



California Department of General Services (DGS)

Small Business Advisory Council (SBAC) Meeting Minutes

Date: September 8, 2021

Time: 1 – 4 p.m.

Location: Zoom

Meeting Facilitator: Angela Shell, DGS SBAC Co-Chair

Recorder: Brooke Droege, OSDS Business Outreach Manager

The regular quarterly meeting of the DGS SBAC was called to order by Co-Chair Angela Shell at 1:03 p.m. Attendance was taken; a quorum was present.

Meeting Minutes and Past Action Items

A motion was made by Paul Guerrero and seconded by Jay King to approve the July 14, 2021 meeting minutes. The motion passed without objection.

Leslie Fritz, OSDS Business Outreach Liaison reviewed the status of past action items:

1. Council members are reminded to use the Google Drive set up by council member Savita Farooqui to facilitate the work of the Council in the interim. Contact Savita Farooqui with any questions you have. (Status: Completed)
2. As requested by council members, here is the link to the new CMAS portal that was presented on at the SBAC meeting: <https://dgs.service-now.com/cmas> (Status: Completed)
3. The Processes Committee requested a CMAS representative attend their next committee meeting to further present on CMAS. (Status: Pending)
4. PowerPoint presentations from the Processes and Outreach, Education & Legislation Committee Reports requested. (Status: Completed)
5. OSDS requests all council members follow and share the new OSDS LinkedIn page: www.linkedin.com/company/dgs-osds/ (Status: Completed)

Carry Forward Item:

1. The Committee SharePoint site - This action item is still in the stages of evaluation by DGS IT and the DGS Office of Legal Services. Microsoft Teams primarily being considered.

Angela Shell, DGS Updates:

Angela Shell, Deputy Director, Procurement Division and DGS SBAC Co-Chair provided an update on DGS.

Updates/Reminders:

1. DGS continues to be very involved with emergency response. Currently, PD is tasked with fire response, and is working on many projects which include getting small business involvement in emergency procurements. Emergency response does delay other contracting efforts, but PD is still working to get those contracts out and posted on the DGS website, and crafting procurements to include small businesses and make them more accessible for small businesses.
2. DGS is fully engaged in our next strategic planning for PD and DGS. DGS is moving to a two-year strategic plan with annual updates focusing on procurement process efficiency, diversity, and sustainability. These goals all include small businesses as a focus and all work together. The DGS strategic goals will begin January 1, 2022 and span the next two years.
3. The Office of Digital Innovation with the Government Operations Agency is working on a report regarding small business participation with the state. The project involves:
 1. Phase 1 - talking to state departments at a high-level regarding policy.
 2. Phase 2 - talking to state department buyers to discuss departments' views and internal processes surrounding inclusion of small businesses in contacts.
 3. Phase 3 – upcoming, will be reaching out to small businesses and council members through a survey and interviews, to get their state contracting input. SBAC members are encouraged to participate if they are contacted by the Office of Digital Innovation.
 4. Findings and recommendations will be shared when the project is complete (estimated completion December 2021).
4. DGS continues to review and give input on legislation. There are a lot of bills involving small business – Matt Bender, Deputy Director, Office of Legislative Affairs, will give a legislative update later in the meeting.
5. 2022 SBAC dates are coming soon and will be announced at the December meeting.
6. The SBAC two-year strategic plan will end in March 2022, and the Council will need to create new goals and committees and select new committee chairs.
7. COVID is still preventing the SBAC from meeting in person. The SBAC will plan on meeting on Zoom in December unless something changes between now and then.

Committee Chair Vacancy:

Jay King, SBAC Member, California Black Chamber of Commerce, is stepping down as chair of the Outreach Committee. He will continue to be on the council and a member of the committee. Thank you to Jay for his efforts in the role.

The council voted for Mike Daniel to replace Jay King as chair of the Outreach Committee.

CalVet Update:

Roberto Herrera, Assistant Deputy Secretary, CalVet, provided the following updates:

1. September is Suicide Prevention Month. Suicide is particularly prevalent amongst veterans and CalVet works to partner with organizations to reduce suicide. CalVet provided a link to their [Suicide Prevention Resources](#).
2. Virginia Wimmer has been appointed as Deputy Secretary of Women Veterans Affairs for CalVet and is expected to start in late September or early October.
3. CalVet's DVBE Advisory Council is regularly meeting. CalVet's [Request for Response portal](#) continues to be utilized to assist both state departments and DVBEs.
4. CalVet sent a survey out to all SB/DVBE Advocates to get feedback on where departments struggle with DVBE contracting. As of 9/8/21, 120 responses have been received.

