

**SC GOVERNOR'S OFFICE OF  
SMALL & MINORITY  
BUSINESS ASSISTANCE**

MARCH 17, 2009

**WELCOME TO SC BIZWIZ!**

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*It's that time of year again!*

You are invited to attend the Governor's Office of Small and Minority Business Assistance's Business Forum and Trade Fair March 25, 2009 in Columbia. This event offers an unparalleled setting to network, allowing small business owners an opportunity to showcase their company to hundreds of procurement officials from state, local and federal agencies, plus major corporations.

Our co-host is the State Procurement Services Division. Our major sponsors are: Savannah River Nuclear Solutions; BMW Manufacturing Company; Shaw Areva Mox; SC Education Lottery; and Blue Cross Blue Shield. We also thank the following firms for their participation: Quintech Security; Hearn Auction; Leverage & Development; Visions International; MacPherson; and Cardinal Consulting. OSMBA acknowledges the continued support of our advocacy efforts by the members of the South Carolina Association of Governmental Purchasing Officials.

Last year's event drew more than 600 registered attendees to our business forum. Our workshops provide pertinent and timely information to increase your potential contracting opportunities with these organizations. We realize that your business success is affected not only by its financial health, but the well-being of the owner and staff. Palmetto Health will provide free health screenings during the business forum.

Workshops will be conducted by the State Procurement Office and the City of Columbia, demonstrating how to utilize their respective on-line vendor registration and bid notification systems.

The US Small Business Administration will discuss resources available for small business owners, including their loan programs. The General Services Administration will demonstrate how to register your firm in the



2008 Business Forum

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**BUSINESS FORUM AND TRADE FAIR MARCH 25, 2009  
COLUMBIA CONFERENCE CENTER**

federal contracting system and navigate the various federal contracting information sites, especially those related to the American Recovery Reinvestment Act.

SCORE will provide on-site free, confidential business counseling by appointment. During the afternoon, the SC Department of Labor, Licensing & Regulations and the Internal Revenue Service will conduct a workshop on the new Immigration Reform Act and what are the compliance requirements for government contractors.

Registration forms and agenda information are available on our website [www.oep.sc.gov/osmba](http://www.oep.sc.gov/osmba).

We look forward to meeting you March 25 at the Columbia Conference Center!

*Margaret Woodson, OSMBA Director*

**"IS CERTIFICATION RIGHT FOR YOUR BUSINESS?"**

**BY JANET CHRISTY**

*The OSMBA staff are constantly asked by entrepreneurs (and wanna be entrepreneurs!) how can their business be certified by OSMBA as a woman or minority-owned business in South Carolina. First, we ask them to assess who are their customers and what are their certification requirements. Then we guide them toward a self-determination of which certification may be right for them, if they meet the eligibility requirements. Customers can be divided into five subgroups of a pie: Jane & John Q. Public; state and local agencies; DOT/FAA/and transit authorities; corporations; and federal agencies. Next, we explain that certifications are not permanent, nor transferable to new owners. You must re-apply for eligibility for each program, the review schedules vary with each program. Janet Christy provides in her article below a detailed explanation for guiding you in determining if certification is right for your business.*



Being certified as a Minority-Owned, Woman-Owned or Disadvantaged Business is not beneficial for everyone, but for some businesses it has become necessary. To better understand Certification let's look at some definitions for certify:

1. Attest as certain; confirm
2. Guarantee; endorse reliability

**SOCIALLY & ECONOMICALLY DISADVANTAGED**

3. Award a certificate attesting to the passing of a qualifying examination
4. Give assurance; testify; vouch for the validity of something
5. Declare legally insane and committable to a mental institution

All of these definitions apply to the Certification of a business being Minority/Woman Owned or Disadvantaged, except the last one (although some would argue that #5 also applies to business owners after they have completed the paperwork for being certified).

When you apply for a Certification you, the business owner(s), are asking an organization or government agency to guarantee that you meet all their qualifications for being Certified. You are asking that organization/agency to provide you a certificate attesting that you meet the qualifications. The reputation of that organization/agency is on the line when they certify you, so they will look closely at your credentials, records and claims. If they erroneously certify a business they will jeopardize their reputation and may be open to a law suit or other legal penalty. Remember this when you get frustrated with the requirements and the attention to detail during

**MANAGEMENT, OWNERSHIP & CONTROL**

the Certification evaluation process.

