

# Fiscal Year 2018-2019 Annual Report

# Bureau of Diversity, Inclusion and Small Business Opportunities



Tom Wolf, Governor



**Curt Topper, Secretary**PA Department of General Services

### Table of Contents

Glossary2
Message from Secretary Curt Topper3
Message from Deputy Secretary Kerry L. Kirkland4
Introduction5
Section 1.0 Procurement Policy Overview6
1.1 Methods of Contractor Selection and Award6
1.2 Contracting Opportunities for SBs and SDBs6
1.3 Commonwealth Disparity Study8
1.4 Outreach9
Section 2.0 Small Businesses (SB) and Small Diverse Businesses (SDB) in Pennsylvania
2.1 Small Businesses10
2.2 Small Diverse Businesses11
2.3 Mentor Protégé Program14
Section 3.0 Distribution of SB and SDB Payments for FY 2018-19
2018-19
<b>2018-19</b>
2018-19
2018-19
2018-19
2018-19
2018-19
2018-19
2018-19





(BDISBO) Bureau of Diversity, Inclusion and Small Business Opportunities

(CMS) Commonwealth Media Services

(DGS) Department of General Services

(DOBE or D) Disabled-Owned Business Enterprise

(FY) Fiscal Year

(GFE) Good Faith Efforts

(HVAC) Heating, Ventilation & Air Conditioning

(IFB) Invitation for Bids

(ITQ) Invitation to Qualify

(JOC) Job Order Contracting

(LGBT) Lesbian, Gay, Bisexual or Transgender

(LGBTBE or G) LGBT Business Enterprise

(MBE or M) Minority Business Enterprise

(MM) Medical Marijuana

(MPL) Minimum Participation Level

(MWBE or MW) Minority Women Business Enterprise

(NGLCC) National LGBT Chamber of Commerce

(NMSDC) National Minority Supplier Development Council

(RFP) Request for Proposals

(RFQ) Request for Quotes

(SB) Small Business

(SBA) United States Small Business Administration 8(a) Program

(SBPI) Small Business Procurement Initiative

(SBR) Small Business Reserve

(SCI) State Correctional Institute

(SDB) Small Diverse Business

(SDVBE or S) Service-Disabled Veteran Business Enterprise

(UCP) Unified Certification Program

(VBE or V) Veteran Business Enterprise

(VetBiz) Vets First Verification Program

(WBE or W) Woman Business Enterprise

(WBENC) Women's Business Enterprise National Council

### Message from Secretary Curt Topper

On behalf of Governor Tom Wolf, I am proud to present the Department of General Services' (DGS) Annual Report on the participation of Small Businesses and Small Diverse Businesses in state contracting opportunities for Fiscal Year (FY) 2018-19.

In fiscal year 2018-19, Small and Small Diverse Businesses in Pennsylvania saw their combined payments from state contracting opportunities reach nearly \$800 million. During that same time, the small diverse business spend was up 47% from \$330 million to \$485 million, while small business payments saw a 46% jump from \$207 million to \$303 million.

This report is full of good news and I'd like to commend the members of the Governor's Advisory Council on Diversity, Inclusion, and Small Business Opportunities, commonwealth agency leadership, liaisons, procurement staff, and the DGS Diversity Inclusion and Small Business Opportunities team for their extraordinary hard work.

We still have work to do to meet the overall goals established in our disparity study, but we have proved that significant progress can be made, strengthened, and grown with creative programs, effective policies and an emphasis on inter-agency collaboration.

Sincerely,







### Message from Deputy Secretary Kerry L. Kirkland

Fiscal Year 2018-2019 has been an outstanding year for the Bureau of Diversity, Inclusion, and Small Business Opportunities (BDISBO). The program continues to grow in terms of increased Small Diverse Business (SDB) spend and the number of Small Businesses (SBs) and Small Diverse Businesses receiving payments directly or indirectly from commonwealth opportunities. Behind the scenes, we have made huge strides in strengthening BDISBO's policies and programs. A few highlights include the implementation of our post-disparity study program and policy initiative, the purchase of a state-of-the-art contract compliance management system, and the recruitment of world-class talent to help provide operational, policy, and technical expertise.

The crown jewel to under-girding our program was the selection of Early Morning Software, a small diverse minority- and woman-owned business to implement a software system that handles three major components of our program: (1) self-certification and verification of small businesses and small diverse businesses; (2) a goal setting module that utilizes availability data from our disparity study; and (3) contract compliance capabilities that gives "teeth" to our program and ensures payment to small businesses. We believe we are the first state in the country to use one software vendor to accomplish these major programmatic functions with efficiency.

BDISBO would like to thank Governor Tom Wolf, DGS Secretary Curt Topper, and the Governor's state-wide Advisory Council on Diversity, Inclusion and Small Business Opportunities for their leadership, commitment to marketplace equity and growing the greater Pennsylvania economy.

Every member of the BDISBO team is personally and passionately committed to serving the SB/SDB community and looks forward to continued collaboration with state agencies, stakeholder groups, advocate organizations, and businesses to promote diversity and inclusion and to create a leveled playing field of opportunity for all small



businesses and small diverse businesses throughout the commonwealth.

Sincerely,

Kerry L. Kirkland, Deputy Secretary Bureau of Diversity, Inclusion & Small Business Opportunities

Kerry L-Kirkland



### Introduction

This report provides the Pennsylvania public and members of the Pennsylvania General Assembly with information about the participation of Small Businesses (SB) and Small Diverse Businesses (SDB), including those owned by minorities, women, veterans, service-disabled veterans, LGBT, and disabled business owners in commonwealth contracting opportunities during FY 2018-19, as required by Section 2107 of the commonwealth Procurement Code, 62 Pa. C.S. §2701 and as required by the Military Affairs Code, 51 Pa. C.S. §9607. The report is divided into the following sections:

**Section One** provides an overview of commonwealth policy and procurement methods related to contracting opportunities for SBs and SDBs during FY 2018-19.

Section Two reports on the numbers of SBs and SDBs in the current DGS database. The database contains businesses that have self-certified with the Department as SBs, and SDBs that have also been verified as SDBs. During FY 2018-19, certified minority-owned businesses, womanowned businesses, veteran-owned businesses, service-disabled veteran-owned businesses, Lesbian, Gay, Bi-Sexual, and Transgendered (LGBT)-owned businesses, and disabled-owned businesses, were recognized as SDBs. DGS uses this data to guide ongoing outreach efforts. The Department's goal is to identify and encourage as many SBs and SDBs as possible to register and to compete for commonwealth business.

**Section Three** reports on the value of contract and subcontract payments made to SBs and SDBs during FY 2018-19. This data provides the key metrics that DGS uses to assess diversity and inclusion in commonwealth contracting opportunities and expenditures for goods and services.

Section Four reports on the projected value of the commonwealth contract and subcontract commitments that were made to SBs and SDBs during FY 2018-19. In previous years, DGS annual reports focused primarily on these commitment values. Although DGS has transitioned to the more empirically valid payments data as its primary metrics, DGS will continue to provide annual data on commitment values to allow for historical comparison.

**Section Five** presents a brief analysis of data trends and implications.

**Section Six** presents this fiscal year's accomplishments of the Diversity, Inclusion and Small Business Opportunities program, commonwealth procurement policy, systems, data collection, and reporting in the future.

**Section Seven** presents the bureau's recommendations for self-improvement in various aspects of the program, including future policy enhancements and innovative ways to increase small business participation.



### Section 1.0 Procurement Policy Overview

The statutory requirements associated with commonwealth contracting and DGS's duties relative to providing assistance to SBs and SDBs are found in the commonwealth Procurement Code at 62 PA.C.S. § 101, and further for veterans and service-disabled veterans in the Military Affairs Code at 51 PA.C.S. §9604. In accordance with its statutory authority, DGS establishes policies and procedures that commonwealth agencies are required to follow when awarding contracts.

## 1.1 Methods of Contractor Selection and Award

The Procurement Code provides for two primary methods of competitive procurement for services, supplies, and construction: low bid Invitations for Bids (IFB) and best value Requests for Proposals (RFP) or Requests for Quotes (RFQ). The Procurement Code also provides for the selection of design professionals through a competitive procurement process.

Effective February 5, 2018, the Secretary of General Services directed the Bureau of Procurement to utilize the competitive sealed proposals (RFP/RFQ) process to conduct competitive procurements for new contracts for supplies and services over \$50,000 unless another procurement method is approved by the Chief Procurement Officer. The Secretary of General Services imposed the same requirements on all agencies effective July 2, 2018.

**Invitation for Bids** - The IFB process is the most frequently used procurement method in the commonwealth. This process, also known traditionally as sealed bidding, essentially awards contracts based on price alone. When the IFB method is used, a contract must be awarded to the responsive and responsible bidder with the lowest price.

Request for Proposals - The RFP is a "best value" process that is most commonly used for more complex non-commodity purchases. With an RFP, the commonwealth evaluates competing offers based on several factors including suppliers' proposed costs, technical approach and capabilities, and commitments to Small Businesses and Small Diverse Businesses.

Contracts that result from either of these two methods may be structured in different ways depending upon the needs of the commonwealth as follows:

- **Single-award contracts** award potential business to one qualified supplier exclusively.
- Multiple-award contracts award potential business to multiple qualified suppliers who then may be required to compete further for individual orders through a supplemental selection process.
   A common example of this approach is known as an Invitation to Qualify (ITQ) followed by a Request for Quote (RFQ).

Selection of Design Professionals – The commonwealth procures design professional services through a competitive process which considers commitments to Small Businesses and Small Diverse Businesses, capability, required personnel to perform the design or construction services, geographic proximity to the project, the overall equitable distribution of contracts to design professionals, and any other relevant circumstances peculiar to the proposed project.

# 1.2 Contracting Opportunities for SBs and SDBs

The potential for SB (through the Small Business Reserve Program) and SDB participation in commonwealth contracting opportunities depends significantly on the procurement methods used. Employing a procurement method that allows for direct consideration of SB or SDB participation dramatically increases the likelihood that such participation will occur. Common current uses of IFBs and RFPs within different expenditure categories are outlined below with an explanation of how each is related to SB and SDB opportunities.