Governor's Office of Business and Economic Development (GO-Biz) Update:

Tara Gray, Director, Office of the Small Business Advocate, Governor's Office of Business and Economic Development (GO-Biz) provided the following updates:

1. CalOSBA's new website <https://calosba.ca.gov/> was launched on 9/9/21. This is a standalone website for the California Governor's Office of the Small Business Advocate.
2. The COVID relief grant rounds are continuing. More details and eligibility criteria can be found at www.CAreliefgrant.com.
 - Round 7 went live the week of 9/6/21. No new applications will be accepted as Round 7 will just be awarded to waitlisted applicants.
 - Round 8 was extended till September 30. Must be a non-profit or cultural institution to apply.
 - Round 9 was open September 9 through September 30 and was open to currently waitlisted applicants and was also accepting new applications from small businesses that meet the eligibility criteria.
 - There is an upcoming opportunity for Microbusinesses (less than 5 employees and less than \$50,000 GARs) for \$2,500 grants.
 - Venues grant program upcoming. Venues can apply for \$250,000 or 20 percent of 2019 revenues.

- DREAM fund for entrepreneurs (start-ups). Up to \$10,000 grants are available and the business will need to participate in a technical assistance expansion program provider training to be eligible.

Acquisitions Update:

Carol Bangs, Acquisitions Branch Chief, provided the following updates:

Upcoming [PD statewide contracts](#):

- Leveraged Procurement Agreements for glass beads, traffic paint, asphalt, etc. These are statewide and primarily for Caltrans and are smaller contracts.
- Acquisitions is developing contracts for the Clean California effort and anticipating heavy equipment needs.
- PC Goods – this includes equipment hardware, desktops, monitors, and auxiliary services (multiple categories, multiple awards expected and subcontracting opportunities), and there is an RFI to discover what PC equipment is upcoming and to find potential vendors.

MSA:

- IT consulting still in process, a Request for Interest has been sent out. It has been re-branded as the Technology, Digital and Data Consulting MSA (TDDC) and expanded with additional classifications.
- Assessment and monitoring services contracts for debris removal are open to support CalRecycle recovery efforts, anticipating these contracts as MSAs.

Legislative Update:

Matt Bender, Deputy Director of the Office of Legislative Affairs, provided a legislative update.

Active bills DGS is currently following:

[AB 1110 \(Rivas\): Zero-emission vehicles: Clean Vehicles Ombudsperson: Climate Catalyst Revolving Loan Fund Program.](#)

This bill requires DGS to create a statewide contract or leveraged procurement for government agencies to purchase zero emission fleet vehicles, as defined, and to consider establishing standard pricing. (DGS has already created many such contracts, all with standard pricing.) It creates an ombudsman and an advisory committee at GO-Biz. It also requires DGS, based on information provided by the ombudsperson and the advisory committee, to assess its existing programs and determine how they may need to be modified, advertised, or expanded to include new options to significantly expand participation by public agencies. *Note: At the time of the presentation, this bill was still moving, but it went to the inactive file on September 9, 2021—normally an indication that it will not move this year.*

[SB 674 \(Durazo\): Public Contracts: workforce development: covered public contracts](#)

This bill requires the Labor and Workforce Development Agency (LWDA) to create new requirements, called the California Jobs Plan and the United States Jobs Plan, for certain “public investments in transportation infrastructure” of \$10 million or more, including grants, loans, subsidies, and some contracts. The bill affects agreements by Caltrans, DGS, and school districts, excluding contracts for the design or construction of infrastructure. Bidders would be required to submit information on job creation, plans to hire displaced workers, wages paid, and other employment-related information, which would be evaluated using LWDA-developed criteria and count for up to 15 percent of their overall bid score. These provisions would sunset January 1, 2028. *Note: At the time of the presentation, this bill was still moving, but it went to the inactive file on September 9, 2021—normally an indication that it will not move this year.*

[AB 1574 \(JEDE Committee\) – Small Business Liaisons and Disabled Veteran Business Enterprises: Public Contracts](#)

This bill would implement accountability measures related to DVBE subcontracting practices on state procurements. This bill would redefine the roles of CalVet and DGS in administering the DVBE program. It also directs state agencies to seek out, identify, and solicit small businesses that have not done business with the agency or are not regularly used by it. *Note: This bill received its final vote on September 9, 2021 and went to the Governor on September 20, 2021.*

[AB 416 \(Kalra\) – California Deforestation-Free Procurement Act](#)

This bill would require DGS to issue a Deforestation-Free Code of Conduct that includes a list of “forest-risk” commodities, as defined, including wood, paper, rubber, palm oil, beef, and soy. This bill would further require state contractors (excluding public works contractors) that provide products to the state that include forest-risk commodities to have a No Deforestation, No Peat, No Exploitation (NDPE) policy meeting specified criteria and to make specific certifications. The bill requires these contractors to publicly disclose their supply chains back to the farm or forest where the commodity was grown or harvested. *Note: This bill was vetoed by the Governor on October 5, 2021.*