Here are the typical requirements for Certification:

- The business is 51% or more owned by the proper classification (Minority, Woman, Disadvantaged Person).
- The Minority, Woman, Disadvantage Person owner(s) made an investment to obtain his/her ownership in the business seeking Certification.
- The business is managed on a day-to-day basis by the owner(s) that are of the proper classification (Minority, Woman, Disadvantaged Person).
- The business is capable of providing the products and/or services it claims it can provide. This means your business has the proper license, equipment, people, training, building, vehi-

**Certifying agencies:**

**Federal:**

[www.sba.gov](http://www.sba.gov)

**State: OSMBA**

**FAA/DOT/Transit:**

**SC DOT DBE**

**program**



## CERTIFICATION IS A MARKETING TOOL

cles or anything else that is necessary.

- If the Certification is for “disadvantaged” businesses you must prove that you meet that organization’s/agency’s description of disadvantaged. This includes one or more of the following:

Owner’s individual personal worth is under a specific level (most use \$750,000 as t their level; the 8(a) SBA Program uses \$250,000 as their level).

Owner is a member of a race or gender considered disadvantaged by that organization/agency.

Business is located in a geographic area that is considered disadvantaged or depressed.

Certification can be one of the best marketing tools in your tool box, briefcase or purse. Here are a few reasons why.



## UNDERSTAND THE CATEGORIES: MBE, DBE, WBE, SBE

Certification has become a requirement instead of just a competitive advantage. As attention to the use of M/WBEs (Minority/Woman Business Enterprises) and DBEs (Disadvantage Business Enterprises) increases so does the number of businesses claiming one or more of those designations. Many government agencies and corporations used to accept “self-declaration” as a qualifier for helping them meet their goals for the use of M/WBEs or DBEs. Now the number of businesses claiming those designations has become so large that the government agencies and corporations have begun to require a Certification to verify, guarantee, validate, that a business is truly a M/WBE or DBE. Federal agencies still do not require Certifications; however, they normally expect their Prime Contractors to use Small Businesses, WBEs and DBEs as subcontractors and these Prime Contractors usually do require a Certification.

Certification demonstrates that you care. Having a Certification is proof that you qualify. It is also proof that you are willing to meet the requirements of a government agency, education institution or corporation. It is “part of the test” and shows that you are likely to be a good vendor. Another way to show you care is to obtain the Certification that your current or prospective client/customer prefers; even if you already have a different Certification. How do you know which Certification they prefer? Look at their website, determine which Certification their current vendors have or – ask your prospect.

Review and update your business plan’s marketing strategies and it’s effectiveness regularly.

## DO YOU KNOW WHAT YOUR CUSTOMERS REQUIRE?

**Tip:** *When you prepare a Certification package, keep a copy of everything so that you can use it for re-certification or for a different Certification, because most organizations or agencies require similar documentation. If you know you need to obtain several Certifications do them all at once to save time and effort.*

It is a badge you should wear (display) with pride. Including your Certification(s) on your website, business cards, brochures, digital information, etc. is a good way to demonstrate that you meet that requirement. Remember that your Certification is a qualifier, maybe a requirement, but it is not the only qualifier. Displaying it in the right places provides the information to those who need to know without seeming to say, “I expect your business because I am an M/WBE or DBE.”

Being Certified may qualify you for exclusive opportunities. Sometimes government agencies, primarily federal or some states, will do “set-asides” for a specific Small Business classification. In those cases you may be required to have a specific Certification to qualify. South Carolina



## IF ELIGIBLE, WHICH CERTIFICATIONS ARE RIGHT FOR YOUR CUSTOMERS?

state agencies do not have a “set-aside” program.

Certification appeals to your customers or clients. Even if you provide products or services to individuals they may choose you because they know you are a Minority or Woman Owned Business. These people may not have a contract requirement or “spend” goal; however, they may prefer to use businesses that are owned by a Minority or Woman. You can make the claim without the Certification, but that “Certified” stamp can elevate your status in their eyes.

One thing that hampers Small Businesses is not having the right, or best, Certification. The business may think there is just one Certification. Or they assume that Certification does not apply to them and then don’t research to find the facts. So a business gets one Certification when another one would have been more beneficial. This causes missed business opportunities. It is important to determine which Certification or Certifications will help you. Following is some clarification about Certifications.

Some local government entities offer their own Certification. Some cities, counties and even uni-

Most States offer some type of Certification for M/WBEs. Some States, such as South Carolina, also require that the businesses they Certify are Disadvantaged (refer back to the descriptions of Disadvantaged earlier in this article). The State Certifications were developed primarily for state agencies and sometimes for local government agencies and schools. Some corporations will accept a State Certification, but most prefer a non-government Certification for meeting their own spend goals. However, if the corporation is a Prime Contractor for state agencies they may prefer the State’s Certification.

