



COMPTON UNIFIED SCHOOL DISTRICT

ITEM NO. 20/21-1092

RESOLUTION NO. 20/21-13

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
COMPTON UNIFIED SCHOOL DISTRICT ESTABLISHING A
SMALL BUSINESS PROGRAM AND
LOCAL BUSINESS OUTREACH PROGRAM FOR
DISTRICT CONSTRUCTION AND SERVICE CONTRACTS ADMINISTERED BY THE
FACILITIES DEPARTMENT**

October 13, 2020

WHEREAS, small businesses and locally-owned businesses are an integral component of the Compton community; and

WHEREAS, families of students attending Compton Unified School District (“**District**”) are employed by small businesses and local businesses, which contribute to the viability and vitality of the Compton community; and

WHEREAS, several local public entities in areas immediately adjacent to and surrounding the District, including local educational agencies, have adopted and maintained programs to grant preferences to certified small businesses in the award of contracts, and have implemented outreach efforts to encourage participation of local businesses in the entities’ procurements; and

WHEREAS, to contribute to the growth of small businesses, to provide more business with an increased opportunity to participate in District procurements, and in furtherance of the District’s commitment to being a good community partner, the District desires to adopt a program that grants preferences to small businesses (“**Small Business Program**”) in the award of District construction and service contracts administered by the Facilities Department (“**Facilities Procurement(s)**”); and

WHEREAS, to contribute to the growth of local businesses, to provide increased opportunity to participate in District procurements, and in furtherance of the District’s commitment to being a good community partner, the District desires to adopt a program to engage in targeted outreach to local small businesses for Facilities Procurements (“**Local Business Outreach Program**”), which may include outreach to all local businesses, including minority and women owned local businesses, consistent with California law at the time outreach efforts are made.

SMALL BUSINESS PREFERENCE

WHEREAS, pursuant to Public Contract Code (“PCC”) sections 2002(a)(1) and 2003(a)(1), the District may provide a “small business” preference for Facilities Procurements “where responsibility and quality are equal,” and “[t]he maximum percentage of a preference shall be 7 percent of the lowest responsible bidder meeting specifications and the maximum financial value shall be one hundred fifty thousand dollars (\$150,000) for any bid” (PCC §§ 2002(a)(1), 2003(a)(1)); and

WHEREAS, the District may “[e]stablish a subcontracting participation goal for a small business on contracts” for Facilities Procurements and offer that preference “to those bidders who meet the goal” and that include subcontractors that are a small business on a Facilities Procurement (PCC §§ 2002(a)(2), 2003(a)(2)) (“**Participation Goal**”); and

WHEREAS, when a contractor has designated a small business as a subcontractor for a Facilities Procurement to obtain a preference, a contractor may, subject to the approval of the District, only “substitute a contractor with another small business as applicable” consistent with PCC sections 2002 and 2003 (PCC §§ 2002 (a)(3)(B), 2003(a)(3)(B)); and

WHEREAS, pursuant to PCC sections 2002(b)(1) and 2003(b)(1), the District must define a “small business” pursuant to those code sections, which shall mean, at a minimum, pursuant to Government Code section 14837(d)(1)(B) “an independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of which are domiciled in California, and which, together with affiliates, has 200 or fewer employees, and average annual gross receipts of thirty-six million dollars (\$36,000,000) or less over the previous three years”; and

WHEREAS, for a small business to participate in the Small Business Program, it must perform a “commercially useful function” consistent with PCC sections 2002(d) and 2003(d) (“**Commercially Useful Function**”); and

WHEREAS, prior to the District’s offering of any preference in a Facilities Procurement, the District Board of Trustees (“**Board**”) must adopt a procurement policy that at a minimum includes all items addressed in PCC sections 2002(c) and 2003(c) (collectively, “**Minimum Policy Requirements**”); and

WHEREAS, the District desires to adopt the Small Business Program Procurement Policy for Facilities Procurements attached hereto as **Attachment 1** and incorporated herein by reference (“**Procurement Policy**”) that includes a Direct Small Business Preference (as defined in **Attachment 1** and incorporated herein by reference) and a Small Business Participation Goal Preference (as defined in **Attachment 1** and incorporated herein by reference), which complies and does not conflict with the Minimum Policy Requirements, and desires that District staff draft forms and contract documents, necessary to administer the Small Business Program and to grant preferences, consistent with applicable law and the Procurement Policy; and

WHEREAS, the District defines “Small Business (es)” as set forth in the Procurement Policy; and

WHEREAS, the Small Business Program must comply with the District’s obligations to contractors for the District’s public works construction projects as set forth in the Community Benefits Agreement executed between the District and local trades groups.

