022 @ 04:00 PM | 1 days | Open |
| E 50900-eRFP-000000206-2022 | GSU Call Center Services | Georgia State University | Feb 24, 2022 @ 12:00 AM | Mar 28, 2022 @ 11:00 AM | 4 days | Open |
| 2057-22 | Aerospace Engineering Aircraft Hangar Facility | Georgia Institute Of Technology | Mar 07, 2022 @ 02:11 PM | Mar 28, 2022 @ 02:00 PM | 4 days | Open |
| BR-50-2202-DB | Fulton Street Parking Deck | Regents, Board Of(University System Of Georgia) | Mar 07, 2022 @ 01:48 PM | Mar 28, 2022 @ 02:00 PM | 4 days | Open |
| E 48400-DOT0002529 | HVAC Maintenance and Repair (repost) | Transportation, Department Of | Mar 14, 2022 @ 01:54 PM | Mar 28, 2022 @ 02:00 PM | 4 days | Open |
| E 54300-eRFP-000000141-2022 | KSU - Generator Maintenance and Repair Services | Kennesaw State University | Mar 08, 2022 @ 09:00 AM | Mar 29, 2022 @ 12:00 PM | 5 days | Open |

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Create an Account

Georgia DOAS **GEORGIA PROCUREMENT REGISTRY** **Team Georgia Marketplace**

Welcome to State of Georgia Sourcing Portal, providing our suppliers with the ability to bid on any available Sourcing Event directly online.

To submit a bid or proposal, you must be registered with **Team Georgia Marketplace** as a supplier or bidder. To register, click [here](#) to create account.

Please contact Procurement Help Desk: **404-657-6000** procurementhelp@doas.ga.gov for any question.

For Step-by-Step Guide on Submitting your Response, access the [Quick Reference Guide](#).

Forgotten your password or having trouble accessing your account?

Contact Jaggaer Supplier Support at **1-800-233-1121** option 2 or submit a support ticket into Jaggaer [here](#).

Please login to view the sourcing event.

Enter your email to Login/Create Account

English

Email

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Statewide Contract Index

Search Contracts - Advanced Simple Search ?

Contract Number

Contract Name

Keywords

Contract Type

Contract Status

Contract Version

Contract Manager Any Me Pick...

Contract Stakeholder Any Me Pick...

Powered by JAGGAER

You have several options to search for contracts – by contract number, contract name, keywords, contract type, contract status, etc.

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Statewide Contract Index

Team Georgia Marketplace

State of Georgia

Reset Password

Please enter your user name and the email stored in your user profile. These are case sensitive. An email with instructions on how to change your password will be sent once the values entered are validated.

..... User Name

..... Email Address

..... Select the Security Check shown to the right

I'm not a robot

reCAPTCHA Privacy - Terms

User ID: tgmquest
Password: tgmquest

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MBE Certification Program

The Minority Business Enterprise (MBE) program is a collaborative effort between the Georgia Department of Administrative Services (DOAS) and the Georgia Department of Transportation (GDOT) and provides a joint process for Disadvantaged and Minority Business (DBE/MBE) certification.

“Minority” classification includes individuals from the following groups:

- African Americans
- Asian Americans
- Latinos/Hispanics
- Native Americans
- Pacific Islanders

Visit our website for information: www.doas.ga.gov

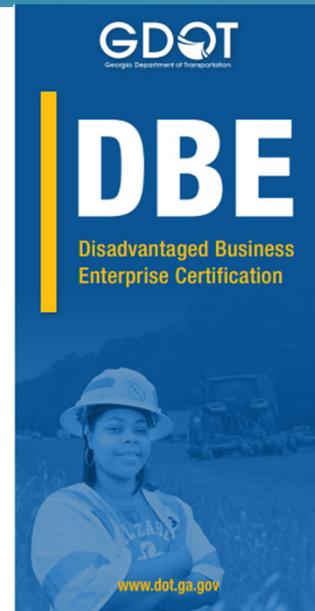
Georgia Department of Administrative Services

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DBE Application

- The disadvantaged owner's personal net worth (not including primary residence and ownership in the business) may not exceed \$1.32 million to qualify as economically disadvantaged.
- Firms located in all Georgia counties, except Fulton, DeKalb, or Clayton, and outside of the State are certified through GDOT. [Click here](#) for application!
- Firms located in Fulton, DeKalb, or Clayton County must submit their applications electronically to MARTA. [Click here](#) for application!