Most State DOTs (Department of Transportation) have their own Certification. The Certification offered by State DOTs is for DBEs (Disadvantage Business Enterprises). The requirements for this Certification are specifically set to meet federal guidelines because DOTs receive much of their funding from federal agencies. This Certification was expanded in recent years to include all state and local government agencies and departments that receive federal transportation funding and it was named the UCP (Unified Certification Program). If you want to sell products and services related to any of the entities involved in transportation you will need this Certification, not the general State Certification.

## INCLUDE YOUR CERTIFICATION STATUS IN YOUR SALES LITERATURE

versities or school districts conduct their own Certifications. The only local Certification in South Carolina is offered by the City of Charleston. Several North Carolina cities and counties have been conducting their own Certifications for a long time; however, there is a move toward centralization of Certification to the State Certification (similar to South Carolina) with some enhancements to their existing State process.

Corporations often prefer private Certification. Most corporations prefer Certifications from national private organizations because the requirements are the same for each business no matter where they are located. There are Certifications for Minority Owned Businesses and for Woman Owned Businesses. These organizations normally offer their certified businesses training and access to corporate buyers. It is important to know which Certification is preferred by your corporate clients, customers and prospects.



**Certification is not a substitute for fully participating in the procurement process. You will still need to make regular sales calls, research your customer’s needs, find bid opportunities and submit competitive bids.**



When you look at your business to determine the things that will help you be successful, Certification should at least be on the list for consideration. With it you can increase your opportunities; without it you may miss an opportunity to qualify, a chance to compete on equal terms or an opportunity to be noticed. In tough economic times, every opportunity or advantage should be used.

*Janet Christy has spent the majority of her professional career helping businesses, government agencies, education institutions and non-profit organizations solve problems and find answers. In 2003 Ms. Christy formed Leverage & Development, LLC, a consulting firm that assists Small and Woman/Minority Owned businesses and does research, grant writing and program evaluation for government, education and non-profits.*



## “FINANCIAL SURVIVAL 101”

### NATE BARBER

We have all done it at times. Perhaps, meet a doctor and then say something like “I have wanted to ask a doctor about this”! In banking similar things happen. People meet you and then ask, “Hey, I have wanted to ask about getting a loan at your bank.” I would jokingly say that we would be glad to loan your money back to you after you open an account! That statement has taken on a level of seriousness that was never intended. Credit conditions have gotten much stricter. It current trends in lending continue, and then one can expect even more tightening.

Banks are in the business of lending money, so there will always be loans made. However, one can expect a much more challenging environment than has existed in the past. Why has this happened and what to do about it will be debated far into the future. What to do about the impact that it is having on the credit needs of individuals and small businesses will require lots of attention now, as they prepare to navigate the potentially treacherous economic waters of 2009.

What seemingly began as a sub prime mortgage problem has morphed into a larger financial and credit problem. Federal Reserve Board Chair Ben Bernanke and Treasury Secretary Hank Paulson initially told us that it was something “contained.” Clearly, it has not been contained and has seemed to take on a life of its own. Years from now economists may still be debating the real reasons for the problem. The fact that the causes of the Great Depression are still contested is proof

### TAKE THE TIME TO UNDERSTAND WHAT IS FINANCIAL LITERACY:

[WWW.MYMONEY.GOV](http://WWW.MYMONEY.GOV)

that this debate is likely to persist for years to come. One thing that is not debatable is that stock prices as measured by the Dow Jones have fallen nearly 40 % from the highs of 2008. Housing prices have fallen in most of the country, as measured by the Case- Shiller Index, which tracks homes prices in the 20 major markets of the country. Unemployment is up, and trillions of dollars of wealth have been erased from business and individual balance sheets.

That is not all. Automobile sales are down. General Motors, Ford, and Chrysler are nearly bankrupt. Even the venerable Toyota has posted it first operating loss since the end of World War Two. Retail sales and consumer confidence figures are at levels not seen in decades. One does not have to be an economist to know that something is not right!

We cannot impact all of these areas. We can, however, work on our individual circumstances and prepare ourselves to navigate the treacherous economic waters in which we sail. What can we do?

First, take a comprehensive analysis of the current situation. What skills, which translate into

**“To catch the reader's attention, place an interesting sentence or quote from the story here.”**



Knowledge is power!

## ASSESS YOUR MARKETABLE SKILLS

earning power, do you have? Can they be improved? What it is that makes you want to get up out of bed each morning and go to work? If you do not want it, then it probably does not want you. How is your financial situation? Financial planners have encouraged having three to six months of savings. Do you have it? If you do have this level of savings, consider whether it is sufficient in the current environment. If employed, how secure is your position with the organization?