### **IFB for Supplies & Services**

In general, when the commonwealth issues an IFB for the procurement of supplies or services, SB and SDB participation are irrelevant to the award decision; only price is considered. SBs and SDBs may compete in IFBs, but they receive no formal preference. They must compete as a prime contractor and submit the lowest price to win. SBs and SDBs may participate as subcontractors in contracts awarded to other firms through IFBs.

#### **Construction IFB**

When the commonwealth issues an IFB for construction, contract awards are based on price alone. However, in order to be deemed responsive and responsible, construction contractors must meet certain requirements related to SDB participation. These requirements apply only to SDBs, not to SBs. The Department establishes a general Minimum Participation Level (MPL) for the utilization of SDB subcontractors, manufacturers, and suppliers for each of the four disciplines: general construction; Heating, Ventilation & Air Conditioning (HVAC); plumbing; and electrical. During FY 2018-19 DGS maintained an MPL of 7.5%. Awarded prime contractors must choose either to "Opt-In" and meet the MPL or to make "Good Faith Efforts" (GFE) to include SDB participation. When the GFE option is chosen, contractors are subject to more stringent documentation requirements. Percentages are calculated based upon the dollar amounts credited toward the MPL. The amount of contract spend credited toward meeting the MPL depends upon the type of spend: 100% for a subcontractor or manufacturer, 60% for a stocking supplier and the commission fee up to 10% for a non-stocking supplier.

### **RFP**

The general RFP process allows for direct consideration of SDB participation as a criterion for award. Small Diverse Business participation may account for as much as 20% of award decisions, with the remaining 80% dependent upon price and technical factors. During FY 2018-19, the commonwealth considered SB and SDB participation as part of the RFP process. DGS revised the commonwealth's RFP process at the end of FY 2015-16 to include both SB and SDB participation as criteria for award.

The Job Order Contracting (JOC) Program is used by agencies to complete small construction projects with a total value of \$10,000 to \$300,000. To facilitate the completion of these projects, DGS established four Prime Professional Construction Service contracts for the disciplines of General Construction, HVAC, Plumbing, and Electrical services in each of the three regions: Central, East, and West. Job Orders are distributed to the prime contractors who are then expected to engage SB and SDB subcontractors for construction and professional design opportunities for agencies undertaking construction, renovation, and maintenance projects that fall within the established value parameters.

#### ITQ

ITQ is the name given to certain multiple-award contracts issued by the commonwealth pursuant to Section 517 of the Procurement Code. ITQ contracts may be solicited by an IFB or RFQ. Award of work to individual contractors is done on a best value basis, which may consist of elements in addition to cost.

The ITQ Process is a two-step process utilized by the commonwealth to provide various types of services to commonwealth agencies. The first step is a prequalification process to qualify suppliers for specific services described in the ITQ. To qualify for an ITQ contract, a supplier must meet the qualification requirements prescribed in each ITQ solicitation. This is done by submitting an electronic proposal via the PA Supplier Portal. Each submittal is evaluated, and if the proposal meets the minimum scoring criteria, the supplier is qualified and placed on a statewide contract along with other qualified suppliers. The second step is an RFQ in which agencies with specific requirements request quotations from the qualified suppliers. A quotation may be a simple price, or it may include a technical proposal with pricing.

The ITQ process does not guarantee business to an individual supplier. Suppliers are encouraged to market their services to the agencies and to respond to as many RFQs as possible.

### **Small Business Reserve IFB and ITQ processes**

In accordance with DGS policy, some commonwealth agencies designate a small number of IFBs and ITQs as "Small Business Reserve" opportunities. For these contracts, competition is formally restricted only to selfcertified SBs (including SDBs). Larger firms are not permitted to bid. Small Business Reserve IFBs treat all SBs similarly. They do not incorporate any preference for SDBs. Small Business Reserve IFBs and ITQs are an effective way to ensure the award of contracts to SBs but have been used infrequently. According to the data, more commonwealth business is awarded to SBs each year through general procurement methods than through these set-asides. The commonwealth is continuing to explore methods to improve upon the Small Business Reserve process in order to be more effective throughout the various agencies.

### **Summary**

This table briefly summarizes the commonwealth's available procurement methods during FY 2018-19, and the degree to which they each included potential preferences for SB/SDB contracting.

PROCUREMENT METHOD	SB PREFERENCE	SDB PREFERENCE	
IFB	Yes	Yes (as SB)	
Construction IFB	None	MPLs required	
RFP	20% of score	20% of score	
ITQ – RFQ/Expedited RFP	20% of score	20% of score	
Small Business Reserve	Competition restricted to SBs, including SDBs.		

# 1.3 Commonwealth Disparity Study

### **Disparity Study**

The recommendations from Commonwealth of Pennsylvania's first-ever comprehensive disparity study were announced in October 2018. The study identified disparities in the participation of SDBs and Veteran Business Enterprises (VBE) in state government contracting.

The disparity study assessed to what extent SDBs and VBEs face discrimination through the examination of: participation levels of SDBs and VBEs, marketplace conditions, contract policies, program measures, and legal compliance.

### Disparity Study Objectives

Among the basic objectives of the Disparity Study were:

- Provide evidence and recommendations to assist in implementing SDB programs, including overall goal setting, project specific goal setting, race and gender-neutral elements, and program enhancements;
- Educate policy makers and stakeholders about legal and economic issues regarding the

- treatment of small businesses and small diverse businesses in state government contracting;
- Meet federal regulatory requirements; and
- Provide a legal defense if the SDB Program is challenged.

### Moving the Needle

The need to do better is clear when we review where we have been compared to where we are going. The chart below shows the percentage of contracts awarded to SBs, SDBs, and VBEs in FY 2017-18 and FY 2018-19 and the aspirational target goals going forward.

### Race and Gender-Neutral Measures

The first step is to address race and gender-neutral measures to attempt to level the playing field. Some of those measures include outreach efforts, Mentor-Protégé Program, prompt payment, bidding opportunities reserved for small businesses, and technical assistance. The Small Business Reserve Program is specifically designed to improve bidding opportunities.

### Small Business Reserve Program

Commonwealth efforts include the re-invigoration of the Small Business Reserve (SBR) program, formerly known as the Small Business Procurement (SBPI) Initiative. The SBR program enables businesses of similar sizes (usually less than 100 employees) and resources to compete among each other for specific state government contract opportunities as prime contractors. All commonwealth agencies under the Governor's jurisdiction are being directed to identify and target 15% of their total agency spend for SBR procurements.

### **Goal Setting Policy**

It is anticipated during Spring 2020 that goal setting will replace the current scoring process used for SB/SDB participation on state RFP contracting opportunities. The policy tailors participation goals based on the market and geographic availability of SDBs on a solicitation-by-solicitation basis now including RFPs, RFQs, and IFBs. For each goods and services solicitation over \$250,000 and

		FY2017/18		FY2018/19		Aspirational Target
Small Business	Prime	3.67%	4.37%	5.72%	6.86%	Designate
Small business	Sub	0.70%	4.57%	1.13%	0.80%	15% Agency Spend
Small Diverse Business	Prime	0.77%	6.54%	1.59%	10.44%	26.3%
Small Diverse Business	Sub	5.77%	0.34%	8.85%		20.5%
Votoron owned Business	Prime	0.25%	0.41%	0.25%	0.56%	4.6%
Veteran-owned Business	Sub	0.16%	0.41%	0.31%	0.56%	4.0%

construction solicitation over \$300,000, the SDB utilization goals will be stated upfront and potential vendors/contractors will be required to meet those goals as part of their proposal to do business with the commonwealth. Proposers will be able to request a good faith effort waiver to ensure that the initiative complies with constitutional requirements.

### 1.4 Outreach

BDISBO is actively engaged in educating internal agency staff and the business community. Throughout the fiscal year, BDSIBO has attended or hosted nearly one hundred networking events, supplier forums, pre-bids, trainings, and workshops. BDISBO prides itself on sharing knowledge regarding policy, procurement, certification and opportunities, not only with the small business community, but with legislators, agency staff, prime contractors, key stakeholders and the media. The most exciting change made to our outreach program was to host educational networking events by industry. It was our intention to narrow the focus of networking by industry to further enhance opportunities for the business community to meet the buyers of their specific goods or services on a more personal level.

In June 2019, BDISBO held an advertising and marketing panel discussion for SDBs where the Pennsylvania Liquor Control Board, the Gaming Control Board, Department of Health and Commonwealth Media Services (CMS), along with prime SDB contractor Red House, provided direction on the internal procurement processes of each department. Each agency shared their upcoming needs and the different and sometimes complex contract vehicles used to procure services which were outlined. Most importantly, the appropriate points of contact were introduced to the attendees.

In March 2019, BDISBO teamed with the Job Order Contracting unit to offer networking fairs throughout the state to allow the small business community to interact face-to-face with prime contractors, Gordian (the commonwealth's JOC consultant) and BDISBO about how to enter into this particular market for non-capital construction projects under \$300,000. The attendees were educated on the internal processes by which agencies requisition work and how the opportunities are made to the small business community.



# Section 2.0 Small Businesses (SB) and Small Diverse Businesses (SDB) in Pennsylvania

BDISBO develops and oversees programs intended to promote participation by SBs and SDBs in commonwealth contracting opportunities. The population of businesses served is broken down into primary categories as follows:

### 2.1 Small Businesses

To be designated by the commonwealth as an SB, vendors must self-certify their eligibility to participate in the Small Business contracting program every two years through an online application. Any independently owned, for-profit small business that is not dominant in its field, has 100 or fewer full-time employees, and does not exceed maximum revenue requirements is able to certify itself with the commonwealth through the DGS website.

