

California Department of General Services (DGS)

Small Business Advisory Council (SBAC) Meeting Minutes

Date: Wednesday, June 3, 2026

Time: 1:00 – 4:00 p.m.

Location: The Ziggurat, 707 3rd Street, West Sacramento, CA 95605 and Zoom

Meeting Facilitator: Angela Shell, Deputy Director, DGS SBAC Co-Chair

Recorder: Samantha Poole, Business Outreach Liaison, Office of Small Business and DVBE Services (OSDS)

The regular quarterly meeting of the SBAC was called to order by Co-Chair Angela Shell at 1:04 p.m. Attendance was taken, and a quorum was present. Angela reviewed the agenda.

Meeting Minutes and Past Action Items

Lori Kammerer motioned and Mike Sabellico seconded to approve the December 3, 2025, meeting minutes. The motion passed without objection.

Mike Sabellico motioned and Lori Kammerer seconded to approve the 2026-2028 Strategic Plan. The motion passed without objection.

Matt Zweier, Business Outreach Manager, DGS, reviewed action items from the December 3, 2025 meeting. All have been completed.

1. DGS to explore a brainstorming process with the Council members in preparation for the March 2026 strategic planning meeting. (Completed)
2. DGS will share the nomination process for CalVet's John K. Lopez awards with the Council members when it becomes available. (Sent 1/16/26)
3. DGS shared links to CalOSBA's various grant programs and access to capital programs through the State Treasurer with the Council members. (Sent 12/11/25)
4. DGS sent the link to the [DGS Consolidated Annual Reports \(CAR\) webpage](#) to the Council members. (Sent 12/11/25)
5. DGS sent the link to the [Statewide Procurement Data Dashboards](#) to the Council members. (Sent 12/11/25)

DGS Updates

Angela Shell, SBAC Co-Chair and Deputy Director, Procurement Division (PD) provided an update and reminders on DGS activities.

1. Tracy Porter resigned from the Council.

2. Acknowledged the contribution of the Council for the creation of the 2026-2028 Strategic Plan.
3. Acknowledged the chairs and co-chairs of the council sub committees and a reminder that all members must serve on a subcommittee.
4. The [2024-25 Consolidated Annual Report](#) (CAR) has been published and is online.
 - a. The Small Business (SB) goal reached 29.61% for the entire state, which is an increase over last year.
 - b. The Disabled Veteran Business Enterprise (DVBE) goal reached 5.96% for the entire state, which is up from the previous year and is the highest in the last 10 years.
 - c. The report has a new format this year and includes remedial actions per Assembly Bill 2019. Section 8E and exhibit G contains the list of departments and remedial actions for departments who missed goals for 3 out of 5 years.
5. The eMarketplace project is underway. It supplements Cal eProcure and includes online quoting.
 - a. To start, all Leveraged Procurement Agreements (LPAs) will be found in a catalog format similar to Amazon.
 - b. State departments can request a quote or offer from a vendor directly in the system.
 - c. This will provide efficiency for state purchasing and vendors.
 - d. User experience and user acceptance testing has been done with state departments and is currently underway with vendors.
 - e. The projected go-live date is the end of July/early August.
6. Generative AI tools are being evaluated for use in the California State Contracts Register (CSCR) to help vendors and buyers find relevant solicitations and extract key requirements from the attachments. This is a tool inside Cal eProcure, not replacing it. The goal for availability is the end of 2026.
7. The SB/DVBE regulations package update is with the Office of Administrative Law (OAL).
 - a. We anticipate another 30-45 days for approval.
 - b. The update package looks to clean up existing regulations, extend SB/DVBE certification from 2 years to 3 years, and provide the ability for state departments to have a set aside SB/DVBE procurement project for \$250,000-\$3.5 million to allow for competitive bidding among SBs or DVBEs.
8. Human Centered Design Project is in the final stages. The consultant provided preliminary recommendations for website redesign and improved communications. Final recommendations are due this summer for DGS to review.
9. The DGS Disparity Study is in the final stages. Once finalized the summary document will be published online.
10. Supplier Diversity Symposium was in March in Pasadena. There were 411 attendees, 40 speakers, and 64 exhibitors. It had an overall satisfaction rating of 87% and 98% recommendation for future. The plan is to hold the event in Southern California again in 2027 and cohost with Orange County during their Business Symposium.