Small business owners have many concerns as well. Take a look at your customer base. How financially secure are they? Is there an over-dependence on any single customer? What is the financial situation of your major suppliers? How secure is your banking relationship? When was the last time that you talked with your banker, provided up-to date financial statements? What are the chances of getting a line of credit or of having one called? What about your insurance company? How viable is it? These are some of the questions that could cause problems for any of us if we are not mindful.

The fallout from the credit crisis is likely to have far-reaching effects on individuals and businesses. Since many of us have no memories of the economic situations of the stagflation – ridden 1970s, or the Reagan recession of the early 1980s, the periods of high energy prices and high unemployment are frightening occurrences. Add to this volatile mix, the loss of equity



## KNOW THE FINANCIAL HEALTH OF YOUR CLIENTS

in homes and major decreases in the values of 401K accounts, and it makes one wonder if the CNBC show is entitled correctly, Financial Armageddon! Of course, it is not, and hopefully, it will not be long before we look back on this time as a tremendous buying opportunity for financial and real assets. But, first we have to get through it. It is going to be challenging. Credit, like the old Chicago tune, is a “Hard Habit to Break.” Once individuals and businesses improve their cash positions, pay down debt loads, and once again start using credit more wisely, we can do what James Brown said, “ We re gonna have a Funky Good Time”!

***Nate Barber***, is the Senior Vice President for CRA/Community Development with SCBT Financial. Formerly he served as the Regional Small Business Development Center Director at Winthrop University. He holds a BS from the University of South Carolina and an MBA from Indiana University.

South Carolina has a two tiered procurement system for state agencies. Agencies

Procurement is the acquisition of goods and/or services at the bet possible total cost of ownership, in the right quantity and quality, at the right time, in the right place and from the right source.

## “HOW TO DO BUSINESS WITH STATE AGENCIES”

have direct authority to make purchases below a certain dollar threshold. Above that amount (which differs for each agency), procurements are conducted under the authority of one of the State's three central procurement offices: The Materials Management Office (MMO), Office of State Engineer (OSE), and the Information Technology Management Office (ITMO).

State agencies are mandated by the SC Procurement Code to advertise quotes, bids, and proposals involving goods, services, information technology, and construction above \$10,000.00 in estimated or actual value in the MMO publication called South Carolina Business Opportunities (SCBO).

This periodical is issued twice a week. SCBO is available **free** to the public via the internet at



**SOUTH CAROLINA BUSINESS OPPORTUNITIES (SCBO)**

[www.procurement.sc.gov](http://www.procurement.sc.gov).

The five competitive types of procurement allowed by the Code are outlined below as they relate to the levels of competition.

**PROCUREMENTS UP TO \$50,000:**

INFORMAL SMALL PURCHASES—Applies to all procurements up to \$50,000.

**Request for Quotes (RFQ)** may be solicited verbally for procurements less than \$10,000. Procurements not exceeding \$2,500 may be accomplished without securing competitive quotations if the prices are considered reasonable;

Procurements not exceeding \$2,500 may be accomplished without securing competitive quotations if the prices are considered reasonable;

**COMPETITIVE FIXED PRICE BIDS** -- This procurement method provides multi-

**RFQ, RFI, IFB, RFP, BVB**

\$2,500.01-\$10,000, solicitation of written quotes from a minimum of three (3) sources confirmed in writing;

\$10,000.01-up to \$50,000, must be advertised in SCBO. Contracts awarded within this level are not eligible for protest.

If the procurement is over \$10,000 and up to \$50,000, the quotes must be written.

**COMPETITIVE SEALED BIDS** -- This procurement method allows for award to the lowest responsive and responsible bidder whose bid meets the requirements set forth in the IFB. An IFB must include specifications and all applicable terms and conditions. Adequate notice must be given prior to the date set for the opening of bids.

**COMPETITIVE BEST VALUE BIDS** -- This procurement method allows for factors other than price to be considered in the determination of award based on pre-determined criteria. Award is made to the responsive and responsible bidder whose bid is determined to be most advantageous to the State, taking into consideration all evaluation factors set forth in the best value bid.

**SC PROCUREMENT INFORMATION CENTER  
WWW.PROCUREMENT.SC.GOV**

ple sources of supply based on a pre-set maximum price which the State will pay. Award is made to all responsive and responsible bidders to the State’s request for fixed price bids.