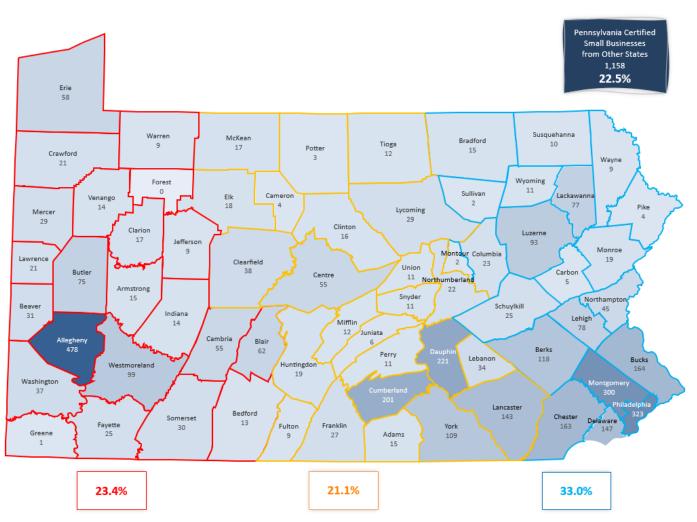
Self-certification as an SB is also the first step in the process of becoming a verified SDB in Pennsylvania. As such, the two categories are not mutually exclusive. The SB totals reported below include SDBs as a subset.

During FY 2018-19, 958 new SBs self-certified with the commonwealth, bringing the total number of SBs to 4,947, a 29% increase over the 2017-18 fiscal year. This was due, in part, to the transition from a one- to two-year certification period beginning July 2017.

Self-certified SBs in the database provide an array of goods and services, such as staffing, software, information technology consulting, project management, construction services and supplies, legal services, and office supplies.

Although most self-certified SBs are located within the commonwealth, self-certification is not restricted to

Small Businesses by County



businesses incorporated or residing in Pennsylvania. During the reporting period, 1,158 or 22.5% of SBs in the DGS database were headquartered out-of-state. The following map provides a breakdown of self-certified Pennsylvania SBs by county.

Regionally, 1,113 or 23.4% of these SBs were headquartered in **Western PA**; 1,043 or 21.1% in **Central PA**; and 1,633 or 33.0% in **Eastern PA**.

### 2.2 Small Diverse Businesses

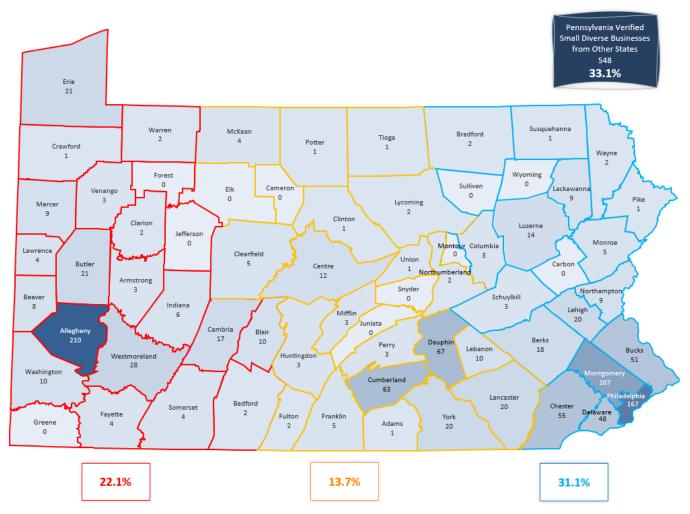
In addition to self-certifying as SB, eligible firms may also be designated as SDB.

To be designated by the commonwealth as SDB, vendors must periodically self-certify their eligibility to participate in the Small Business contracting program through an online application. The vendor must then submit proof of active certification as a minority-owned, women-owned, veteran-owned, service disabled veteran-owned, LGBT-owned, or disabled-owned business from one of seven

approved third party entities: The Unified Certification Program (UCP), The National Minority Supplier Development Council (NMSDC), The Women's Business Enterprise National Council (WBENC), The United States Small Business Administration (SBA) 8(A) Business Development Program, The Vets First Verification Program (Vetbiz), The National LGBT Chamber of Commerce (NGLCC), or Disability:IN (formerly the US Business Leadership Network). Once BDISBO verifies the certification, the SDB receives a certificate.

The total number of verified SDBs grew to 1,654 during FY 2018-19, a 23.8% increase over the previous year. Because SB self-certification is a prerequisite for SDB verification, the transition to a two-year SB certification period contributed to growth in the SDB program, as well.

Small Diverse Businesses by County





Although most verified SDBs are located within the commonwealth, participation is not restricted to businesses incorporated or residing in Pennsylvania. Approximately 33% of SDBs in the DGS database are

headquartered out-of-state. The map on the preceding page provides a breakdown of Pennsylvania SDBs by county.

The charts below provide a further breakdown, including regional and county data on SDBs verified by DGS.

Regionally, 365 or 22.07% of these SDBs were headquartered in Western PA; 226 or 13.66% in Central PA; and 515 or 31.14% in Eastern PA. The remaining 548 or 33.13% are considered "Out-of-State." Minority Business Enterprises (MBEs) represented 30.47%; Women Business Enterprises (WBEs) 48.79%; Minority Women Business Enterprises (MWBEs) 8.04%; Veteran and Service-Disabled Veteran Business Enterprises (VBEs/SDVBEs) 11.06%; Disability-Owned Business Enterprises (DOBEs) 0.73%; and LGBT Business Enterprises (LGBTBEs) 0.91% of the total 1,654 SDB population.

TOTAL PA VERIFIED SDBs PER CLASSIFICATION	# of SDBs	% of SDB
Minority Business Enterprises (MBEs)	504	30%
Women Business Enterprises (WBEs)	807	49%
Minority Women Business Enterprises (MWBEs)	133	8%
Veteran and Service-Disabled Veteran Business Enterprises (VBEs/SDVBEs)	183	11%
Disability-Owned Business Enterprises (DOBEs)	12	1%
LGBT Business Enterprises (LGBTBEs)	15	1%
Grand Total	1,654	100%

		VBE						
	COUNTY	MBE	WBE	MWBE	SDVBE	DOBE	LGBTBE	TOTAL
	Allegheny	47	120	20	18	3	2	210
	Armstrong	0	3	0	0	0	0	3
	Beaver	0	7	0	1	0	0	8
	Bedford	0	0	1	1	0	0	2
	Blair	0	7	0	3	0	0	10
	Butler	0	19	0	2	0	0	21
	Cambria	1	15	1	0	0	0	17
	Clarion	0	1	1	0	0	0	2
WESTERN PA	Crawford	0	1	0	0	0	0	1
Z	Erie	1	18	0	2	0	0	21
造	Fayette	0	3	0	1	0	0	4
S	Forest	0	0	0	0	0	0	0
₹	Greene	0	0	0	0	0	0	0
	Indiana	1	4	0	1	0	0	6
	Jefferson	0	0	0	0	0	0	0
	Lawrence	0	2	0	2	0	0	4
	Mercer	2	5	0	2	0	0	9
	Somerset	1	3	0	0	0	0	4
	Venango	0	3	0	0	0	0	3
	Warren	0	2	0	0	0	0	2
	Washington	0	8	2	0	0	0	10
	Westmoreland	6	16	2	4	0	0	28
	TOTALS	59	237	27	37	3	2	365

					VBE			
	COUNTY	MBE	WBE	MWBE	SDVBE	DOBE	LGBTBE	TOTAL
	Adams	0	0	0	1	0	0	1
	Cameron	0	0	0	0	0	0	0
	Centre	1	6	0	5	0	0	12
	Clearfield	0	2	1	2	0	0	5
	Clinton	0	0	0	1	0	0	1
	Cumberland	18	29	8	8	0	0	63
	Dauphin	25	27	4	10	0	1	67
	Elk	0	0	0	0	0	0	0
	Franklin	1	3	0	1	0	0	5
CENTRAL PA	Fulton	0	2	0	0	0	0	2
7	Huntingdon	0	2	0	1	0	0	3
<b>8</b>	Juniata	0	0	0	0	0	0	0
Ξ	Lancaster	5	11	2	2	0	0	20
Ö	Lebanon	2	5	0	3	0	0	10
	Lycoming	1	0	0	0	1	0	2
	McKean	0	4	0	0	0	0	4
	Mifflin	0	2	0	1	0	0	3
	Northumberland	1	1	0	0	0	0	2
	Perry	0	2	0	1	0	0	3
	Potter	0	1	0	0	0	0	1
	Snyder	0	0	0	0	0	0	0
	Tioga	0	1	0	0	0	0	1
	Union	0	0	0	1	0	0	1
	York	2	16	0	2	0	0	20
	TOTALS	56	114	15	39	1	1	226

					VBE			
	COUNTY	MBE	WBE	MWBE	SDVBE	DOBE	LGBTBE	TOTAL
	Berks	5	10	0	3	0	0	18
	Bradford	0	1	0	1	0	0	2
	Bucks	14	30	2	4	1	0	51
	Carbon	0	0	0	0	0	0	0
	Chester	14	28	4	9	0	0	55
	Columbia	1	2	0	0	0	0	3
	Delaware	12	27	4	3	1	1	48
∢	Lackawanna	1	6	2	0	0	0	9
EASTERN PA	Lehigh	3	12	0	5	0	0	20
A Z	Luzerne	1	8	0	5	0	0	14
쁜	Monroe	2	0	1	2	0	0	5
AS	Montgomery	32	60	7	7	0	1	107
	Montour	0	0	0	0	0	0	0
	Northampton	4	5	0	0	0	0	9
	Philadelphia	79	60	15	8	0	5	167
	Pike	0	1	0	0	0	0	1
	Schuylkill	2	0	0	1	0	0	3
	Sullivan	0	0	0	0	0	0	0
	Susquehanna	0	1	0	0	0	0	1
	Wayne	0	1	0	1	0	0	2
	Wyoming	0	0	0	0	0	0	0
	TOTALS	170	252	35	49	2	7	515

				VBE			
OUT-OF-STATE	MBE	WBE	MWBE	SDVBE	DOBE	LGBTBE	TOTAL
	219	204	56	58	6	5	548

SDB Vendor Classification	Companies Verified	Percentage of Total Population
Minority Business Enterprise (M)	504	30.47%
Minority, Disabled-Owned Business Enterprise (MD)	1	0.06%
Minority, LGBT Business Enterprise (MG)	3	0.18%
Minority, Service-Disabled Veteran Business Enterprise (MS)	5	0.30%
Minority, Veteran Business Enterprise (MV)	6	0.36%
Woman Business Enterprise (W)	807	48.79%
Woman, Disabled-Owned Business Enterprise (WD)	1	0.06%
Woman, LGBT Business Enterprise (WG)	2	0.12%
Woman, Service-Disabled Veteran Business Enterprise (WS)	3	0.18%
Woman, Veteran Business Enterprise (WV)	1	0.06%
Minority, Woman Business Enterprise (MW)	133	8.04%
Minority, Woman, Service-Disabled Veteran Business Enterprise (MWS)	2	0.12%
Minority, Woman, Veteran Business Enterprise (MWV)	1	0.06%
LGBT Business Enterprise (G)	10	0.60%
Disabled-Owned Business Enterprise (D)	10	0.60%
Service-Disabled Veteran Business Enterprise (S)	105	6.23%
Veteran Business Enterprise (V)	60	3.63%
TOTAL	1,654	100%

Note: Due to rounding of percentages, data may not add up to 100%. DGS has not listed SDB designations with no verified vendors.

