

California Department of General Services (DGS)

Small Business Advisory Council (SBAC) Meeting Minutes

Date: December 15, 2020

Time: 1 – 3 p.m.

Location: Zoom

Meeting Facilitator: Angela Shell

Recorder: Jolene Hulick

The regular quarterly meeting of the DGS SBAC was called to order by DGS Co-chair Angela Shell at 1:05 p.m.

DGS Co-Chair Angela Shell and DGS Business Outreach Liaison Jolene Hulick, taking minutes, were present. Attendance was taken; a quorum was present.

The council voted without objection to approve the meeting minutes from the past meeting. DGS Business Outreach Liaison Jolene Hulick reviewed the status of past action items; all have been completed except for the following:

1. The Committee SharePoint site:
This action item is currently being evaluated by DGS IT and an update will be forthcoming in the new year.

Angela Shell, DGS Co-Chair, provided an update on DGS:

- Daniel Kim, DGS Director, will be leaving DGS at the end of the calendar year. Director Kim is moving on to a position with Yolo County.
- The OSDS team continues to work on certification extensions for the SB/DVBEs whose certifications were set to expire.
- DGS continues to work on the COVID response and make emergency purchases including securing alternate care facilities, operational needs for local authorities, and emergency PPE needs, such as gloves for vaccine response.
- DGS recently awarded a competitive Request for Proposal (RFP) for N95 and surgical masks. The statistics of the businesses participating in this competitive procurement are:
 - 59 total vendors
 - 27 are small business
 - 2 DVBEs and seven firms which are minority or women owned.

Isabel Guzman, Director of the Office of the Small Business Advocate of the Governor's Office of Business and Economic Development (GO-Biz), provided updates about her office's work:

- On November 30th Governor Newsom and the California Legislature announced a comprehensive small business relief package that includes the \$500 million Grant Program. In addition, an executive order announced that a business tax relief was issued to provide an additional three months relief on sales tax if less than \$1 million is owed. Find out more information about this announcement and executive order [here](#).
- The funding was also increased for the California Small Business Rebuilding Fund. Find out more information [here](#).
- On December 1, 2020 the Main Street Small Business Tax Credit program went live. To find more information please visit [the Main Street Small Business Tax Credit program webpage](#).
- The Governor's task force on business and jobs recovery issued a report that included one item that GO-Biz is working on. The Source Diverse, Source Local initiative is a program that is focused on growing diverse and local suppliers in California by leveraging onshoring and the need for local sourcing to put an emphasis on the local supply chains. GO-Biz is looking to roll out specific information on the Source Diverse, Source Local initiative in early 2021.

Carol Bangs, Chief of the Acquisitions Branch at DGS, presented on upcoming and current contracts and information on accessing the list of upcoming contracts from the DGS Procurement Division:

- Contracts in development: Roadway Signs, Herbicides, Tablets, IT Consulting Services, and a State Price Schedule for 25 Year and Retirement Awards.
- DGS has a new [Award Notifications](#) page on the DGS website. This webpage will post all awards as well as any retractions or cancellations and will be specific to DGS contracts.

Renee Alexander, Section Chief of the Procurement Business Intelligence Section, and Alan Moreno of Intake and Analysis, provided a brief overview of the new [DGS Procurement Dashboards](#):

- To find these Dashboards, visit www.dgs.ca.gov and type "Dashboards" in the search feature.
- There are currently six procurement data dashboards, all for different audiences.
- The newest "UNSPSC Spend" dashboard and the "Department Spend" dashboard, are primarily intended for use by businesses interested in contracting with the state.

Committee updates were provided by committee chairs Shaila Rao Mistry and Phil Vermeulen.

Shaila Rao Mistry, Processes Committee, presented updates on their six main areas of focus:

- Simplifying the Master Service Agreements and California Multiple Award Schedules process: No update
- Cal eProcure process: No update
- Competitive bidding: this area of focus has been met by the creation of the [Procurement Dashboards](#). The Processes Committee would like to see a one or two day call-in event for SB/DVBEs to get one-on-one help navigating and learning the dashboards
- Navigating opportunities for small businesses: No update
- Payment terms and execution of terms: The committee received a presentation on Prompt Payment and gained a better understanding of the payment process. Next the Process Committee would like to work on a process for gathering statistics such as how many days does it take for an SB/DVBE to be paid
- Reviewing the 80 percent rule: The Process Committee would like to identify and reach out to DGS subject matter expert(s) regarding the 80 percent rule.