Member Questions or Comments:

Member question: Is California Multiple Award Schedule (CMAS) considered an LPA for the purpose of the marketplace?

Reply: Yes, that is correct.

Member question: What city will the Supplier Diversity Symposium be in?

Reply: It will be in Anaheim.

Member question: How can Council members participate in the evaluations of the AI tools?

Reply: DGS plans to involve small businesses in the evaluation of new systems and will notify the council and small businesses when opportunities become available.

Member comment: Confirming that the CAR shows SB participation increased even with total state spending decreasing.

CalVet Update

Mike Iadorola, Chief Veteran and Community Engagement, presented the California Department of Veterans Affairs (CalVet) updates.

1. Senate Bill 694 was signed in February 2026. It makes it illegal in California to file Veterans Affairs (VA) claims for veterans without federal certification and prohibits charging veterans to file claims, addressing privacy/credential misuse and predatory fees.
2. CalVet conducted two surveys within the last 6 months with another in production. CalVet would like to share the results of all three surveys with the council.
 - a. The first was sent to federally certified veteran-owned businesses about their awareness of California's DVBE certification.
 - b. The other was sent to DVBE advocates about challenges they have in contracting with DVBEs.
 - c. The survey in production will be sent to certified DVBEs. The questions are still being finalized.
3. CalVet's current DVBE council term is ending in October of this year. Applications for membership will be sent out in July. They are inviting the DGS Council members to share the information and apply if they work in the DVBE space.

Member Questions or Comments:

Member comment: There are now over 2,000 DVBEs certified. It is good to see this number go over 2,000 and continue to grow. Outreach efforts are working.

Member question: How can Council members get an application for the CalVet council?

Reply: DGS will send it out after receiving it from CalVet.

Member comment: There was an acknowledgment that CalVet is working to help more veterans get their disability rating.

Member comment: The Outreach, Marketing, Education and Training subcommittee has a goal to retain certified DVBEs. They will reach out to CalVet.

Legislative Update

Corrina Roy, Legislative Consultant, DGS Office of Legislative Affairs, presented the following update:

1. **AB 685 (Solache) Small Business Resiliency and Innovation Act**

This bill establishes the Small Business Resiliency and Innovation fund, which would appropriate \$26 million from the General Fund to be administered by the Office of the Small Business Advocate. The funds, divided amongst the Small Business Technical Assistance Program and the Capitol Infusion Program, are aimed at providing assistance for small businesses experiencing economic hardship or natural disasters.

This bill has been assigned to the Senate Committee on Business, Professions and Economic Development and is awaiting public hearing.

2. **AB 1245 (Stefani) State contracts: certification process: forced labor and human trafficking**

This bill would expand the “Sweat free Code of Conduct” in the Public Contract Code, which presently requires a contractor to certify that any apparel, garments, accessories, equipment, materials or supplies furnished pursuant to a state contract have NOT been laundered or produced using sweatshops, forced labor, convict labor, or child labor, among other things.

This bill would expand upon that and require a contractor to certify, on behalf of themselves, employees, subcontractors and subcontractor employees and their agents, that none of these persons are engaging in forms of forced labor or human trafficking, as specified. It further requires the contractor to certify they are not denying an employee access to their identity or immigration documents, nor using misleading or fraudulent practices during the recruitment of employees, as specified.

This bill is at the Senate Rules desk awaiting committee assignment.

3. **AB 2272 (Caloza) State contracting: subcontractors: prompt payments**

This bill would authorize a subcontractor or supplier performing work under a state contract to request payment status information from the awarding state agency regarding invoices submitted by the prime contractor. Furthermore, a prime contractor is required to provide confirmation to the awarding agency, upon the agency’s request, regarding payments made to its subcontractors.

This bill is awaiting committee assignment in the Senate.