**COMPETITIVE SEALED PROPOSALS** -- Request for Proposals (RFP) is utilized when a purchasing agency determines that the use of competitive sealed bidding is either not practicable or not advantageous to the State. The RFP shall state the relative importance of factors to be considered in evaluating proposals. Award is made to the responsive offeror whose proposal is determined to be most advantageous to the State, taking into consideration price and the evaluation factors set



Caption describing picture or

Thresholds:	
Up to \$2,500.00	
\$2,500.01–\$10,000.00	
\$10,000.01–\$50,000.00	
\$50,000.01–\$100,000.00	
\$100,000.01+	



## RESPONSIVE & RESPONSIBLE BIDDER/OFFEROR

forth in the RFP. Price may, but need not be, an evaluation factor.

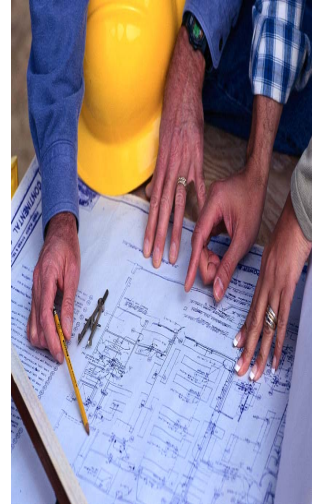
### PAYMENT TERMS

Payment terms are set by law in Section 11-35-45. Generally, state agencies must process payment vouchers within 30 working days after satisfactory receipt of goods or services and correct invoice.

### LATE BIDS / PROPOSALS

Responses received after the designated opening date and time cannot be considered.

Construction contracts are usually procured by small purchases, competitive sealed bidding or specialized construction process.



## STATE CONTRACTS FOR CONSTRUCTION SERVICES

Specialized Construction - Contracts may involve either pre-qualification of bidders or a selection.

Professional design services are required for state agency construction projects. Design firms are selected on the basis of qualifications, not by fees or bids. Design professionals must be licensed to practice in the State of South Carolina at the time of offering services.

### GOODS & SERVICES (MMO); IT RELATED GOODS & SERVICES (ITMO)

**CONSTRUCTION (OSE)** Generally, the use of the SC Consolidated Procurement Code is not mandated for local governments and does not apply to State agencies specifically exempted from the Code and Regulations.

The SC Consolidated Procurement Code and Regulations can be found on the Materials Management Office's website.

**Procurement means buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, information technology or construction.**

## STATE PROCUREMENT SERVICES

This purchasing guide is not an attempt to address all of the purchasing procedures of the State of South Carolina, and does not replace the South Carolina Consolidated Procurement Code and Regulations. Purchasing policies and procedures may change from time to time and this guide will be updated periodically.

Most information you need about doing business with the State of South Carolina is posted on the internet. We encourage you to visit the South Carolina Procurement Information Center at:

**[www.procurement.sc.gov](http://www.procurement.sc.gov)**



We are on the web:

[www.oepp.sc.gov/osmba](http://www.oepp.sc.gov/osmba)

## SC BIZWIZ

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The Governor's Office of Small and Minority Business Assistance is the State's advocate for South Carolina's small, minority and women-owned businesses, championing your interests in the procurement process  
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**Business Forum & Trade Fair sponsors:**

**Savannah River Nuclear Solutions**

**BMW Manufacturing**

**Shaw Areva Mox**

**SC Education Lottery**

**Blue Cross Blue Shield**

**Quintech Security**

**Consultants, Inc.**

**MAKING IT WORK WITH YOU IN MIND!**

## **DEVELOPING TOMORROW'S ENTREPRENEURS: SKILLS USA [WWW.SKILLSUSA.ORG](http://WWW.SKILLSUSA.ORG)**

More than 300,000 high school and college students, and instructors join **SkillsUSA** annually, organized into more than 19,333 sections and 54 state and territorial associations.

**SkillsUSA** is an applied method of instruction for preparing America's high performance workers in public career and technical programs. It provides quality education experiences for students in leadership, teamwork, citizenship and character development. It builds and reinforces self-confidence, work attitudes and communications skills. It emphasizes total quality at work-high ethical standards, superior work skills

work skills, life-long education, and pride in the dignity of work. **SkillsUSA** also promotes understanding of the free-enterprise system and involvement in community service.

**The SkillsUSA Championships** is the showcase for the best career and technical students in the nation. Contests begin locally and continue through the state and national levels.

**Employability Skills** – While proper technical skills are undeniably important to employers, so are employability skills including the ability to communicate, work on a team, resolve conflicts, confront ethical dilemmas and manage one's time.

**The Professional Development Program (PDP)**, a curriculum developed by **SkillsUSA** in conjunction with business and industry, teaches these skills.



Which one is the next Steve Job, Darla Moore, Henry Ford, Oprah Winfrey or...?