### 2.3 Mentor Protégé Program

BDISBO initiated the Mentor-Protégé Pilot Program in March 2018, which continued until January 2019. The following four Commonwealth of PA prime contractors mentored five small diverse businesses:

- 1. Highmark, Mentor
  - a. All Purpose Protégé
  - b. Cleaning/Bender Consulting Protégé
- 2. Momentum, Mentor
  - a. Eastern Business Software Protégé
- 3. Unisys, Mentor
  - a. Lingatech Protégé
- 4. PAP Technologies, Mentor
  - a. Monroe Press Protégé

Mentors met with Protégés on a weekly basis providing technical assistance and discussing strategic opportunities. Specific successes included mentors introducing protégé's to commonwealth agency contacts and assisted in facilitating meetings and contracts in the private sector. Protégés gained greater understanding in business areas such as, service pricing, financial projections, portfolio development, insight into the commonwealth's Costars and ITQ processes.

BDISBO conducted a survey at the end of the pilot program to assess the participants' experiences. The

following highlights have led BDISBO to strategically move forward with a full roll-out of the program in March 2019. Plans to announce this roll out will be communicated through media events in the Western, Central, and Eastern Regions.

- Each of participant:
  - o Responded to the survey;
  - o Felt the program met their expectations;
  - Would participate again;
  - Participation improved their business acumen, and
  - Would recommend the program to others
- Two Protégés added a combined total of 22 employees as a result of new contracts in the private sector, and one mentor increased spend with the protégé by 66%.
- BDISBO will recognize the Pilot participants at the next Advisory Council meeting in February 2020.

Given the success of facilitating these relationships with minimal guidance, oversight and structure, BDISBO believes this low-tech, low-cost race-neutral measure is worth expanding the project to the small business community on a broader basis.

### Section 3.0 Distribution of SB and SDB Payments for FY 2018-19

### 3.1 Payments to Small Businesses

During FY 2018-19, 875 self-certified SBs received a total of \$303,439,836 in payments for goods, services, and construction, a 46% increase over the previous fiscal year's \$207,185,975 in SB payments.

The chart on the following page presents the distribution of SB payments by commonwealth agencies. SDBs are not included here but are covered in Section 3.2. DGS began tracking SB participation in commonwealth subcontracts during the 2016-17 FY reporting period. Payments made to SB prime contractors and subcontractors are included in the data. Excluded from the data are payments made to any uncertified SBs. As such, the data likely understates the overall level of SB participation in commonwealth contracting to some degree.

Additional charts present the distribution of payments to SB non-construction and construction subcontractors by the counties in which they are headquartered. A total of \$34,595,573 was paid to 46 SB non-construction



subcontractors and \$15,340,630 to 76 construction subcontractors. See Section 3.3 for payments made by purchasing card which are not included here.

FY 2018-19 PAYMENTS TO SMALL BUSINESS

Agency	Contractor Type	SB
Aging	Prime Contractor	\$750
Aging	Subcontractor	\$0
Agricultura	Prime Contractor	\$2,309,683
Agriculture	Subcontractor	\$108,703
Attorney General	Prime Contractor	\$309,051
Attorney General	Subcontractor	\$0
Auditor General	Prime Contractor	\$84,668
Additor General	Subcontractor	\$0
Banking & Securities	Prime Contractor	\$43,223
	Subcontractor	\$0
Civil Service Commission	Prime Contractor	\$275
CIVII SELVICE COMMISSION	Subcontractor	\$0
Commission on Crime & Delinquency	Prime Contractor	\$0
Commission on Crime & Delinquency	Subcontractor	\$0
Community & Economic Development	Prime Contractor	\$1,012,906
Community & Economic Development	Subcontractor	\$13,975
Conservation & Natural Resources	Prime Contractor	\$22,241,354
Conservation & Natural Resources	Subcontractor	\$0
Corrections	Prime Contractor	\$11,360,068
Corrections	Subcontractor	\$17,515,612
Drug and Alcohol Programs	Prime Contractor	\$439,612
Drug and Alconor rograms	Subcontractor	\$0

Agency	Contractor Type	SB
	Prime Contractor	\$1,599,402
Education	Subcontractor	\$0
all a alth. Danker and in Authorite.	Prime Contractor	\$0
eHealth Partnership Authority	Subcontractor	\$0
Facility and a stability and a Decard	Prime Contractor	\$1,206
Environmental Hearing Board	Subcontractor	\$0
	Prime Contractor	\$22,832,971
Environmental Protection	Subcontractor	\$0
Ethics Commission	Prime Contractor	\$9,028
Ethics Commission	Subcontractor	\$0
Executive Offices	Prime Contractor	\$3,244,314
executive Offices	Subcontractor	\$0
Fish & Boat Commission	Prime Contractor	\$387,401
risii & Boat Collilliissioii	Subcontractor	\$0
Cama Cammissian	Prime Contractor	\$4,798,870
Game Commission	Subcontractor	\$0
General Services	Prime Contractor	\$81,386,471
General Services	Subcontractor	\$16,926,607
Governor's Office	Prime Contractor	\$0
Governor's Office	Subcontractor	\$0
Health	Prime Contractor	\$1,354,687
rieaitii	Subcontractor	\$209,546
Historical & Museum Commission	Prime Contractor	\$1,622,163
HISTORICAL & IVIUSEUM COMMISSION	Subcontractor	\$0
Human Services	Prime Contractor	\$6,440,180
numan services	Subcontractor	\$9,460,805
Insurance	Prime Contractor	\$648,600
insulance	Subcontractor	\$189,880
Labor & Industry	Prime Contractor	\$5,324,140
Labor & madstry	Subcontractor	\$1,065,398
Lieutenant Governor	Prime Contractor	\$4,144
Lieutenant Governor	Subcontractor	\$0
Liquor Control Board	Prime Contractor	\$4,800
Elquor control board	Subcontractor	\$0
Military & Veterans Affairs	Prime Contractor	\$6,938,305
The second of th	Subcontractor	\$0
Milk Marketing Board	Prime Contractor	\$0
The received board	Subcontractor	\$0
Office of Administration	Prime Contractor	\$0
	Subcontractor	\$3,846,069
Office of General Counsel	Prime Contractor	\$0
	Subcontractor	\$0
Office of the Budget	Prime Contractor	\$0
	Subcontractor	\$0
PA Emergency Management Agency	Prime Contractor	\$394,770
	Subcontractor	\$217,908
PA Gaming Control Board	Prime Contractor	\$44,938
0	Subcontractor	\$0

Agency	Contractor Type	SB
PA Infrastructure Investment	Prime Contractor	\$39,654
PA infrastructure investment	Subcontractor	\$0
DA Municipal Datiroment Doord	Prime Contractor	\$162,188
PA Municipal Retirement Board	Subcontractor	\$321,886
PA Port Authorities	Prime Contractor	\$62,100
PA POIL Authorities	Subcontractor	\$0
Drobation & Darola	Prime Contractor	(\$5,032)
Probation & Parole	Subcontractor	\$0
Public School Employees Retirement	Prime Contractor	\$747,056
System	Subcontractor	\$40,736
Public Htility Commission	Prime Contractor	\$548,208
Public Utility Commission	Subcontractor	\$0
Revenue	Prime Contractor	\$951,145
Revenue	Subcontractor	\$19,078
State Department	Prime Contractor	\$1,752,634
State Department	Subcontractor	\$0
State Employees Detirement System	Prime Contractor	\$337,087
State Employees Retirement System	Subcontractor	\$0
State Police	Prime Contractor	\$6,688,992
State Police	Subcontractor	\$0
State System of Higher Education	Prime Contractor	\$0
State System of Higher Education	Subcontractor	\$0
Transportation	Prime Contractor	\$67,381,621
Transportation	Subcontractor	\$0
	<b>Prime Contractor</b>	\$253,503,633
TOTALS	Subcontractor	\$49,936,203
	<b>Grand Total</b>	\$303,439,836

FY 2018-19 DISTRIBUTION OF SB SUBCONTRACT PAYMENTS BY COUNTY - NON-CONSTRUCTION

COUNTY	Value	Percentage	Count	Percentage
Adams	\$23,633	0.07%	2	4.35%
Allegheny	\$3,582,131	10.35%	5	10.87%
Bucks	\$615,619	1.78%	1	2.17%
Cumberland	\$6,451,363	18.65%	6	13.04%
Dauphin	\$43,900	0.13%	2	4.35%
Delaware	\$1,315	0.00%	1	2.17%
Fayette	\$170	0.00%	1	2.17%
Lawrence	\$1,169,617	3.38%	1	2.17%
Lehigh	\$20,000	0.06%	1	2.17%
Montgomery	\$659,861	1.91%	1	2.17%
Northampton	\$38,039	0.11%	1	2.17%
Philadelphia	\$624,666	1.81%	2	4.35%
York	\$4,464	0.01%	2	4.35%
Out of State	\$21,360,795	61.74%	20	43.48%
TOTAL	\$34,595,573	100%	46	100%