LOCAL BUSINESS OUTREACH

WHEREAS, the District desires to adopt the Local Business Outreach Program Procurement Policy to engage in targeted outreach of local businesses on Facilities Procurements, without granting any preference, the parameters of which are attached hereto as **Attachment 2 (“Local Outreach Policy”)**, and desires that District staff make adjustments to the Local Outreach Policy, when necessary, and draft forms, to properly administer the Local Business Outreach Program, consistent with applicable law; and

WHEREAS, the District defines a “Local Business (es)” as set forth in the Local Outreach Policy; and

WHEREAS, to ensure that the District’s goals of the Small Business Program and Local Outreach Program are being met, District staff shall track and monitor the small business and local business participation in District procurements, and report regularly, as requested, to the Board; and

WHEREAS, District desires to investigate whether the adoption of the Small Business Program or the Local Business Outreach Program will result in any new staffing needs for the orderly and efficient administration and implementation of either program.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby finds, determines and orders as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The Board hereby creates the Small Business Program for Facilities Procurements and adopts the preferences in the Procurement Policy, and authorizes the Superintendent and/or designee to grant preferences to Small Businesses for District procurements based on the Procurement Policy.

Section 3. Small Business shall have the meaning given in the Procurement Policy.

Section 4. A preference may only be awarded to a Small Business and that Small Business must perform a Commercially Useful Function.

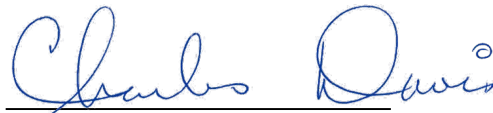
- Section 5. The Board adopts the Procurement Policy for Facilities Procurements, and delegates to the Superintendent and/or designee the authority to make changes to the Procurement Policy as necessary and in conformance with applicable law, and to draft all forms and contract documents, necessary to grant preferences and administer the Small Business Program, that are consistent, and do not conflict, with the Minimum Policy Requirements, with the District's goals of the Small Business Program, and with applicable law.
- Section 6. The Board hereby creates the Local Business Outreach Program for Facilities Procurements and authorizes the Superintendent and/or designee to engage in targeted outreach of Local Business based on the Local Outreach Policy.
- Section 7. Local Business shall have the meaning given to it in the Local Outreach Policy.
- Section 8. The Board adopts the Local Outreach Policy for Facilities Procurements, and delegates to the Superintendent and/or designee the authority to make changes to the Local Outreach Policy, and to draft all forms, necessary to engage in targeted outreach of Local Businesses and to administer the Small Business Program, consistent with the District's goals of the Local Business Outreach Program, and applicable law.
- Section 9. The Board delegates to the Superintendent and/or designee the authority to develop a system to track data related to Small Business and Local Business participation in Facilities Procurements, and the rate of contract awards to Small Businesses and Local Businesses, to ensure that the District's goals for the programs are achieved, and directs the Superintendent and/or designee to issue and present an annual report to the Board regarding the same.
- Section 10. Within 90 days, the Superintendent and/or designee shall report back to the Board and identify additional staffing needs, if any, created by the adoption of the Small Business Program and the Local Business Outreach Program, and recommend whether staffing be fulfilled in-house, or through other means.
- Section 11. The Board delegates authority to the Superintendent and/or designee to take all actions necessary in furtherance of this Resolution, and those necessary to establish the Small Business Program and Local Business Outreach Program for Facilities Procurements, consistent with the District's goals of each, and applicable law.
- Section 12. This Resolution takes effect immediately upon adoption.

*Agenda Item No. 20/21-1092
Resolution No. 20/21-13
Establishing a Small Business Program and
Local Business Outreach Program for
District Construction and Service Contracts Administered by the Facilities Department
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APPROVED, PASSED AND ADOPTED by the Board of Trustees of the Compton Unified School District on this 13 day of October 2020, by the following vote:

AYES: 7 NOES: 0 ABSTENTIONS: 0 ABSENT: 0

I, Charles Davis, Clerk of the Board of Trustees of the Compton Unified School District of Compton, California, do hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by said Board at the regularly scheduled and conducted meeting held at the time and place stated, which resolution is on file and of record in the office of said Board.