4. **SB 1044 (Reyes) Public contracts: Small Business Procurement and Contract Act**

This bill would expand the Small Business Procurement and Contract Act, which permits a state agency or the California State University to award a contract for goods, services, or information technology with an estimated value between \$5,000 and \$250,000 to a certified small business, including a microbusiness and a disabled

veteran business enterprise, without complying with specified competitive bidding requirements. This bill would increase the maximum estimated value of a contract for services, or information technology awarded pursuant to the act from \$250,000 to \$350,000.

There are a few stakeholders that oppose the bill, but the author is building a coalition of small businesses and small business advisory groups in support.

This bill is awaiting committee assignment in the Senate.

Member Questions or Comments:

Member question: Is DGS tracking Senate Bill 1407? The bill concerns military retiree taxes.

Reply: The bill is not directly a part of our SB/DVBE program, so it is not being tracked right now. It would possibly be tracked if an amendment is added that pertains to our SB/DVBE program. CalVet is aware of the bill.

Member question: Concerning AB 2272, would this address the work done by the council surrounding prompt pay?

Reply: The intent of bill is to further encourage more transparency/quicker response times for prompt payment.

Member question: Do the 25 percent SB and 3 percent DVBE goals flow down to local entities?

Reply: No. It is not currently a requirement.

CalOSBA & Go-Biz Update

Diane Lydon, Assistant Deputy Director, Equity in Procurement and Northern California Regional Advisor, California Office of the Small Business Advocate (CalOSBA), within the Governor's Office of Economic Development (GoBiz) presented the following updates.

1. The Capital Programs & Climate Financing Authority (CPCFA) Loan Participation Program (LPP) will launch this summer to support businesses with fewer than nine employees and socially/economically disadvantaged owners with rate buydowns and flexible credit to start, stabilize and scale. Eligible uses include lines of credit, bridge financing and term loans for procurement fulfillment.
2. Caltrans has a separate carve-out program via the State Treasurer to provide \$50 million in short-term working capital and equipment loans. The goal within 3 years is to expand this to \$250 million.
3. CalOSBA Grant Programs include:
 - a. \$23 million in annual Technical Assistance Providers (TAP) funding beginning in July. Diane provided DGS with the link to send out.
 - b. The California Rise program provides capital with tech assistance to Employment Social Enterprises. It is typically a one-time grant between \$100,000-500,000 with selection happening through a competitive process.

- c. The Civic Media Fund is scheduled to open soon, with applications being accepted from July 6 through August 21. Award announcements will happen in the fall. Diane provided DGS with the link to send out.
 - d. Inclusive Innovation Hubs include \$6.5 million in grants for innovative startups. They must be nominated through the Accelerate California hubs.
4. Outsmart Disaster Training is an emergency preparedness program available for small businesses. It is a Train the Trainer program to help small businesses prepare for emergency disruptions. The website for this has been relaunched. CalOSBA would like the support of the council to get the word out.

Member Questions or Comments:

Member question: Do small businesses have to put up collateral for the LPP?

Reply: The criteria for the LPP are determined by the lending institutions. Diane will share more information once it is released.

Member question: Does being awarded a contract act as collateral?

Reply: It could be. The lender will set the criteria.

Member question: Does California Rise help those who need startup capital but have a past that keeps them from normal funding? Can they also apply for startup funds?

Reply: Yes. They can apply for grants.

Member question: Has CalOSBA heard anything or had any input into the Hub Zone interaction with the state of California?

Reply: No.

Member comment: Stacey Tate, California Asian Pacific Chamber of Commerce, Oscar Garcia, California Hispanic Chambers of Commerce, and Mike Sabellico, San Diego, Orange, and Imperial APEX Accelerator said their organizations can assist businesses owners apply for funding.

Procurement Updates - Acquisitions

Carol Bangs, Chief, Acquisitions Branch, DGS Procurement Division, provided the following update on upcoming solicitations.

