

Doing Business with Small Business

The County has multiple programs that address Small Businesses. Each program has a different definition for Small Business. Listed below are the programs with their respective definitions.

Jury Service Program

Definition of a Small Business is: A business which has **ten or fewer employees AND** has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are **\$500,000 or less; AND** is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below.

“Dominant in its field of operation” means having more than **ten employees**, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, **exceed \$500,000**.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least **20 percent** owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders or their equivalent, of a business dominant in that field of operation.

Local Small Business Enterprise Preference Program

Definition of a Certified Local Small Business Enterprise is:

A business certified as a small business enterprise by the State of California; **AND** has its principal office currently located in Los Angeles County for a period of at least the past 12 months; **AND** has been certified by OAAC as meeting the requirements set forth in the definitions listed above.

Proposers may register on-line for the Local Small Business Enterprise certification by accessing the website shown below:

<http://oaac.co.la.ca.us/contract/sbemain.html>

Living Wage Program

Definition of a Small Business is:

A business which is not an affiliate or subsidiary of a business dominant in its field of operation; **AND** during the contract period will have **20 or fewer full- and part-time employees; AND** has **less than \$1 million** in annual gross revenues in the preceding fiscal year including the proposed contract amount; **OR** is a technical or professional service that has **less than \$2.5 million** in annual gross revenues in the preceding fiscal year including the proposed contract amount. **“Dominant in its field of operation”** means having more than **twenty employees**, including full-time and part-time employees, and **more than \$1,000,000.00** in annual gross revenues or **\$2,500,000.00** in annual gross revenues if a technical or professional service.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at **least 20 percent** owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders or their equivalent, of a business dominant in that field of operation.

Policy on Doing Business With Small Businesses

Forty -two percent of businesses in Los Angeles County have five or fewer employees. Only about 4% of businesses in the area exceed 100 employees. According to the Los Angeles Times and local economists, it is not large corporations, but these small companies that are generating new jobs and helping move Los Angeles County out of its worst recession in decades. WE RECOGNIZE...

The Importance of small business to the County...

- In fueling local economic growth
- Providing new jobs
- Creating new local tax revenues
- Offering new entrepreneurial opportunity to those historically under represented in business

The County can play a positive role in helping small business grow...

- As a multibillion dollar purchaser of goods and services
- As a broker of intergovernmental cooperation among numerous local jurisdictions
- By greater outreach in providing information and training
- By simplifying the bid/proposal process
- By maintaining selection criteria which are fair to all

WE THEREFORE SHALL:

1. Constantly seek to streamline and simplify our processes for selecting our vendors and for conducting business with them.
2. Maintain a strong outreach program, fully coordinated among our departments and districts, as well as other participating governments to: a) inform and assist the local business community in competing to provide goods and services; b) provide for ongoing dialogue with and involvement by the business community in implementing this policy.
3. Continually review and revise how we package and advertise solicitations, evaluate and select prospective vendors, address subcontracting and conduct business with our vendors, in order to: a) expand opportunity for small business to compete for our businesses; and b) to further opportunities for all businesses to compete regardless of size.
4. Insure that staff who manage and carry out the business of purchasing goods and services are well trained, capable and highly motivated to carry out the letter and spirit of this policy.