Charles Davis
Clerk

ATTACHMENT 1

COMPTON UNIFIED SCHOOL DISTRICT'S SMALL BUSINESS PROGRAM PROCUREMENT POLICY FOR CONSTRUCTION AND SERVICE CONTRACTS ADMINISTERED BY THE DISTRICT'S FACILITIES DEPARTMENT

1. Purpose and Overview.

On October 13, 2020, the Board of Trustees (“**Board**”) of the Compton Unified School District (“**District**”) voted to approve Resolution No. 20/21-13 adopting the Small Business Program for the District’s Facilities Department, which will enable the District to be a good community partner and assist community residents to participate in programs and procurements and in District contracts. Unless otherwise amended by the Board, the Small Business Program shall only apply to procurements administered by the District’s Facilities Department (“**Facilities Procurement(s)**”).

2. Definitions.

2.1. “Commercially Useful Function” shall be as defined in Section 3.

2.2. “Competitive Solicitation Procurement” shall mean any procurement for construction services or other services that permits the District to consider qualifications of a bidder or proposer other than pricing in the award of a contract, which, without any limitation, may include contracts awarded pursuant to Education Code section 17406, Education Code sections 17250.10, et seq., Government Code sections 4217.10, et seq., Government Code sections 4525, et seq., Government Code section 53060, and Public Contract Code section 20111.

2.3. “Contractor” shall mean any prime contractor or direct consultant that is bidding or proposing for, or has been awarded, a contract for construction services or other services by the District’s Facilities Department.

2.4. “Direct Small Business Preference” shall be as defined in Section 4.

2.5. “District” shall mean the Compton Unified School District. Unless otherwise specified, the use of the term “District” shall be inclusive of the District’s Facilities Department.

2.6. “Low-Bid Procurement” shall mean District’s awarding of a contract for construction services or other services for the District’s Facilities Department utilizing Public Contract Code section 20111, or any other law applicable to the District, that requires that a contract be awarded to the lowest responsive and responsible bidder based solely on compensation.

2.7. “Small Business(es) (or “SB(s)”) shall mean a small business that meets the definition in Section 3 and has been certified as a small business as provided for in Section 3.

2.8. “Small Business Participation Goal Preference” shall be as defined in Section 4.

2.9. “Subcontractor” shall mean:

2.9.1. A first-tier subcontractor that is performing work with value equal to or more than ½ of 1% of the Contractor’s bid or proposal;

2.9.2. A subcontractor of any other tier that is included in a subcontractor’s bid to the Contractor; or

2.9.3. A subconsultant to any direct consultant to the District.

3. Small Business Definition, Certification, and Application.

3.1. A “Small Business” shall be defined as:

3.1.1. An independently owned and operated entity;

3.1.2. That is not dominant in its field of operation;

3.1.3. With its principal office located in California;

3.1.4. Whose officers are domiciled in California; and

3.1.5. That the entity and its affiliates:

3.1.5.1. Have 200 or fewer employees; and

3.1.5.2. Have average annual gross receipts of thirty-six million dollars (\$36,000,000) or less over the previous three years.

3.2. A Small Business must perform a “Commercially Useful Function,” which is when the Small Business does all of the following:

3.2.1. The business is responsible for the execution of a distinct element of the work of the contract;

3.2.2. Carries out its obligations by actually performing, managing or supervising the work involved;

- 3.2.3.** Performs work that is normal for its business or services and functions;
 - 3.2.4.** Is responsible, with respect to products, inventories, materials and supplies required for the contract, for negotiating price, determining quality and quantity, ordering, installing, if applicable, and making payment.
 - 3.2.5.** Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practices.
- 3.3.** A Contractor or Subcontractor shall not be considered to perform a Commercially Useful Function if the Contractor's or Subcontractors' role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of a Small Business.
- 3.4.** A business may apply to receive a certification as a Small Business for the purpose of District procurements by one or both of the following:
- 3.4.1.** Submitting evidence directly to the District demonstrating that it meets the definition of Small Business pursuant to this procurement policy, and receive a certification directly from the District.
 - 3.4.1.1.** When a business submits evidence to receive a direct certification from the District as a Small Business, the District reserves the right to investigate and substantiate any of the evidence submitted. The District, in its sole discretion, may request additional information to support any businesses' request for a Small Business certification from the District. If the District is not satisfied with the evidence submitted and cannot reasonably conclude that the business meets the definition of a Small Business, the District reserves the right to reject any application for a certification as a Small Business.
 - 3.4.1.2.** If the District obtains information demonstrating that the business no longer meets the definition of Small Business, the District reserves the right to revoke the business' Small Business certification.
 - 3.4.2.** Submitting evidence demonstrating that it maintains a current certification as a Small Business with one of the following recognized public agencies:
 - State of California, Department of General Services;
 - Metropolitan Water District of Southern California; or
 - Los Angeles County Metropolitan Transportation Authority.