FY 2018-19 DISTRIBUTION OF SB SUBCONTRACT PAYMENTS BY COUNTY - CONSTRUCTION

COUNTY	Value	Percentage	Count	Percentage
Allegheny	\$1,376,338	8.97%	5	6.58%
Beaver	\$931,747	6.07%	1	1.32%
Bedford	\$168,784	1.10%	3	3.95%
Berks	\$616,230	4.02%	2	2.63%
Blair	\$23,858	0.16%	3	3.95%
Bucks	\$91,970	0.60%	3	3.95%
Butler	\$378,984	2.47%	3	3.95%
Cambria	\$887,679	5.79%	3	3.95%
Chester	\$150,780	0.98%	2	2.63%
Clarion	\$1,242,329	8.10%	2	2.63%
Cumberland	\$5,216	0.03%	2	2.63%
Dauphin	\$1,028,803	6.71%	5	6.58%
Delaware	\$44,195	0.29%	1	1.32%
Fulton	\$14,174	0.09%	1	1.32%
Indiana	\$171,830	1.12%	1	1.32%
Jefferson	\$11,165	0.07%	1	1.32%
Juniata	\$189,525	1.24%	1	1.32%
Lackawanna	\$150,898	0.98%	2	2.63%
Lancaster	\$1,443,384	9.41%	1	1.32%
Lawrence	\$923,264	6.02%	1	1.32%
Luzerne	\$59,938	0.39%	2	2.63%
Lycoming	\$476,444	3.11%	2	2.63%
Mercer	\$5,208	0.03%	1	1.32%
Montgomery	\$1,157,515	7.55%	2	2.63%
Northampton	\$372,067	2.43%	2	2.63%
Northumberland	\$89,527	0.58%	1	1.32%
Perry	\$20,718	0.14%	1	1.32%
Somerset	\$33,333	0.22%	2	2.63%
Susquehanna	\$127,971	0.83%	1	1.32%
Washington	\$1,324,782	8.64%	2	2.63%
Westmoreland	\$30,250	0.20%	2	2.63%
Wyoming	\$175,093	1.14%	1	1.32%
York	\$668,082	4.35%	8	10.53%
Out of State	\$948,549	6.18%	6	7.89%
TOTAL	\$15,340,630	100%	76	100%

*Note:* Due to rounding of percentages, data may not add up to 100%. DGS has not listed counties where no SBs received payments.

### 3.2 Payments to Small Diverse Businesses

During FY 2018-19, 558 SDBs received a total of \$484,560,979 in payments for goods, services, and construction. This represents an increase of 47% from the previous year.

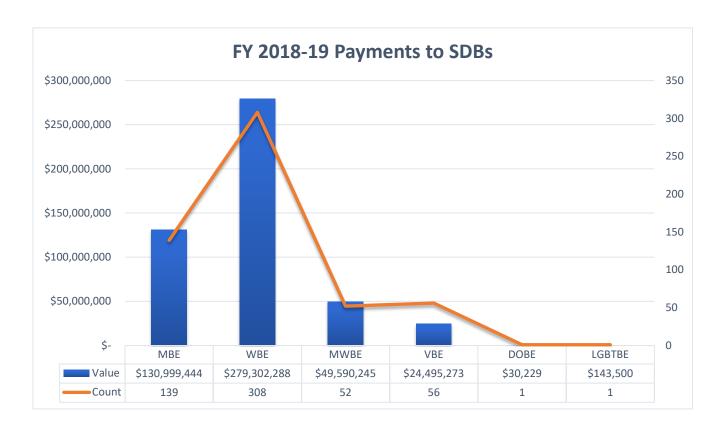
The chart below summarizes the distribution of all SDB payments by SDB classification:



FY 2018-19 PAYMENTS TO SDBs

SDB Classification	Value	Percentage	Count	Percentage
Minority Business Enterprise	\$130,999,444	27.03%	139	24.96%
Woman Business Enterprise	\$279,302,288	57.64%	308	55.30%
Minority, Woman Business Enterprise	\$49,590,245	10.23%	52	9.34%
Veteran Business Enterprise	\$24,495,273	5.06%	56	10.05%
Disabled-Owned Business Enterprise	\$30,229	0.01%	1	0.18%
LGBT Business Enterprise	\$143,500	0.03%	1	0.18%
TOTAL	\$484,560,979	100%	557	100%

Note: Due to rounding of percentages, data may not add up to 100%.



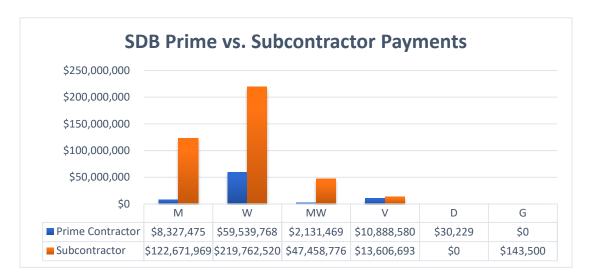
The next charts provide a more detailed breakdown of payments by contract type (i.e. Prime or Subcontract), commonwealth agency, and SDB classification.

### FY 2018-19 AGENCY PRIME AND SUBCONTRACTORPAYMENTS BY SDB AND VBE CLASSIFICATION

Agency	Contractor	MBE	WBE	MWBE	VBE/SDVBE	DOBE	LGBTBE	Total
Aging	Prime	\$0	\$2,035,158	\$0	\$0	\$0	\$0	\$2,035,158
Aging	Sub	\$32,584	\$5,540,762	\$0	\$0	\$0	\$0	\$5,573,346
Agriculture	Prime	\$0	\$257,684	\$0	\$0	\$0	\$0	\$257,684
Agriculture	Sub	\$0	\$22,893	\$0	\$0	\$0	\$0	\$22,893
Attorney	Prime	\$0	\$70,823	\$0	\$0	\$0	\$0	\$70,823
General	Sub	\$0	\$9,883	\$0	\$0	\$0	\$0	\$9,883
Auditor General	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additor deficial	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Banking &	Prime	\$0	\$25,755	\$0	\$0	\$0	\$0	\$25,755
Securities	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Civil Service	Prime	\$0	\$64,042	\$0	\$0	\$0	\$0	\$64,042
Commission	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Comm. on Crime	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
& Delinquency	Sub	\$20,435	\$191,815	\$0	\$0	\$0	\$0	\$212,250
Community &	Prime	\$1,334,749	\$1,956,988	\$14,160	\$0	\$0	\$0	\$3,305,897
Economic Dev.	Sub	\$5,000	\$717,471	\$3,918	\$0	\$0	\$0	\$726,389
Conservation &	Prime	\$653,394	\$1,198,684	\$33,377	\$86,135	\$0	\$0	\$1,971,590
Nat'l Resources	Sub	\$129,615	\$541,931	\$0	\$40,350	\$0	\$0	\$711,896
Corrections	Prime	\$14,800	\$385,872	\$200,258	\$473,913	\$0	\$0	\$1,074,843
	Sub	\$10,408,510	\$4,383,337	\$4,503,082	\$1,422,460	\$0	\$0	\$20,717,389
Drug & Alcohol	Prime	\$0	\$4,030,882	\$0	\$0	\$0	\$0	\$4,030,882
Programs	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education	Prime	\$11,928	\$364,871	\$0	\$0	\$0	\$0	\$376,799
	Sub	\$2,239,224	\$5,319,091	\$0	\$1,015,454	\$0	\$0	\$8,573,769
eHealth Partnership	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Authority	Sub	\$298,822	\$0	\$0	\$0	\$0	\$0	\$298,822
Environmental	Prime	\$0	\$13,245	\$0	\$0	\$0	\$0	\$13,245
Hearing Board	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Environmental	Prime	\$23,417	\$7,308,246	\$0	\$337,778	\$0	\$0	\$7,669,441
Protection	Sub	\$25,776	\$212,400	\$0	\$0	\$0	\$0	\$238,176
Ethics	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commission	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Executive	Prime	\$649,791	\$5,321,903	\$14	\$88,750	\$0	\$0	\$6,060,458
Offices	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fish & Boat	Prime	\$0	\$107,667	\$0	\$0	\$0	\$0	\$107,667
Commission	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Game	Prime	\$0	\$237,911	\$0	\$0	\$0	\$0	\$237,911
Commission	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Services	Prime	\$993,162	\$4,610,534	\$405,473	\$4,182,438	\$0	\$0	\$10,191,607
General Services	Sub	\$19,963,555	\$33,144,608	\$11,390,429	\$1,775,316	\$0	\$0	\$66,273,908
Governor's	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Health	Prime	\$45,445	\$1,403,691	\$0	\$131,568	\$0	\$0	\$1,580,704
realth	Sub	\$2,040,234	\$1,387,603	\$0	\$0	\$0	\$143,500	\$3,571,337
Historical &	Prime	\$0	\$80,914	\$0	\$69	\$0	\$0	\$80,983
Museum Comm.	Sub	\$0	\$21,261	\$0	\$0	\$0	\$0	\$21,261
Human Services	Prime	\$0	\$6,197,223	\$402,678	\$3,778,252	\$0	\$0	\$10,378,153
74	Sub	\$51,336,753	\$140,961,245	\$20,918,800	\$8,102,941	\$0	\$0	\$221,319,739