Bills not currently moving forward:

[AB 13 \(Chau\) Public contracts: automated decision systems](#)

This bill requires a state agency seeking to award a contract that involves the use, licensing, or development of an automated decision system for a high-risk application, as defined, to encourage bidders to include, in their bid responses, an automated decision system impact assessment report, including specified elements. It also requires CDT, in consultation with DGS with stakeholder input, to establish and publicize guidelines for identifying automated decision systems that are subject to this requirement. *Note: This bill was held on the Senate Appropriations Committee suspense file.*

[AB 349 \(Holden\) – Small Businesses: Contracting: Outreach: Underrepresented Groups](#)

This bill generally requires state agencies, in addition to any other applicable requirement for public notice of contracts, to “publish or otherwise make available” information regarding public notice of contracts, as the awarding agency determines to be appropriate, in order to ensure all communities, have access to the public notice. It defines “publish or otherwise make available” to include, but not be limited to, placing information in specified types of media, having information booths at fairs or conferences, and dissemination via other platforms as the agency deems appropriate. It also includes a clarifying provision related to Caltrans’ advertising of public works contracts. *Note: This bill was held on the Senate Appropriations Committee suspense file.*

AB 915 (Chiu) – Small and Disadvantaged Business Enterprises

This bill would establish a race-conscious definition of “disadvantaged business enterprise” for the purposes of state construction projects. It would grant these businesses a bid preference, expand an existing streamlined procurement method to include them, and create associated reporting requirements. This bill would also codify the 25 percent state contract participation goal for small businesses and require departments to adopt an “Economic Equity First” action plan. This bill would also establish a “fast track” for small business certification. *Note: This bill was held on the Senate Appropriations Committee suspense file.*

AB 1072 (Reyes) – Small Businesses: Technical Assistance: Public Contracts

This bill would change the reporting relationship within GO-Biz for the California Small Business Development Center Program (moving it from under the Director to under the Small Business Advocate) and would expand the role of the program to provide greater outreach and technical assistance. This bill would require the small business advocate for DGS to collaborate with the state’s DVBE Advocate and the state’s Small Business Advocate in improving DVBE and small business procurement participation. *Note: This bill was not heard in the Senate Appropriations Committee.*

SBAC Committees’ Updates:

Shaila Rao Mistry, Chair, Processes Committee:

Processes Committee Chair Shaila Rao Mistry presented on the committee’s priority areas which are:

1. UNSPSCs – this area has been successfully completed as the code set is reduced
2. CMAS - Processes committee requests to meet with a SME on this topic from DGS to attend a committee meeting
3. Contract distribution
4. Office hours
5. Matchmaking

6. 80 percent rule - Processes committee requests to meet with a SME on this topic from DGS to attend a committee meeting
7. Prompt payment - Processes committee requests to meet with a SME on this topic from DGS to attend a committee meeting

Next steps:

1. Would like to connect with other state departments to find out about how small businesses can engage their department.
2. Learn more about diversity and marketing endeavors at DGS.
3. Change perception of what constitutes a small business, and the size of contracts small businesses can handle.

Angela spoke about DGS efforts with FI\$Cal to increase payment transparency empowering businesses to see the payment process within FI\$Cal, and what it would take to implement office hours and matchmaking throughout state departments. Angela guided council members to contact the advocates of departments they want to connect with and offered to have OSDS facilitate connections with specific departments council members are most interested in.

Jay King, Chair, Outreach and Education/Legislation Committee:

Outreach and Education/Legislation Chair Jay King presented on the committee's priority areas which are:

1. Prompt Payment by Shaila – getting small business owners paid early without the discount as that hits small businesses hard.
2. Case study suggestion by Jai – discrepancies between 25 percent goal and the vendors who are getting contracts.
3. Creative ways to do outreach – make outreach more inclusive (rather than separating groups) and keeping consistent messaging. This will also foster relationship building and information sharing.

Phil Vermeulen, Chair, CUF Committee:

CUF Committee chair Phil Vermeulen presented on the committee's work/areas of interest:

1. AB 1574 (JEDE Committee) – Phil reviewed the provisions that deal with CUF. Deadline is September 10.
2. DGS endeavors on CUF violations. Committee discussed:
 - Vendors could fund a third party to ensure compliance of Public Contract Code.
 - DGS add more staff/resources to enforce CUF.
 - Committee requested Carl Josephson, Manager, OSDS, to attend future committee meetings.