3.4.2.1. The District reserves the right to update the list of public agencies from which it will accept a Small Business certification. When utilizing a certification received from a public agency other than the District, the District reserves the right to confirm that the definition of Small Business utilized by the certifying entity is consistent with the District's definition, and Government Code section 14837(d)(1)(B), and to verify that the business is presently certified with the agency. Upon the District's acceptance of the public agency certification by the District, the District shall issue a certification to the business that it is a Small Business for Facilities Procurements. If the District obtains information demonstrating that the business no longer holds a valid small business certification with the certifying agency, the District reserves the right to revoke the business' small business certification.

3.4.3. Any information submitted to the District to demonstrate that a business is a Small Business shall be accompanied by a declaration under the penalty of perjury certifying that all information submitted to the District is true and correct.

3.4.4. When the District issues a certification that a business is a Small Business for Facilities Procurements, that certification shall remain valid for one (1) year from the date of issuance. While the District may, in its sole and absolute discretion, remind certified Small Businesses of any upcoming expiration of their certificates, businesses are responsible for ensuring that they currently maintain a small business certificate with the District to ensure that they are eligible for any preference.

4. Small Business Preferences. The District offers a "Direct Small Business Preference" and "Small Business Participation Goal Preference" as defined herein and based upon the examples below:

4.1. Direct Small Business Preference. The District shall grant a Small Business a 7% preference that shall not exceed \$150,000.

4.1.1. Direct Small Business Preference on a Low-Bid Procurement (Generally). For a Low-Bid Procurement, a Contractor shall receive a preference of 7%, that shall not exceed \$150,000, of the value of the lowest responsive and responsible bidder's bid (e.g., the Contractor's bid shall be reduced by an amount equal to 7% of the lowest responsive and responsive bid up to \$150,000).

4.1.2. Direct Small Business Preference on a Competitive Solicitation Procurement (Generally). For a Competitive Solicitation Procurement, a Contractor shall receive a 7% preference in the compensation component of the District’s evaluation that shall not exceed \$150,000 of the lowest responsive proposal (e.g., the Contractor’s proposed compensation component shall be reduced by an amount equal to 7% of the lowest responsive proposal up to \$150,000, and then scored based on the reduced price).

4.2. Small Business Participation Goal Preference. This preference is based on a Contractor’s use of Small Business Subcontractors.

4.2.1. Construction Projects Exceeding \$1,000,000. The Small Business Participation Goal Preference shall only be applied to construction projects when the estimated cost of construction at the time of bid or solicitation equals or exceeds \$1,000,000.

4.2.2. Small Business Participation Goal Preference on a Low-Bid Procurement. The District shall have a Small Business participation goal of 25%. A Contractor who demonstrates at the time of bid that Subcontractors shall perform work that collectively equals 25% of the value of the bid, the Contractor shall receive a 7% preference, that shall not exceed \$150,000, of the value of the lowest responsive, and responsible bidder’s (e.g., the Contractor’s bid shall be reduced by an amount equal to 7% of the lowest responsive bid up to \$150,000).

4.2.3. Small Business Participation Goal Preference on a Competitive Solicitation Procurement. The District shall have a Small Business participation goal of 25%. A Contractor who demonstrates at the time of bid that Subcontractors shall perform work that collectively equals 25% of the value of the proposal, a Contractor shall receive a 7% preference in the compensation component of the District’s evaluation of the lowest responsive proposal (e.g., the Contractor’s compensation component scoring, shall be reduced by an amount equal to 7% of the lowest responsive proposal up to \$150,000, and then scored based on the reduced price).