Agency	Contractor	MBE	WBE	MWBE	VBE/SDVBE	DOBE	LGBTBE	Total
	Prime	\$0	\$113,939	\$0	\$0	\$0	\$0	\$113,939
Insurance	Sub	\$44,351	\$227,269	\$23,013	\$47,176	\$0	\$0	\$341,809
Labor & Industry	Prime	\$76,638	\$5,579,203	\$468,376	\$368,464	\$30,229	\$0	\$6,522,910
Labor & muustry	Sub	\$1,902,877	\$3,209,040	\$1,521,473	\$35,684	\$0	\$0	\$6,669,074
Lieutenant	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Governor	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Liquor Control	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board	Sub	\$992,042	\$348,163	\$0	\$0	\$0	\$0	\$1,340,205
Military &	Prime	\$3,554	\$1,685,105	\$3,371	\$185,115	\$0	\$0	\$1,877,145
Veterans Affairs	Sub	\$0	\$349,983	\$0	\$0	\$0	\$0	\$349,983
Milk Marketing	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office of	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administration	Sub	\$16,629,822	\$10,732,967	\$6,164,830	\$956,952	\$0	\$0	\$34,484,571
Office of	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Counsel	Sub	\$530,146	\$14,027	\$327,393	\$0	\$0	\$0	\$871,566
Office of the	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budget	Sub	\$33,591	\$377,696	\$41,301	\$0	\$0	\$0	\$452,588
PA Emergency	Prime	\$0	\$123,221	\$0	\$0	\$0	\$0	\$123,221
Mgmt. Agency	Sub	\$89,720	\$361,684	\$16,200	\$0	\$0	\$0	\$467,604
PA Gaming	Prime	\$1,044	\$76,072	\$0	\$0	\$0	\$0	\$77,116
Control Board	Sub	\$0	\$21,840	\$0	\$89,685	\$0	\$0	\$111,525
PENNVEST	Prime	\$0	\$2,968	\$0	\$0	\$0	\$0	\$2,968
	Sub	\$0	\$21,630	\$0	\$0	\$0	\$0	\$21,630
PA Municipal	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retirement Sys.	Sub	\$0	\$10,794	\$0	\$0	\$0	\$0	\$10,794
PA Port	Prime	\$29,944	\$13,000	\$0	\$0	\$0	\$0	\$42,944
Authorities	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Probation &	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parole	Sub	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public School Employees	Prime	\$0	\$72,722	\$0	\$0	\$0	\$0	\$72,722
Retirement Sys	Sub	\$512,216	\$3,238,755	\$0	\$0	\$0	\$0	\$3,750,971
Public Utility	Prime	\$0	\$93,601	\$0	\$332,707	\$0	\$0	\$426,308
Commission	Sub	\$573,847	\$210,376	\$4,200	\$120,675	\$0	\$0	\$909,098
D	Prime	\$0	\$578,208	\$256,001	\$0	\$0	\$0	\$834,209
Revenue	Sub	\$12,789,497	\$3,009,162	\$160,390	\$0	\$0	\$0	\$15,959,049
State	Prime	\$1,160,859	\$720,144	\$0	\$1,125	\$0	\$0	\$1,882,128
Department	Sub	\$3,117	\$1,045,324	\$226,972	\$0	\$0	\$0	\$1,275,413
State Employees	Prime	\$0	\$724,871	\$0	\$0	\$0	\$0	\$724,871
Retirement Sys.	Sub	\$0	\$33,460	\$0	\$0	\$0	\$0	\$33,460
State Police	Prime	\$763,290	\$623,032	\$7,270	\$8,149	\$0	\$0	\$1,401,741
State Police	Sub	\$0	\$407,958	\$4,200	\$0	\$0	\$0	\$412,158
State Sys. of	Prime	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Higher Education	Sub	\$24,000	\$21,397	\$6,359	\$0	\$0	\$0	\$51,756
	Prime	\$2,565,460	\$13,461,589	\$340,491	\$914,117	\$0	\$0	\$17,281,657
Transportation	Sub	\$2,046,235	\$3,666,695	\$2,146,216	\$0	\$0	\$0	\$7,859,146
	Prime	\$8,327,475	\$59,539,768	\$2,131,469	\$10,888,580	\$30,229	\$0	\$80,917,521
TOTA: 0	Sub	\$122,671,969	\$219,762,520	\$47,458,776	\$13,606,693	\$0	\$143,500	\$403,643,458
TOTALS	Total	\$130,999,444	\$279,302,288	\$49,590,245	\$24,495,273	\$30,229	\$143,500	\$484,560,979
	Percentage	27.02%	57.65%	10.24%	5.06%	0.01%	0.03%	100%

Although SDB prime contractors received \$80,917,521 (16.7%) of total dollars paid, as can be seen here and in the preceding table, most of the commonwealth's spending with SDBs during FY 2018-19 lay with subcontracts.



Because the commonwealth employs different procurement methods for construction and for non-construction related expenditures, the following charts present additional detailed data on SDB subcontract expenditures in these two categories.



FY 2018-19 DISTRIBUTION OF SDB SUBCONTRACT PAYMENTS BY CLASSIFICATION - NON-CONSTRUCTION

SDB Classification	Value	Percentage	Count	Percentage
Minority Business Enterprise	\$112,626,286	30.79%	105	32.31%
Woman Business Enterprise	\$193,668,304	52.95%	161	49.54%
Minority, Woman Business Enterprise	\$47,454,819	12.98%	44	13.54%
Veteran Business Enterprise	\$11,837,027	3.24%	14	4.31%
LGBT Business Enterprise	\$143,500	0.04%	1	0.31%
Total	\$365,729,936	100%	325	100%

Note: Due to rounding of percentages, data may not add up to 100%.

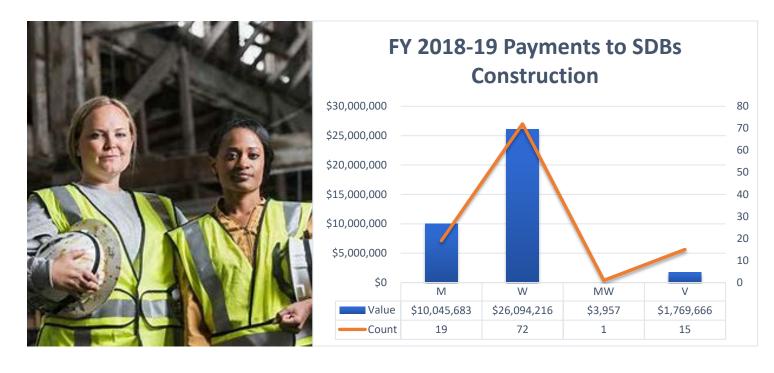
FY 2018-19 DISTRIBUTION OF SDB SUBCONTRACT PAYMENTS BY COUNTY - NON-CONSTRUCTION

County	Value	%	Count	%
Allegheny	\$26,642,422	7.28%	50	15.38%
Berks	\$174,361	0.05%	1	0.31%
Blair	\$150,138	0.04%	1	0.31%
Bucks	\$9,202,304	2.52%	6	1.85%
Butler	\$598,551	0.16%	2	0.62%
Cambria	\$3,784,220	1.03%	4	1.23%
Centre	\$23,554	0.01%	1	0.31%
Chester	\$7,901,085	2.16%	10	3.08%
Cumberland	\$38,117,882	10.42%	30	9.23%
Dauphin	\$46,238,697	12.64%	32	9.85%
Delaware	\$9,903,397	2.71%	8	2.46%
Erie	\$1,868,696	0.51%	2	0.62%
Fayette	\$1,104,635	0.30%	1	0.31%
Indiana	\$62,042	0.02%	1	0.31%
Lackawanna	\$16,955,287	4.64%	3	0.92%
Lancaster	\$15,745,648	4.31%	7	2.15%
Lebanon	\$227,932	0.06%	3	0.92%
Lehigh	\$247,868	0.07%	2	0.62%
Luzerne	\$541,055	0.15%	2	0.62%
Montgomery	\$16,621,094	4.54%	17	5.23%
Perry	\$1,838,663	0.50%	2	0.62%
Philadelphia	\$52,115,039	14.25%	43	13.23%
Somerset	\$480,829	0.13%	1	0.31%
Washington	\$459,434	0.13%	3	0.92%
Westmoreland	\$7,808,589	2.14%	5	1.54%
York	\$56,683	0.02%	3	0.92%
Out of State	\$106,859,831	29.22%	85	26.15%
TOTAL	\$365,729,936	100%	325	100%

Note: Due to rounding of percentages, data may not add up to 100%.

37%

INCREASE OF
NON-CONSTRUCTION
SUBCONTRACTOR
PAYMENTS OVER
FY 2017-18 LEVEL



Compared to FY 2017-18, Construction subcontract payments more than doubled from \$14,151,507 to \$37,913,522.

FY 2018-19 DISTRIBUTION OF SDB SUBCONTRACT PAYMENTS BY CLASSIFICATION - CONSTRUCTION

SDB Classification	Value	Percentage	Count	Percentage
Minority Business Enterprise	\$10,045,683	26.50%	19	17.76%
Woman Business Enterprise	\$26,094,216	68.83%	72	67.29%
Minority, Woman Business Enterprise	\$3,957	0.01%	1	0.93%
Veteran Business Enterprise	\$1,769,666	4.67%	15	14.02%
TOTAL	\$37,913,522	100%	107	100%

FY 2018-19 DISTRIBUTION OF SDB SUBCONTRACT PAYMENTS BY COUNTY - CONSTRUCTION

County	Value	%	Count	%	County	Value	%	Count	%
Allegheny	\$12,638,084	33.33%	24	22.43%	Fulton	\$577,269	1.52%	1	0.93%
Beaver	\$6,279	0.02%	1	0.93%	Indiana	\$96,050	0.25%	1	0.93%
Berks	\$69,887	0.18%	1	0.93%	Lancaster	\$3,665,576	9.67%	6	5.61%
Blair	\$657,111	1.73%	3	2.80%	Lebanon	\$331,633	0.87%	2	1.87%
Bradford	\$33,590	0.09%	1	0.93%	Lehigh	\$208,392	0.55%	3	2.80%
Bucks	\$619,628	1.63%	5	4.67%	McKean	\$19,485	0.05%	1	0.93%
Butler	\$735,864	1.94%	4	3.74%	Monroe	\$20,372	0.05%	2	1.87%
Cambria	\$74,345	0.20%	1	0.93%	Montgomery	\$444,678	1.17%	5	4.67%
Centre	\$1,117,396	2.95%	2	1.87%	Philadelphia	\$21,701	0.06%	2	1.87%
Chester	\$535,539	1.41%	7	6.54%	Union	\$416,011	1.10%	1	0.93%
Clearfield	\$419,184	1.11%	1	0.93%	Venango	\$93,758	0.25%	2	1.87%
Crawford	\$115,911	0.31%	1	0.93%	Warren	\$155,128	0.41%	2	1.87%
Cumberland	\$1,303,100	3.44%	4	3.74%	Washington	\$50,000	0.13%	1	0.93%
Dauphin	\$5,348,908	14.11%	6	5.61%	Westmoreland	\$2,129,821	5.62%	4	3.74%
Delaware	\$1,335	0.00%	1	0.93%	York	\$294	0.00%	1	0.93%
Erie	\$56,953	0.15%	2	1.87%	Out of State	\$5,942,490	15.67%	8	7.48%
Franklin	\$7,750	0.02%	1	0.93%					
TOTAL						\$37,913,522	100%	107	100%

### 3.3 Purchasing Card Payments to Small and Small Diverse Businesses

For the first time, the commonwealth began identifying and tracking Small Business and Small Diverse Business purchases made through Purchasing Card (P-Card) transactions during FY 2018-19. In general, P-Cards are used on Small No-Bid Procurements which do not exceed \$10,000. The commonwealth has approximately 3,900 purchasing cards in 43 agencies. (Purchasing Card Program, n.d.).