1. Upcoming Leveraged Procurement Agreements (LPAs):

Award Type	Solicitation Title/Description	Contact Email	SB Preference	DVBE Requirement/ Incentive	Advertisement link to CSCR
Statewide	Guardrail and End Treatments	robb.parkison@dgs.ca.gov	Yes	Incentive Only	Event ID 0000036394

Statewide	Ammunition , Factory Loaded	frank.martin@dgs.ca.gov	Yes	Incentive Only	Event ID 0000037533
Statewide	Bulldozer	willie.orphe@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Land Survey Products	yash.ghuman@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Cheese	timothy.lemus@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Paint, Water Borne Traffic	timothy.lemus@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Frozen Vegetables	ashley.lockwood@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Bags, Plastic	ashley.lockwood@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Envelopes	willie.orphe@dgs.ca.gov	In Development	In Development	Upcoming
Master Agreement	Assessment and Monitoring Services for Disaster Debris and Hazard Tree Removal	tina.larios@dgs.ca.gov	In Development	In Development	Upcoming

These are regularly updated and posted on our [DGS Procurement Division](#) website under Upcoming Solicitations.

Member Questions or Comments:

None

OSDS Program Updates

Mariela Whyte, Bilingual Business Outreach Liaison, DGS Procurement Division, provided the following updates:

1. OSDS Certification Updates (as of 5/01/2026):

- a. Count of Certified Firms (as of 5/01/2026):
 - i. Total of 23,196 certified firms in Cal eProcure database (including duals/triples).
 - 18,320 SB Micros (GARs up to \$6 million)
 - 2,194 SB-only (GARs up to \$19 million)
 - 6,144 SB-PW
 - 1,070 SB-PW only (GARs up to \$46 million)
 - 4,350 SB-PW & SB Micro (GARs up to \$6 million)
 - 476 SB-PW & SB non-micro (GARs up to \$19 million)
 - 2,245 DVBEs
 - 269 Non-Profit
 - 3 Non-Profit Veteran Service Agency
 - b. Compliance Updates (as of 5/20/26):
 - i. 36 active program abuse cases
 - ii. 26 active compliance reviews
 - c. Hands-on certification workshops
 - i. 6/23 with the National Latina Business Women Association (Inland Empire)
 - ii. 6/25 with SMUD (Sacramento)
 - d. Application Processing
 - i. OSDS processing time for applications waiting to be reviewed averages 2 days
 - e. Bid Due Date (BDD) Expedite Requests
 - i. Requests for expedited application processing for bid due dates must be received no later than the same day applications are submitted.
 - f. SB/DVBE Regulation Package
 - i. OSDS's proposed regulations were delivered to the Office of Administrative Law for approval on April 22, 2026. The review was scheduled to be completed by June 3, 2026.
 - ii. More information is available at <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Notice-of-Rulemaking-Regulations-for-SB-DVBE>
2. OSDS Training Updates
 - a. OSDS Training Unit has added additional standalone classes:
 - i. Fair & Reasonable SB/DVBE Option Acquisition Methods
 - ii. How to Understand and Prepare for Leveraged Procurement Agreements
 - iii. Bidding Training for Leverage Procurement Agreements
 - iv. How to Navigate Through the California Multiple Award Schedules (CMAS) Application
 - v. Understanding Departmental Contracts Part 1 & 2
 - b. The website for training is <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/SB-DVBE-Training-Unit>
3. OSDS Statewide Advocacy Program Updates
 - a. The 2024-25 Consolidated Annual Report (CAR) was published last month. The state as a whole met both goals, achieving 29.61% SB and 5.96% DVBE. The state awarded \$12.21 billion in contracts.
 - i. Small Businesses: increase from \$3.55 billion to \$3.62 billion. An increase from 26.58% to 29.61%