4.3. Below, are examples of how the preferences shall be applied:

Direct Small Business Preference (SB) on a Low-Bid Procurement				
Contractor	Bid Amount	Preference Amount (7% of Low Bidder)	Bid with Preference Applied	Status of Bidder
A	\$500,000		\$500,000	Non-SB
B	\$515,000		\$500,000	Non-SB
C	\$520,000	(\$35,000)	\$485,000	SB

D	\$524,000	(\$35,000)	\$489,000	SB
<ul style="list-style-type: none"> The low bid amount is multiplied by 7% to determine the SB preference (\$500,000 x .07 = \$35,000). This assumes that the lowest bid is responsive. The SB preference is subtracted from all responsive SB Contractors. After applying the preference, the bids are re-set based on the revised bid amount. Contractor C is the successful contractor and enters into a contract with the District for \$520,000 because the preference is not applied to the contract price. 				

Direct SB Preference on a Competitive Solicitation Procurement (Not Low-Bid)							
Contractor	Price in Proposal	Preference Amount (7% of Lowest Proposal)	Price with Preference Applied	Price Score (out of 50)	Total Score of Other Factors	Total Score	Status of Proposer
A	\$500,000		\$500,000	40	95	135	Non-SB
B	\$515,000		\$500,000	35	100	135	Non-SB
C	\$520,000	\$35,000	\$485,000	50	90	140	SB
D	\$524,000	\$35,000	\$489,000	45	85	130	SB
<ul style="list-style-type: none"> Identify the compensation (the price) for each proposal. The lowest proposed compensation is multiplied by 7% to determine the SB preference (\$500,000 x .07 = \$35,000). This assumes that lowest proposal is responsive. The preference is subtracted from all responsive SB Contractors' compensation. After applying the preference, all contractor's compensation (price) components are scored. The compensation scoring is then added to the aggregated scoring of all other components of the proposal. Contractor C is the successful contractor and enters into a contract with the District for \$520,000 because the preference is not applied to the contract price. 							

SB Participation Preference on a Low-Bid Procurement				
Contractor	Bid Amount	Preference Amount (7% of Low Bidder)	Bid with Preference Applied	Status of Bidder
A	\$1,000,000		\$1,000,000	Non-SB
B	\$1,025,000		\$1,025,000	Non-SB
C	\$1,050,000	\$70,000	\$980,000	SB
D	\$1,060,000	\$70,000	\$990,000	SB
<ul style="list-style-type: none"> Low bid amount is multiplied by 7% to determine the SB preference (\$1,000,000 x .07 = \$70,000). This assumes that the lowest bid is responsive. 				

- The SB preference is subtracted from all responsive SB Contractors.
- After applying the preference, the bids are re-set based on the revised bid amount.
- **Contractor C is the successful contractor** and enters into a contract with the District for \$1,050,000 because the preference is not applied to the contract price.

SB Participation Preference on a Competitive Solicitation Procurement (Not Low-Bid)							
Contractor	Price in Proposal	Preference Amount (7% of Lowest Proposal)	Price with Preference Applied	Price Score (out of 50)	Total Score of Other Factors	Total Score	Status of Proposer
A	\$1,000,000		\$1,000,000	40	95	135	Non-SB
B	\$1,025,000		\$1,025,000	35	100	135	Non-SB
C	\$1,050,000	\$70,000	\$980,000	50	90	140	SB
D	\$1,060,000	\$70,000	\$990,000	45	85	130	SB

- Identify the compensation (the price) for each proposal.
- The lowest proposed compensation is multiplied by 7% to determine the SB preference (\$500,000 x .07 = \$35,000). This assumes that lowest proposal is **responsive**.
- The preference is subtracted from all responsive SB Contractors' compensation.
- After applying the preference, all contractor's compensation (price) components are scored.
- The compensation scoring is then added to the aggregated scoring of all other components of the proposal.
- **Contractor C is the successful contractor** and enters into a contract with the District for \$1,050,000 because the preference is not applied to the contract price.

- 4.4. In order to qualify for a preference, a Contractor or Subcontractor (as applicable) must receive a certification as a Small Business from the District prior to the opening of bids or proposals. Any preference shall be applied for the purposes of bidding and responding only. If a Contractor is awarded a contract, the value of the awarded contract shall be equal to the bid or proposal amount without application of the preference.
- 4.5. The District may, in its discretion, elect to utilize, or refuse to utilize, a preference for any particular procurement. The District also reserves the right to utilize both the Direct Small Business Preference or the Small Business Participation Preference in any single procurement, as outlined herein. If the application of a preference on any procurement would result in the District losing or not having access to State or federal funding that would otherwise be available to the District, the District shall not utilize

any preference. The District shall not apply or utilize any preference in a manner that conflicts with any applicable State or federal law.