P-Card purchases are governed by the provisions of the commonwealth Procurement Code and Manual 215.3, The Procurement Handbook. Management Directive 310.23, Commonwealth Purchasing Card Program, establishes the policy, responsibilities, and procedures under which the program operates.

Total FY 2018-19 P-Card purchases were \$192,983,513. Of these, \$8,081,709 or 4.19% went toward 395 self-certified small businesses. Sixty-two SDBs received P-Card payments of \$1,353,830 or 0.70% of total P-Card payments.

This 4.19% total spend with SB/SDBs will serve as our baseline for future years as we educate the P-Card holders on the power they have to impact Pennsylvania's economy through the use of our small and diverse businesses.

The following charts summarize the distribution of SB and SDB P-Card payments by commonwealth agencies.





Purchasing Card Program. (n.d.). Retrieved from Pennsylvania Office of the Budget: http://www.budget.pa.gov/Programs/Pages/PurchasingCardProgram.aspx

### FY 2018-19 P-CARD PAYMENTS TO SBs

Agency	Payments	Agency	Payments
Aging	\$270	Human Services	\$883,005
Agriculture	\$172,618	Labor & Industry	\$214,981
Attorney General	\$22,902	Lieutenant Governor	\$329
Banking & Securities	\$1,412	Liquor Control Board	\$54,331
Civil Service Commission	\$690	Military & Veterans Affairs	\$403,008
Community & Economic Development	\$844	Milk Marketing Board	\$90
Conservation & Natural Resources	\$791,875	PA Emergency Management Agency	\$52,893
Corrections	\$1,256,287	PA Gaming Control Board	\$4,604
Drug and Alcohol Programs	\$9,780	PA Infrastructure Investment	\$202
Education	\$11,560	Public School Employees Retirement System	\$16,608
Environmental Protection	\$58,742	Public Utility Commission	\$9,803
Ethics Commission	\$393	Revenue	\$103,529
Executive Offices	\$162,130	State Department	\$888
Fish & Boat Commission	\$96,020	State Police	\$139,740
Game Commission	\$265,082	Transportation	\$2,631,981
TOTAL			\$8,081,709

### FY 2018-19 P-CARD PAYMENTS TO SDBs

SDB Classification	Value	Percentage	Count	Percentage
Minority Business Enterprise	\$134,168	9.91%	4	10.47%
Woman Business Enterprise	\$1,055,415	77.96%	47	74.42%
Minority, Woman Business Enterprise	\$69,115	5.11%	3	4.07%
Veteran Business Enterprise	\$95,132	7.03%	8	11.05%
TOTAL	\$1,353,830	100%	62	100%

*Note:* Due to rounding of percentages, data may not add up to 100%.

### FY 2018-19 P-CARD PAYMENTS TO SDBs BY AGENCY

Agency	M	W	MW	V	Total
Agriculture	\$0	\$18,760	\$0	\$0	\$18,760
Attorney General	\$3,829	\$560	\$0	\$0	\$4,389
Banking & Securities	\$3,096	\$395	\$0	\$0	\$3,491
Community & Economic Development	\$48	\$978	\$0	\$0	\$1,026
Conservation & Natural Resources	\$9,142	\$98,025	\$43,548	\$8,242	\$158,957
Corrections	\$35,912	\$100,568	\$3,058	\$13,532	\$153,070
Education	\$190	\$436	\$0	\$0	\$626
Environmental Hearing Board	\$0	\$60	\$0	\$0	\$60
Environmental Protection	\$5,145	\$18,509	\$0	\$0	\$23,654
Ethics Commission	\$0	\$523	\$0	\$0	\$523
Executive Offices	\$152	\$6,589	\$0	\$0	\$6,741
Fish & Boat Commission	\$0	\$30,797	\$8,757	\$0	\$39,554
Game Commission	\$0	\$18,814	\$9,415	\$0	\$28,229
General Services	\$22,227	\$91,335	\$0	\$0	\$113,562

Agency	M	W	MW	V	Total
Health	\$0	\$3,374	\$1,090	\$0	\$4,464
Historical & Museum Commission	\$0	\$0	\$1,192	\$0	\$1,192
Human Services	\$1,697	\$180,011	\$2,055	\$12,096	\$195,859
Labor & Industry	\$4,844	\$74,943	\$0	\$3,855	\$83,642
Liquor Control Board	\$8,600	\$758	\$0	\$0	\$9,358
Military & Veterans Affairs	\$8,000	\$67,860	\$0	\$9,023	\$84,883
Milk Marketing Board	\$0	\$3,186	\$0	\$0	\$3,186
PA Emergency Management Agency	\$0	(\$32)	\$0	\$0	(\$32)
PA Gaming Control Board	\$0	\$1,972	\$0	\$0	\$1,972
PA Municipal Retirement Board	\$0	\$830	\$0	\$0	\$830
Public School Employees Retirement System	\$0	\$2,800	\$0	\$0	\$2,800
Public Utility Commission	\$1,953	\$0	\$0	\$0	\$1,953
Revenue	\$216	\$8,056	\$0	\$0	\$8,272
State Department	\$0	\$123,900	\$0	\$0	\$123,900
State Employees Retirement System	\$0	\$1,924	\$0	\$0	\$1,924
State Police	\$6,798	\$3,938	\$0	\$875	\$11,611
Transportation	\$22,319	\$195,546	\$0	\$47,509	\$265,374
TOTAL	\$134,168	\$1,055,415	\$69,115	\$95,132	\$1,353,830
PERCENTAGE	9.91%	77.96%	5.11%	7.03%	100%

# Section 4.0 Contract Commitments to Small Businesses and Small Diverse Businesses during FY 2018-19

### 4.1 Commitments to Small Businesses

During FY 2018-19, the commonwealth continued the policy initiative designed to promote the use of SBs in commonwealth contracting. That program encouraged commonwealth agencies to create race and genderneutral set-asides for small businesses known as the Small Business Reserve Program. These procurements focused exclusively on creating prime contracting opportunities for SBs (which by definition also includes SDBs). Sixty-nine setaside procurements producing 70 contracts with a total value of \$4,059,634 were the result of the Small Business Reserve Program. This represents a decrease of \$360,710 or 8.16% over the previous year. Of those solicitations, one was a No-Cost contract. Three were As-Needed solicitations awarded to 23 Small Businesses. The Small Businesses will be utilized as needed over the life of the contracts. Subsequently, the final contract values cannot be determined beforehand.

Small Business primes were awarded 67 non-construction contracts, more than double the last fiscal year, and six construction contracts that were not part of the reserved program during FY 2018-19. Out of these, two additional commitments were made to SBs as Subs. Another 14 contracts awarded to non-SB primes resulted in 22 commitments to SBs.

## 4.2 Commitments to Small Diverse Businesses

During FY 2018-19, the commonwealth awarded 171 contracts pursuant to non-construction RFPs/RFQs, down from 188 contracts awarded during the last fiscal year. These best value procurements, with a total projected value of \$981,523,450, resulted in total subcontract commitments to SBs and SDBs of \$139,214,796 or 15.75% of the total projected value. The number of new contracts awarded in FY 2018-19 were down slightly from FY 2017-18 awards, mainly due to fewer expiring contracts that could be rebid in FY 2018-19. Spend resulting from these

commitments should be reflected beginning in the next fiscal year reporting period for 2019-20.

For DGS construction, low bid procurements with a value greater than \$50,000, the Department set an MPL of 7.5% for participation of SDBs as subs, suppliers, and professional service providers. Prime contractors could

\$1.1B

Projected Contract

Value

opt-in to the MPL program at the time of each IFB, or they could choose a GFE-based alternative program established by DGS.

During FY 2018-19, 38 construction contracts were awarded using the IFB method. Nineteen contractors, which is half of the contractors awarded

prime contracts, opted in to the MPL program by making firm commitments to subcontract at least 7.5% of the contract value with SDB firms. The other half chose the GFE alternative. Since the GFE approach does not result in specific commitments to SDBs at the time of award, GFE-based contracts are not counted in the SDB commitment data. Payments resulting from both GFE- and MPL-based contracts are, however, captured in the payments data.

The 19 MPL based construction contracts awarded in FY 2018-19 had a total projected value of \$54,858,485, representing an SDB commitment of \$4,124,925 or 4.82% of the total projected value.

The commonwealth began awarding construction contracts through the best value method beginning in FY

\$173.5M

SB/SDB

Commitments

2016-17. In FY 2018-19, this resulted in four RFP and seven design construction awards with a total projected value of \$35,545,288 and SB/SDB commitments of \$30,255,248 or 98.95% of the total projected value.

Of the four Construction RFPs that were awarded

during FY 2018-19, one was awarded for \$8,720,000 to an SDB prime, which is triple the combined SDB prime Construction RFP contract value for last fiscal year. The other three were awarded to SB primes for \$18,570,238.

In addition, eight Design contracts were awarded for \$3,255 050, of which three were SB primes for \$687,870 and three were SDB primes for \$2,059,180. A summary of FY 2018-19 SDB/SB commitments is provided in the following chart:

CATEGORY	TOTAL PROJECTED VALUE	TOTAL SDB/SB COMMITMENT	PERCENTAGE
Procurement Best Value (RFP/RFQ)	\$981,523,450	\$139,214,796	14.18%
Construction Design & Best Value (RFP/JOC/GESA)	\$30,545,288	\$30,225,248*	98.95%
Construction IFB Low Bid	\$85,628,436	\$4,116,165	4.81%
GRAND TOTAL	\$1,097,697,174	\$173,556,209	15.81%
GRAND TOTAL	\$1,097,697,174	\$173,556,209	15.81%

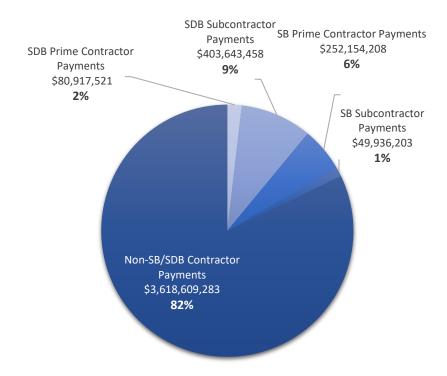
15.81%

<sup>\*</sup>SDB/SB self-performing

### 5.1 Payments Analysis



### **Distribuition of Payments**



During FY 2018-19, total commonwealth expenditures for goods, services and construction totaled \$4,405,260,673, adjusted for certain categories per industry best practices. Together, registered SBs and SDBs received \$786,647,278, nearly 18% of these dollars.