- ii. DVBE: increase from \$625.8 million to \$727.9 million. An increase from 4.36% to 5.96%
- b. CAR now includes remedial actions as required by AB 2019
- c. 23 departments qualified for remedial actions.
 - i. Actions include but are not limited to having someone assigned to the advocate role, attending agency visits and the Best Practices Webinar, considering adopting a SB/DVBE First Policy, and others.
- d. The 26th Annual State Agency Recognition Awards (SARA) was held on April 14, 2026, with 139 attendees representing 40 state departments.
- 4. OSDS Outreach Updates
 - a. Since December 2025, OSDS conducted and/or participated in 138 outreach events in total. Organizations OSDS teamed up with include:
 - African American Chamber of Commerce
 - American Indian Chamber of Commerce
 - Asian Business Association of Orange County
 - Black Entrepreneurs Leaders & Learners (BELL)
 - California Black Chamber of Commerce
 - California Capital APEX Accelerator
 - California Hispanic Chambers of Commerce
 - California LGBTQ Chamber of Commerce
 - California Women's Business Centers Network
 - Central Valley Women's Entrepreneur Center
 - Diversity Biz Forum
 - Elk Grove Chamber of Commerce
 - Filipino American Chamber of Commerce
 - Fresno Area Hispanic Foundation (Confia)
 - Inland Empire APEX Accelerator
 - Los Angeles Area Chamber of Commerce
 - Los Angeles Latino Chamber of Commerce
 - National Association of Women Business Owners (NAWBO)
 - Nor-Cal APEX Accelerator
 - Nor-Cal Elite Disabled Veterans Network
 - Nor Cal Small Business Development Center
 - North San Diego Small Business Development Center
 - Orange County Inland Empire Small Business Development Center
 - Southwest Veterans' Business Resource Center
 - b. Upcoming events:
 - July 20-21: American Indian Chamber of Commerce Expo '26; American Indian Chamber of Commerce (Rancho Mirage)
 - July 22: "Next Steps to Contracting with California State Government" - Department of General Services
 - July 23: ProBiz Procurement Summit; Northern California Small Business Development Center (Stockton)

- July 23: The Procurement Pipeline: Connecting Small Business to Big Opportunity; Small Business Administration (Citrus Heights)
 - July 23: Caltrans D11 Imperial Valley Certification; Caltrans (El Centro)
 - July 23: Cómo Preparar su Negocio para Obtener Financiamiento; National Latina Business Women Association (Rancho Cucamonga)
 - July 23: “Prepare for the Fair” - Caltrans
 - August 3: Certification Workshop; Sacramento Valley Small Business Development Center (Sacramento)
 - August 5: 22nd Annual San Diego Procurement and Resource Fair; Caltrans (San Diego)
 - August 6: “CMAS Webinar” - Orange County Inland Empire Small Business Development Center
 - August 10: “BELL Mastermind Meeting Series Part 3” - Black Entrepreneurs Leaders & Learners
 - August 12: “Certification Workshop” - High Speed Rail Authority
 - August 12: Win Bids: Benefits and Pathway to Certification for Small Business; Sacramento Asian Pacific Chamber of Commerce (Sacramento)
 - August 13: “Next Steps to Contracting with California State Government” - Department of General Services
- c. You can learn more details about these and all our events on the Procurement Division website.
- i. Events calendar at: <https://www.dgs.ca.gov/PD/Events>.
 - ii. Follow OSDS on LinkedIn at: <https://www.linkedin.com/company/dgs-osds>

Member Questions or Comments:

Comment: Marcus Delfin, the SB/DVBE advocate for the Military Department, gave kudos to DGS for providing same-day certification for businesses.

SBAC Committee Updates

Procurement Processes Committee

Lori Kammerer, Co-Chair, presented the committee report that was prepared by Leslie Murdock, Chair of the Procurement Processes Committee.

1. The committee has moved from alignment to execution. Members confirmed initiative ownership across the four priority areas:
 - a. Shobha Mallarapu and Jai Sharma will lead the Statewide DGS Forms Repository pilot.
 - b. Andrew Chang will lead Increasing Competition Through Transparency.
 - c. Lori and Don Stoneham will lead Expanding Opportunities for SB/DBE/DVBE firms.
 - d. Charlotta Carter will lead the Plain Language RFP Template effort.
2. The committee discussed the 10% contract withholding provision and its potential impact on small business contractors. Andrew and Jai will begin developing a business case for further committee review.

3. The committee also discussed the prompt pay legislative initiative. Allison Allain, President, National Small Business Advocacy Council, is invited to provide an informational update at a future committee meeting regarding the journey, current status, and procedural path of that initiative. The committee is clear that any discussion of this matter will remain strictly informational and compliant with DGS guidance. The committee will not engage in lobbying, advocacy, or any formal position for or against legislation.
4. To support better coordination between meetings, Leslie is organizing Google Chat groups by initiative so leads and supporting members can communicate more efficiently, track progress, and reduce reliance on lengthy email threads.
5. Finally, Don shared information about Verizon's Small Business Supplier Accelerator and suggested Verizon may be a useful future presenter for the Council. That request may be appropriate for future consideration.
6. Overall, the committee is now focused on clear ownership, structured follow-through, practical recommendations, and respectful use of members' time. The goal is to move the work forward in a way that is useful to DGS leadership, responsive to small business concerns, and appropriate within the Council's advisory role.