Georgia Department of Administrative Services



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Benefits of the MBE Certification

- MBE Companies are stored in our CRM system and made available to local government and other organizations
- Companies are marked as “certified minority” and are available to be accessed through [Georgia Procurement Registry search](#)
- Georgia law allows a tax break for Georgia companies that subcontract to certified minority subcontractors (O.C.G.A. § 48-7-38)

Georgia Department of Administrative Services



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Bidders' Conferences

- *Pre-bid/Bidders'/ Offerors' conferences* are public meetings.
- Must be included on the solicitation.
- Can be optional or mandatory.
- If it is mandatory, you **MUST** attend to participate in solicitation!

There is **100%** chance the winner of the contract is in the room for **Mandatory Conferences!**

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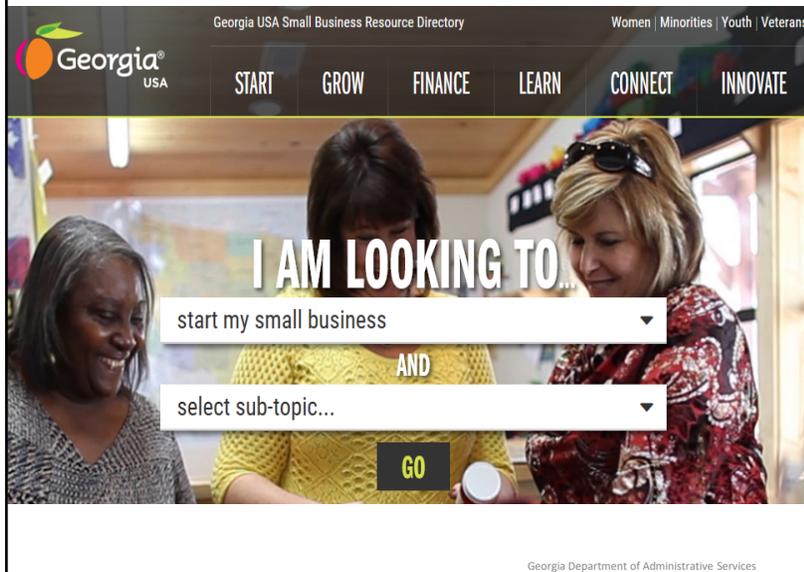
Small Business Resources and Training



Georgia Department of Administrative Services

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Under \$25K Small Business Initiative



- For purchases under the \$25k bidding threshold, entities are encouraged to use small businesses to satisfy needs
- Gives entities flexibility to reach out to small businesses
- Eliminates administrative burden
- Encourages small business participation

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SPD Supplier Training

Supplier Orientations

These sessions provides general information on the procurement process in the State of Georgia. It features information on how to register your company and establish your eligibility to receive bid notices.

Supplier Procurement System Webinars

During these sessions, companies are shown the steps to respond to bids in Team Georgia Marketplace and eSource, the State's procurement systems.

<http://doas.ga.gov/state-purchasing/purchasing-education-and-training/supplier-training>

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Small Business Procurement Readiness Workshops

SMALL BUSINESS PROCUREMENT READINESS WORKSHOPS



- A series of readiness workshops that are targeted to the small business community
- Focused on business development training on how to increase your business core capability and capacity
- A collaborative efforts with the University of Georgia (UGA) Small Business Development Center (SBDC) Minority Business Division (MBD)

Visit our website for information: www.doas.ga.gov!

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DOAS Small Business Symposium



GROWING SMALL BUSINESS IN GEORGIA
LEARN. CONNECT. THRIVE.

- Developed to support Gov. Brian Kemp's Small Business initiative and goal to make Georgia the #1 State for small businesses
- One day event providing training and networking opportunities
- Allows suppliers access to procurement professionals and organizations focused on working with small businesses

Next Symposium November 9, 2022!

Georgia Department of Administrative Services

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Support and Contact Information

- **Supplier Services Website** –
 - Georgia Procurement Manual
 - Team Georgia Marketplace
 - Georgia Procurement Registry
 - Jaggaer Sourcing Director
- **Supplier Orientation**
- **Supplier Webinar**
- **Supplier Outreach & Communications**
 - Julian A. Bailey, julian.bailey@doas.ga.gov
 - Lanique Bradley, Lanique.bradley@doas.ga.gov
- **State Purchasing Contact Center Help Desk**
 - Email – procurementhelp@doas.ga.gov
 - State Purchasing Contact Center Help Desk – 404-657-6000



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