Phil Vermeulen, Commercially Useful Function (CUF) Committee, presented updates on their four main areas of focus:

- Accessing fee from each of the contracts for third party enforcement: No update
- Better education on CUF for new businesses: A new CUF brochure and training video is being created by DGS/OSDS
- Update the Bidder Declaration Form with CUF information. The form is being updated by DGS to include CUF elements and initials by the prime contractor for each certified subcontractor, as well as the prime contractor's signature certifying that the SB/DVBE information is accurate and complete. The "under penalty of perjury" signature is required on the bid package, and the Bidder Declaration form is part of the bid package.
- The CUF Committee would like to move forward with heavier laws surrounding CUF, more penalties and/or fines when a violation is made: No update

Wayne Gross, OSDS Outreach Liaison, provided an update on the work of the Business Outreach section:

- Araceli Mohseni has returned to the OSDS Business Outreach team
- The OSDS Business Outreach team won the Western Regional Minority Supplier Development Council's (WRMSDC) Opportunity Hero award for demonstrating exceptional engagement in providing opportunity and inclusion for diverse businesses and for ongoing support of WRMSDC
- From July 2020, the team has done 29 "How to Do Business with the state" webinars, six "I'm Certified, Now What?" webinars, seven "Contracting with the

state” webinars, and 18 events where the team was either speaking, on a panel, or doing matchmaking

- On October 12, 2020, the County of Orange became a DGS Reciprocity Partner. They accept both SB and DVBE certifications
- The DGS DVBE Waiver program has been revamped to include review by OSDS and consultation with CalVet to ensure accurate information about DVBEs availability, and routing through OSDS management for final approval by PD Deputy Director
- OSDS Business Outreach attended the first phase kickoff meeting for the Richards Boulevard project with Hensel Phelps on October 8th and presented to potential subcontractors for the project
- 21st Annual State Agency Recognition Awards (SARA) will take place virtually this year. There are four award categories with nominations: Agency of the Year, Advocate of the Year, Reciprocity Partner of the Year, and the Angel Carrera Leadership Award. Nominations are due by 5 p.m. on Friday, January 8, 2021
- Training materials continue to be updated on the DGS [How to do Business with the State of California](#) resources page

Anda Draghici, OSDS Branch Chief, introduced the new OSDS Certification Program Manager, Nancy Huth. Nancy presented on the following certification updates:

- The Certification Program is continuing to work on certification extensions for SB/DVBEs that will be expiring in the months September 2020 - May 2021 to help mitigate COVID impact on certified small businesses and DVBEs
- From September 2020 – February 2021, 3,600 SB/DVBE certifications have been extended
- 2020 Certification numbers:
 - 18,000 Small Business Certifications (16,000 in 2019)
 - 1,900 DVBE Certifications (1,700 in 2019)
- Certification is currently working on the 19-20 Consolidated Annual Report:
 - There were several departments who have asked for extensions due to COVID-19 and emergency staffing issues
 - Total spend for mandatory departments reached approximately \$11.8 billion
- The Certification Public Counter is still open, and staff are available to answer any questions by phone at (916) 375-4940 or email at OSDSHelp@dgs.ca.gov

Angela Shell presented appreciation certificates to the following SBAC members for serving on the council for 10 years or more:

- **Lee Cunningham**, representing Women Construction Owners & Executives: Lee has been a member of the SBAC for over 10 years. Lee has stepped up to serve as the co-chair of the SBAC and serves on the Outreach and

Education/Legislation committee. Lee is a passionate advocate for women in construction.

- **Stephen Simpson**, representing the Coalition of Small and Disabled Veteran Businesses: Stephen has served on the SBAC since 2009, and currently sits on the Processes Committee.
- **Paul Guerrero, founding member of the SBAC**: Paul has represented multiple organizations, including California Small Business Entrepreneurs, Inc. and currently LA RAZA Roundtable de California. Paul sits on the Outreach and Education/Legislation committees and brings over 35 years of experience advocating for small businesses.
- **Savita Farooqui**, representing business owners in the IT sector: Savita has been a member of the SBAC since 2008 and currently serves on the Outreach and Education/Legislation committee.
- **Don Stoneham**, representing Agape Enterprises: Don has served on the council since 2009 and currently sits on the Processes Committee bringing his advocacy for minority business to the council.

Wayne Gross, OSDS Outreach Liaison, reviewed the new action items created by the discussion at this meeting. They are:

1. CUF committee will set meeting with DGS CUF subject matter expert.
2. PD Outreach Team will share the new and improved CUF brochure once it becomes available.

Carry forward action items from previous meetings:

1. The Committee SharePoint site:
This action item is currently being evaluated by DGS IT and an update will be forthcoming in the new year.

Public comment period:

Lee Cunningham gave kudos to the DGS team on how they implement construction projects and stress the importance of using certified SB/DVBEs.

Maria Solano thanked DGS for being a strong supporter of National Latina Business Women Association Inland Empire in their programs they provide specifically in the certification area.

The next meeting is scheduled for March 10, 2020. A motion to adjourn was received and seconded; the council adjourned at 2:50 p.m.