- 4.6. The District may utilize both the Direct Small Business Preference and the Small Business Participation preference, where applicable, and at the District's sole discretion. When preferences are combined, the maximum combined financial value of the preferences shall not exceed \$200,000.

5. Subcontractors and Subcontractor Substitution

- 5.1. At the time of bid or proposal, and to the extent applicable, Contractors shall:
 - 5.1.1. Identify all Subcontractors certified by the District as a Small Business; and
 - 5.1.2. Identify, the value of their work on the Project both numerically and as a percentage of the Contractor's bid or proposal.
- 5.2. To the extent applicable to a particular Facilities Procurement, Subcontractors that are Small Businesses shall be afforded all protections under the Subletting and Subcontracting Fair Practices Act (PCC §§ 4100, et seq.).
- 5.3. A Contractor may substitute a listed Subcontractor certified as a Small Business with the District at the time of bid consistent with the policies and procedures herein. A listed Subcontractor certified as a Small Business by the District shall only be substituted by another Subcontractor that qualifies as a Small Business. If the Subcontractor to be substituted for a listed Subcontractor is not already certified as a Small Business with the District, the Contractor shall submit to the District, at the time of its request for substitution, satisfactory evidence that the proposed Subcontractor qualifies as a Small Business. The burden is on the Contractor to coordinate with the proposed Subcontractor to provide evidence sufficient to meet the criteria of a Small Business. If Contractor does not provide that evidence at the time of substitution, the District reserves the right to request further information, or deny the request for substitution.
- 5.4. The following shall be the conditions for which a substitution of a listed Subcontractor certified as a Small Business may be authorized:
 - 5.4.1. Those conditions for substitution identified in PCC section 4107(a)(1) – (9);
 - 5.4.2. The Contractor demonstrates that the listed Subcontractor no longer qualifies as a Small Business; or

- 5.4.3.** The Contractor learns after award of the prime contract by the District that the listed Subcontractor falsified any information demonstrating that it is a Small Business and does not qualify as a Small Business.
- 5.5.** The District shall verify with the listed Subcontractor the condition qualifying any request for substitution by the Contractor prior to approving the substitution.

6. Compliance Monitoring, Administrative Procedures, and Penalties

- 6.1.** A business may appeal any determination by the District not to issue a certification as a Small Business as follows:
 - 6.1.1.** If a business decides to appeal the District's determination, it must follow the following procedure. Failure of a business to timely follow all appeal steps shall be a waiver of the right to appeal the District's determination.
 - 6.1.2.** The business shall submit, in writing, within two (2) business days after receipt of notice of the District's determination, a written request for a meet and confer with the District as to why the District did not issue a certification as a Small Business. The District shall set the meet and confer within a reasonable time. At the meet and confer, the parties will discuss why the District determined that the business did not qualify as a Small Business.
 - 6.1.3.** If the business is not satisfied with the outcome of the meet and confer, within two (2) business days after the meet and confer, the business shall request in writing a determination from the District as to why the business did not qualify as a Small Business.
 - 6.1.4.** Within two (2) business days from receipt of the District's response to the business' request, the business may request in writing an additional meeting. A business may submit with the request all information that it believes supports a finding that District's determination should be changed.
 - 6.1.5.** If the business continues to contest the District's determination after that meeting with District staff, then the business may address the Board at the next public noticed meeting, pursuant to the Board's procedures for public comment. For a business to preserve its right to challenge the District's determination, the business must address the Board at its next public noticed meeting after the business' meeting with District staff.