These data likely undercount both SB and SDB participation, at least to some degree. Even with the increase in the population of 4,947 self-certified SBs and 1,654 DGS-verified SDBs, the DGS database represents a small fraction of all eligible SBs and SDBs in Pennsylvania.

It is very likely that some number of SBs and SDBs benefited from commonwealth contracts during FY 2018-19 but went uncounted because they were not registered.

More significantly, the commonwealth did not collect

information on the majority of the subcontracting activity that occurred during the year. Since SB and SDB participation were not considered as part of the award process in the majority of procurements, the commonwealth did

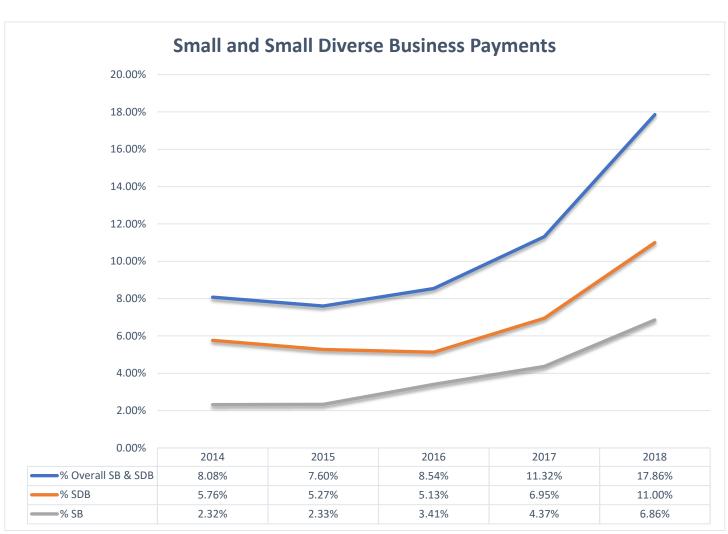
not track participation levels in the majority of contracts. While DGS evaluates options to improve systems for data collection, and while the commonwealth's increasing utilization of best value methods represents a partial remedy, the numbers above remain an underestimate. Despite these data collection challenges, the commonwealth continues to underperform in comparison with neighboring states such as New York and Maryland, who both report SDB participation in excess of 20 percent and SDB expenditures well over \$1 billion.

The chart presents the trend in SB and SDB percentages over the last five years.

Overall, SB and SDB participation declined in Pennsylvania through 2015. The spike seen in 2014 was due to a single, large construction project, SCI Phoenix. However, the

Phoenix. However, the downward trend has clearly reversed during the three most recent reporting periods and the last two, in particular. The commonwealth is now seeing the results of the progress made by providing more contracting opportunities for SBs and SDBs as a percentage of total

commonwealth expenditures.



DURING FY 2018-19, SMALL

AND SMALL DIVERSE

**BUSINESSES RECEIVED** 

**NEARLY 18% OF TOTAL** 

COMMONWEALTH

**EXPENDITURES.** 

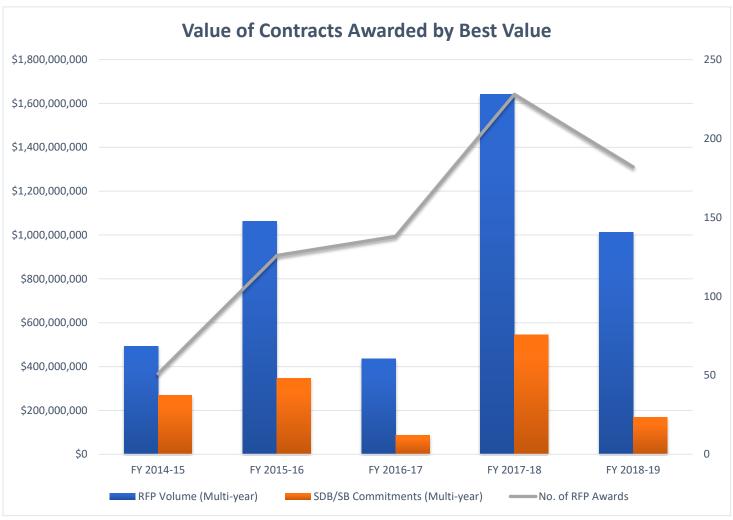
### 5.2 Commitments Analysis

During the reporting period, DGS awarded 145 non-construction plus four construction agency RFPs/RFQs resulting in multi-year contracts and six design awards with a projected total value of \$618,754,876 with total SB/SDB Subcontractor commitments of \$129,834,845 or 21%, down from 33% the last fiscal year.

The current fiscal year's projected contract value and commitments decreased from their 2017-18 values of \$1,641,910,726 and \$545,447,160, partly due to fewer contracts ending during the current fiscal year which resulted in fewer awards. FY 2017-18 also saw a spike in

contract values which can be attributed to several larger contracts awarded during the year, including contracts for credit card services and communications and voice services. Together, these two contracts totaled more than \$740 million, 45% of the total project contract value for that year.

Of all procurement methods currently in use by the commonwealth, the RFP remains the most effective at achieving SDB participation. We continue to work with commonwealth agencies to streamline and simplify the RFP process to encourage still more RFP use and ultimately increased SB and SDB participation.





### Section 6.0 Accomplishments

During FY 2018-19, the commonwealth engaged in the following organizational program and policy changes, all with the ultimate goal of increasing opportunities for SBs and SDBs in commonwealth contracting:

- Significant progress was made by increasing the SB/SDB awards to \$786,647,278, 17.86% of the commonwealth's total spend. SDBs received \$484,560,979, 11% of the commonwealth's total spend. This historic SB/SDB spend rate is the highest dollar amount ever awarded to SBs/SDBs in the commonwealth of Pennsylvania.
- Continued engagement for newly created Agency Small Business/Small Diverse Business Liaison Program by requiring submissions of annual strategic plans.
- Created an executive steering committee, led by two project managers who relentlessly pursued major changes to the BDISBO Statement of Policy as a result of the disparity study recommendations to assist SBs and SDBs. Policy changes were drafted and tested on pilot projects within seven months.

- BDISBO celebrated the completion of its Mentor Protégé Pilot Program that led to Small Businesses being able to hire 22 new employees and secured new contracts in the private sector.
- BDISBO's Medical Marijuana (MM) Task Force was honored by Governor Tom Wolf with citations for their meritorious work on scoring MM application diversity plans under extremely tight deadlines.
- Increased the dollar eligibility threshold for Small Business self-certification to \$38.5 million dollars in gross annual revenues over the preceding three years which mirrors the highest revenue threshold set by the United States Small Business Administration for those industries utilized by the commonwealth.
- Contracted with an SDB to procure an all-in-one certification, goal setting, and compliance software application to be implemented in FY 2019-20. We believe this action is the first of its kind by any state level entity. This sophisticated application will streamline reporting capabilities and greatly improve program monitoring and compliance.

### Section 7.0 Recommendations

The commonwealth remains committed to working to meet the following recommendations:

- Promote greater SB and SDB participation in grants and other "non-procurement" expenditures – the commonwealth continues to look for opportunities to encourage the utilization of SBs and SDBs in other expenditures of commonwealth funds. One such way may be to consider SB and SDB utilization as part of certain grant awards and loans of commonwealth funds.
- Provide "hands-on" technical assistance to SDBs.
   Access to capital is critical to ensuring the success of businesses; therefore, the commonwealth is also exploring funding to provide technical assistance and access to capital initiatives by private sector experts.
- Work to improve and expand public and private sector workforce development programs.
- Measure success based on participating firms'
  relative business growth and stability combined
  with state spending the commonwealth is
  currently measuring the success of its programs
  based upon the total dollar spend to SBs and SDBs
  and the total number of SBs and SDBs
  participating in the BDISBO program. However,
  the commonwealth recognizes that another
  significant gauge of program success is the growth

- and stability of the businesses participating in the program, as the primary purpose of the program is to assist those businesses. The commonwealth is seeking to understand how to measure business growth and stability as a result of the receipt of state funds, using this important measure to judge whether the BDISBO program is effective, and adjust its program based upon the factors that are indicative of success.
- Lead with greater urgency to do more to advocate for the success of the BDISBO program throughout state and local government and in the private sector. For example, in FY 2017-18, the commonwealth established the Agency Liaison program, which tasked each agency to appoint an executive-level employee to serve as a liaison with BDISBO on matters involving SB and SDB utilization and opportunities. Liaisons are responsible for setting department goals, integrating those goals into department strategic plans, reporting performance, identifying contracts that can be awarded through the Small Business Reserve program, and identifying contracts that can be unbundled and competed through the Small Business Reserve program. The commonwealth expects that the Agency Liaisons will be an integral part of implementing recommendations resulting from the Disparity Study report. In addition, the commonwealth has



- conducted numerous outreach programs to assist SBs and SDBs, and to reach those businesses that would qualify as SBs and SDBs but have not yet been included within the BDISBO program.
- Remove the employee size standard from law and allow this standard to be controlled by the Department of General Services. Currently, the Pennsylvania Procurement Code sets the size standard for SBs and SDBs at 100 or fewer employees. The commonwealth believes that this statutorily-set limit is stunting the growth of SBs and SDBs that still need the assistance of the BDISBO program in order to be successful.
- Therefore, DGS is working to forward legislation that would remove this statutory limit and allow the employee limit to instead be set by policy. Allowing more flexibility in the employee threshold allows DGS to carefully tailor the BDISBO program to ensure the program continues to help those SBs and SDBs that require assistance.
- Increase the number of businesses participating in the Veterans Program by engaging in a concerted effort with legislators, Veteran associations and stakeholders.

