



## GOVERNOR ARNOLD SCHWARZENEGGER

July 3, 2009

Dear friends,

To date, the federal government has awarded more than \$20 billion in American Recovery and Reinvestment Act funds to our great state. As these funds flow through state and local governments, I urge you to consider the place of small and disadvantaged businesses in contracting and procurement. My administration places a great emphasis on spending funds efficiently in ways that create jobs and help our state through these difficult times. With small businesses comprising more than 98 percent of California's enterprises and employing most of California's workforce, the economic prosperity of our local communities lies substantially in their hands.

As an elected official, there are at least three critical roles you can play in this process:

First, I urge you to adopt my administration's goals of 25 percent small business participation and three percent Disabled Veteran Business Enterprise (DVBE) participation in your procurements and contracts.

Second, local officials can review processes and determine if bureaucratic obstacles to access to government contracts for all small businesses exist and could be removed. For example, the California Department of General Services (DGS) has implemented a quick and efficient online small business certification process that can be completed in 20 minutes. This system has facilitated an exponential growth in the number of certified small businesses bidding on state contracts. I ask that all city and county governments with small business preference or other programs to accept certifications from my DGS for small businesses and DVBEs when bidding at the local government level. DGS already has small business certification reciprocity agreements with a number of local and regional agencies, such as the County of Sacramento and the Metropolitan Water District of Southern California. I have asked DGS to work with every community to expedite this reciprocity process. By opening up local procurement to the 16,005 small businesses certified with the state, a wider pool of small businesses will be able to bid on local government contracts, allowing for more competitive bids.

Third, please actively seek small and underrepresented business participation in your procurements by publicizing procurement notices as widely as possible so that they reach all the businesses in your community. Not only will this allow for more businesses to participate in the process, but it also means more competition for bids, which can ultimately generate savings for your community.

Thank you for all you do to help get our economy growing and to get jobseekers back to work. I, along with my Recovery Task Force and state agencies, stand ready to work with you to see that the funds coming to your local communities are spent with the greatest speed and economic impact.

Sincerely,

A handwritten signature in black ink, appearing to read "Arnold Schwarzenegger". The signature is fluid and cursive, with a prominent initial "A" and a long, sweeping underline.

Arnold Schwarzenegger

## StaySafe

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**From:** CA DVBE Alliance [info@cadvbe.org]  
**Sent:** Friday, July 10, 2009 9:16 AM  
**To:** staysafeshred@comcast.net  
**Subject:** Letter to local Governments from Governor

DVBE- if you find your self bidding a local government or Unified School District contract that does not carry DVBE goals you should reference this letter from the Governor and encourage them to use Small Business and DVBE goals in their contracts and provide oversight for the primes to attain the goals.

Nearly half of the ARRA funding to the state will go to other entities as grants and this is the money that loses state goals.

The Alliance office will assist in these actions when you want to bid these types of contracts.

<http://list.namasteinteractive.com/content/666730/Local%20leaders%20-%20ARRA%20funding%20-%2007%2003%2020091.pdf>

Best,

Rich Dryden

Executive Director

DVBE Alliance

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