- 6.1.6.** Any meeting held hereunder will be restricted to no more than two (2) persons from the business. All meetings will take place via a conference call, a virtual meeting or an in-person meeting, at the District's sole discretion.
- 6.2.** The District may, in its discretion, audit its current list of certified Small Businesses. In furtherance of this audit, the District may, in its discretion, request from any business that has received a certification as a Small Business from the District evidence that the business is a Small Business.
- 6.3.** The District reserves the right any time, and for whatever reasons, to investigate whether any business has provided false or fraudulent information to the District to obtain a certificate from the District or to obtain or maintain a preference from any District procurement. As a condition of receipt of a certification as a Small Business, any business shall agree to cooperate with the District during any investigation. Failure to cooperate with the District during any investigation shall be immediate grounds for the rescission of any certification as a Small Business issued by the District.
- 6.3.1.** If the District determines that a Small Business provided false or fraudulent information to the District to obtain or maintain a preference, the District reserves the right to seek any remedy available at law, contract, or equity, including, without any limitation whatsoever, debarment, a finding of non-responsibility and instituting an action for false claims.
- 6.3.2.** If the District seeks to debar or find a business non-responsible or to debar a contractor, the Contractor shall be afforded due process consistent with the District's current procedures at which any business shall have the right to admit evidence and present witnesses.
- 6.4. Penalties.** If a Contractor that was awarded a Small Business Participation Goal Preference fails to demonstrate at the end of the project that it met the participation goal for the project, the District reserves the right to enforce any contractual penalties then included in the contract, including, without limitation:
- 6.4.1.** Withholding from the Contractor the amount equal to the value of the difference between the work performed by Small Business Subcontractors and the amount that was to be performed by Small Business Subcontractors at the time of bid;
or
- 6.4.2.** To withhold from the Contractor an amount equal to the amount of the preference(s) received.

These penalties shall not be aggregated, and the District reserves the right institute

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whichever penalty it deems fair and appropriate under the circumstances, in its sole discretion. However, any such penalty shall not be assessed against a Contractor if the value of the prime contract under which the Contractor performed work was increased through no fault of the Contractor. In that case, the value of the prime contract at the time of the award shall be utilized in calculating whether the Contractor complied with the participation goal for the project.

ATTACHMENT 2

COMPTON UNIFIED SCHOOL DISTRICT'S LOCAL BUSINESS OUTREACH PROGRAM PROCUREMENT POLICY FOR CONSTRUCTION AND SERVICE CONTRACTS ADMINISTERED BY THE DISTRICT'S FACILITIES DEPARTMENT

1. Purpose and Overview.

On October 13, 2020, the Board of Trustees of the Compton Unified School District (“**District**”) voted to approve Resolution No. 20/21-13 adopting the Local Business Outreach Program for the District’s Facilities Department. The Local Business Outreach Program will enable the District to be a good community partner, and assist community residents to participate in programs and procurements and in District contracts. Unless otherwise amended by the Board, the Local Business Outreach Program shall only apply to procurements administered by the District’s Facilities Department (“**Facilities Procurements**”).

2. Definitions.

- 2.1. “**District**” shall mean the Compton Unified School District. Unless otherwise specified, the use of the term “**District**” shall be inclusive of the District’s Facilities Department.
- 2.2. “**Local Business(es)**” shall mean a business owned and operated within all Zip Codes within the District’s boundaries.

3. Local Business Outreach Efforts.

The District will engage in targeted outreach of Local Businesses. The District’s outreach efforts may include any outreach effort permitted by applicable law that will serve to increase Local Business awareness of, and participation in, the District’s Facilities Procurements. These outreach efforts shall include, without any limitation whatsoever:

- 3.1. Registering Local Businesses with the District to create a database of Local Businesses;
- 3.2. Directly providing Local Businesses with solicitations and invitations to bid for Facilities Procurements, including one set of bid set plans and specifications free of charge;
- 3.3. Advertising projects in designated Local Business organization publications;
- 3.4. Directly outreaching District’s business opportunities to Local Businesses;

- 3.5. Collecting data and monitoring participation of Local Businesses in the District's Facilities Procurements;
- 3.6. Holding one-on-one meetings as requested by Local Businesses regarding future District Facilities Procurements, so long as the topic of the conversation is not a present procurement in which the Local Business is participating;
- 3.7. Hosting business seminars with Local Businesses on the topic of doing business with the District;
- 3.8. Hold open houses, round tables, fairs, and other events for contractors and Local Business with the goal of increasing the interaction between the stakeholders;
- 3.9. Hosting seminars for contractors and other large consultants as to the benefits of utilizing Local Businesses; or
- 3.10. Establishing relationships with Local Business groups to attend informational meetings and conferences to promote awareness of, and participation in, Facilities Procurements.

4. Minority and Women Owned Businesses.

- 4.1. The District recognizes that, although making up a substantial portion of the business demographic of the District community, minority owned and women owned business are not proportionately represented in contracts awarded by the District.
- 4.2. To increase participation of minority owned and women owned business in District Facilities Procurements, the District may target these businesses in their Local Business outreach efforts, so long as the specific outreach effort is targeted at all Local Businesses, and does not grant any preference or preferential treatment to minority or women owned businesses. Any such outreach effort shall comply with applicable State and federal law in existence at the time of the outreach effort.