Member Questions or Comments:

Member comment: Kudos to Leslie Murdock for her leadership of this committee.

Outreach, Marketing, Education and Training Committee

Mike Sabellico, Chair, presented the committee report.

1. The committee has had two meetings so far to identify leads and conduct initial research:
 - a. The committee is no longer pursuing the first strategic goal of drafting guidance on insurance and bonding, but they will still discuss it.
 - b. The Peer-to-Peer Program Support team is reviewing the Small Business Administration and Department of War mentorship programs.
 - c. The team focusing on retaining existing SBs/DVBES has already met with Matt Zweier, Business Outreach Manager, DGS to get details and data and will meet with Rebecca Aguilera-Gardiner, Executive Director, Veterans In Business (VIB) network.
 - d. The connect niche industries to departments team will work with Matt Zweier to identify those niche industries and what the state needs.
2. The committee also recommended that the next Strategic Planning Meeting be held in person only.
3. The committee also recommended that OSDS attends the Navy Gold Coast event and try to provide training on first (free) day. OSDS confirmed they will be in attendance.

Member Questions or Comments:

None

Review of New Action Items

Matthew Zweier, Business Outreach Manager, DGS presented the new action items.

1. Mike Iadorola, CalVet will give DGS the application to CalVet's DVBE Council when it becomes available. DGS will share it with council members.
2. Diane Lydon will send DGS information and the link to CalOSBA's Civic Media Fund. DGS will share it with council members.

Public Comment

Question: from Peter Carruth regarding the SB/DVBE regulations package. Is a small DVBE considered a SB? Will they compete with an SB or a large DVBE?

Reply: Angela confirmed the regulations package is for the SB program. SBs will compete against SBs. Businesses that only hold an SB certification will compete against businesses that hold the SB and DVBE certifications. Some SBs hold a DVBE certification, and about 80% of DVBEs hold an SB certification.

Question: from Sam Nabahani, owner of Abe Janitorial Supply in Sacramento, who is SB certified. He commented on blanket purchase orders (BPOs) steering departments to NASPO (National Association of State Procurement Officials) LPAs and reported preparing a competitive CMAS price list and sought clarity on BPO use with CMAS/NASPO.

Reply: He was advised to exchange contact information with Carol Bangs for next steps.

Comment: Don Stoneham shared Verizon's plan to invest \$5 billion nationwide in small businesses over five years, with \$500 million to \$650 million in California, and free Google AI training for small businesses. He proposed inviting Verizon to present at a Council meeting.

Question: from Josh Martin, University of California, asked about capital sources for small businesses scaling to campus/state needs and clarified that SAM.gov self certification- is not accepted as state SB certification.

Reply: Resources include the programs referenced by Diane Lydon, Small Business Development Center (SBDC) Regional networks, California Capital powered by Wells Fargo, and SCALE (Success, Capital Access, and Leadership for Entrepreneurs) programs. It is correct that there is no reciprocity of state certification with the federal certification due to differing criteria.

Comment: from Paige Johnson, SB/DVBE Advocate, that businesses should always check the DGS Reciprocity Partner website to confirm what certifications are accepted by each partner.

Question: from Jennifer Cortes, Councilmember, asking when the next committee meetings are scheduled for.

Reply: The Procurement Processes Committee meeting is scheduled for June 23 at 9 a.m. and the Outreach, Marketing, Education, and Training meeting is scheduled for July 9 at 10:30 a.m.

Adjournment

1. The next quarterly meeting scheduled for September 9, 2026, will be hybrid on Zoom and in-person at the DGS Ziggurat (707 3rd Street, West Sacramento, CA 95605).
2. Oscar Garcia motioned and Mike Sabellico seconded to adjourn the meeting.
3. The meeting was adjourned at 3:19 p.m.