3. Addressing pass-through businesses and how to reduce business fear to whistle blow on these businesses.

OSDS Branch Updates:

Araceli Mohseni, OSDS Business Outreach Liaison, reported on OSDS updates:

1. OSDS is updating the SB and DVBE regulations this year. For interest in receiving a notice of rulemaking when the proposed regulations are posted on the DGS website, send an email to SBDVBEregulations@dgs.ca.gov
2. The University of California system became our newest reciprocity partner at the end of August. Along with their partnership they launched their own Small Business First Program (<https://www.ucop.edu/procurement-services/for-suppliers/small-business-first-supplier/small-business-first-supplier.html>).
3. Upcoming outreach events:
 - September 15 - National PTAC Day, online by webinar. Covers Government Contracting strategies in the post-pandemic.
 - September 15 - Prepare for the Fair Workshop, online by webinar. For businesses who are interested in getting certified and ready to submit a bid/quote with California state government.
 - October 13 - How to do Business with the state of California, a three-part webinar series on doing business with the state.
 - [October 20 - I'm Certified, Now What?](#) part two of a three-part webinar series on doing business with the state.
 - [October 27 - Contracting with CA State Government](#), final webinar of a three-part webinar series on doing business with the state.
 - [November 18 - SB/DVBE Advocate Meeting](#), a statewide meeting of the advocates.
 - To view all future outreach events, visit to: <https://www.dgs.ca.gov/PD/Events>.
4. SB/DVBE Emergency Registry
 - The SB/DVBE Emergency Registry was launched on 9/30/21 and is available at: <https://www.dgs.ca.gov/PD/News/Page-Content/Procurement-Division-News-List-Folder/SBDVBE-ER-Certified-Business-Information>.
 - This is a dedicated portal for California certified businesses to register as a supplier of emergency goods and services. A follow up email announcing the launch of the SB/DVBE Emergency Registry was sent on 9/22/21.
 - Unlike Cal eProcure, this portal will only include businesses that provide goods and services contained in specific emergency categories. State department buyers will be able to access and search this pool of suppliers during state emergencies.

- Only SB/DVBE businesses who are currently ready and able to support the state of California in an emergency should register.
 - Emergency contracting requires fast, around-the-clock turnaround times – a business should not register unless they are fully capable of immediately providing the goods and/or services they list during registration.
5. Matt Zweier, OSDS Business Outreach Manager, gave an update on the new DGS tool, CalSAT.
- CalSAT – is a PD/OSDS -developed mapping tool to assess the DGS SB/DVBE certification and outreach efficacy in the state's disadvantaged communities and inform future targeted outreach and certification strategies, as authorized by Government Code Section 11139.6.
 - By supporting the small, diverse, and disabled veteran owned businesses through certification, outreach, and education on how to access the state's annual \$10-12 billion contracting opportunities, DGS can contribute to the overall economic recovery throughout the state and especially in disadvantaged communities.
 - Alan Moreno, Manager with PD eBISS, gave a demonstration of the CalSAT
 - The CalSAT mapping tool and instructions are available on the OSDS webpage at: <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/SB-DVBE-Atlas-Tool-CalSAT?search=calsat>

New Outreach and Education/Legislation Committee

After tallying the votes, Mike Daniel is the new chair.

Review of New Action Items:

Leslie Fritz, OSDS Business Outreach Liaison, reviewed the new action items created by the discussion at this meeting. They are:

1. SBAC members interested in being part of the California Office of Digital Innovation's (ODI) report on small business participation in state contracting will state their interest to OSDS and complete the survey.
2. DGS will share the links Roberto Herrera from CalVet provided in their presentation on veteran suicide data.
3. DGS will share links to CalOSBA (California Office of the Small Business Advocate) and GO-Biz information provided by Tara Gray.
4. DGS will continue to include Carl Josephson, SB/DVBE Program Compliance Manager, in the invitation to CUF Committee meetings.
5. The Processes Committee will provide Matt Zweier, SB/DVBE Outreach Manager, specific detailed topics they want presented on and topic specific questions they have. The committee should specify this information in their requests for committee meeting

presentations from subject matter experts on MSA, CMAS, prompt payment, the 80 percent rule and other subjects.

6. DGS will send the SBAC members the link to the UC System's new Small Business First Program web page.
7. When available, DGS will provide SBAC members the link to the SB/DVBE Emergency Registry

Carry forward action items:

1. The Committee SharePoint site - This action item is currently being evaluated by DGS IT and the DGS Office of Legal Services.

Public Comment:

- None

Adjournment:

The next meeting is scheduled for December 8, 2021 at 1 p.m. on Zoom. A motion to adjourn was made by Lori Kammerer and seconded by Shaila Rao Mistry; the council adjourned at 3:59 p.m.