



Meeting Recap

Tuesday, April 6, 2021
1:30 p.m. to 2:30 p.m.

1. Welcome

Cheryl Angeles, Supervisor, Purchasing Authority Unit, Policy, Training & Customer Services (PT&CS) Branch, PD, DGS

Cheryl Angeles opened the meeting to welcome all participants and provided instructions on participating in the PART Microsoft Teams meeting and reminded participants to mute speakers to minimize background noise.

2. Procurement Division (PD) Update

Angela Shell, Deputy Director, PD, DGS

PD continues to be involved at the SOC with purchasing activities gradually decreasing. Support teams are returning to PD and resuming normal operations. The focus is now on PD's three 2021 Strategic Goals:

- 1) Develop emergency registry for SBs and DVBEs that are interested in supporting the state in an emergency
 - a. OSDS emergency registration for quicker access to registered SB/DVBE suppliers
- 2) E-market place project - multi-year goal with CDT partnership
 - a. Allow buyers easier access in FI\$Cal or via punch out catalog in leveraged agreement if not in FI\$Cal system
 - b. Allow buyers easier access to SCPRS interface with FI\$Cal system
 - c. CDT IT project application in beginning stages of business practice - pending approval
- 3) Continue SCM consolidation
 - a. Format similar to SAM online platform
 - b. DGS, PD Office of Policies and Procedures' (OPP) end of the year goal is focused on topics to be accessible online
 - c. Updates on topics and access to online searches

DGS Director Daniel Kim has left state service to accept a Yolo County position as of December 2020. Anna Lasso who came from Exposition Park is the new DGS Director and will begin her duties on April 19, 2021. She will focus on transitioning to teleworking, reducing climate footprint for DGS buildings/fleet, and redesigning government procurement policies and processes.

Various SB related bills currently in legislation:

- AB 915: SB 25% procurement goal into statute
 - Uses Federal regulation SB, 8A and Disadvantaged Business Enterprise program definitions
 - DOT already uses these Federal regulations as their own SB program
 - Allows agencies to use different categories to apply SB goals such as DVBE or Disadvantaged Business Enterprise type procurement
 - State Agency SB liaisons to develop “economic equity first action plan” for all agencies which will be tracked by GO-Biz
 - GO-Biz responsible to track SB goals
 - Based on Go-Biz SB goals tracking report, DGS to audit agencies who have not met their 25% goal and report to legislature
- AB 1574: Statements on DVBE program on behalf of the state
 - SB program - new definition only for DOT
 - For former SB1 and 103 language
 - Limited contracting on former SB enterprises and new SB enterprises
- AB 661: Recycled products
 - SABRC focus

DGS SB Procurements

- Focus on success and participation of SBs in government operations and in procurement operations
- Research on how DGS/state agencies can assist SBs to be more successful
- Identify what types of tools can be created and what messages can be communicated to assist SBs with competing in the State of California

Consolidated Annual Report (CAR)

- State did well in meeting their goals even in an emergency situation
 - PD to focus on assisting state agency’s success in the SB procurement area.

3. SB Procurement Initiative Update

Udaya Patnaik, Director, Office of Digital Innovation, Government Operations Agency (GovOps)

Clara Gonzalez Sueyro, Researcher, Office of Digital Innovation, GovOps

Krista Canellakis, Deputy Secretary, General Services, GovOps

- Create a procurement experience that is equitable, streamlined, and simplified so SBs can access contract opportunities with state government
- Work closely with the SB community and state procurement officers
- Conduct research and find ways to improve policy, processes, programs, and practices
- GovOps, Department of General Services (DGS), GO-Biz, Office of Digital Innovation (ODI), and California Department of Technology (CDT) are leading this effort
- To share your experiences, send an email to: clara@digital.ca.gov

Phase 1: Research on SB procurement policies and processes

- SB procurement policy
 - Discussions with GovOps, DGS, GO-Biz and CDT on the current SB procurement policy practices/processes and the available tools in place to support SB 25% procurement goal
 - Identify areas of improvement in SB procurement access and other opportunities beyond education
- State agency program level SB procurement processes
 - Meet with state agency procurement specialists who work specifically on SB procurements
 - Identify SB procurement challenges and opportunities

Phase 2: Design improvements on SB procurement policy

- Create tools to improve and alleviate challenges in SB procurement processes, access, and opportunities

Phase 3: Research the needs of SBs

- SB accessibility to state agency's SB procurement opportunities and the policies and processes required

4. Upcoming LPAs

Carol Bangs, Branch Chief, Acquisitions Branch, PD, DGS

- FedRamp High & Moderate Cloud Services Contract- Extended, effective through June 14, 2022
 - CDT is currently developing specification for these contracts
- Cal-Card Agreement – Awarded, effective January 1, 2021
 - More information available on PD website
 - FAQs and User Instructions available on Cal-Card website
- Fleet Card MSA – Awarded, user instructions coming soon
- Auto Parts NASPO – Currently in evaluation, estimated award in May
- Tablets Statewide Contract – Currently in evaluation
- Upcoming solicitations:
 - Printers
 - MSA Information Technology Consulting Services

5. Policy Update

Sarah Cering, Manager, Purchasing Authority Management Section, PT&CS Branch, PD, DGS

- SCM Consolidation Strategy update:
 - Consolidate existing content from SCM Volume 2, 3, and F
 - Update existing policy content at a later date
 - Publish in a new format using SAM platform as a template
- DGS/CDT quarterly meeting re: SIMM 71B
 - Working on revisions to the form

- Form feedback or comments contact CDT, Tiffany Angulo or send an email with subject: PART SIMM 71B form feedback to PAMS@dgs.ca.gov
- Policy updates in progress
 - OSDS policy updates regarding CAR report and legislation
 - Purchasing Authority transaction and general increase process
 - Improve on Proprietary IT software provider policy
 - General Provisions modifications
- CHHS Procurement Community of Interest Meeting
 - Forum to discuss procurement ideas, concerns, and issues
 - Discussed IT projects, NCBs, and purchasing authority at this meeting
 - DGS can provide more information to interested state agencies upon request

6. CAR Report and SB 588 Update

Anda Draghici, Branch Chief, Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS), PD, DGS

AB 230 (Brough, Chapter 676, Statutes of 2019)

- Amended Military and Veterans Code Section 999.5
- Amended Government Code Sections 14839 and 14841
- Added Public Contract Code Section 10230

AB 1365 (Committee of Veterans Affairs, Chapter 689, Statutes of 2019)

- Added Military and Veterans Code Section 999.55

SB 588 (Archuleta, Chapter 80, Statutes of 2020)

- Added Military and Veterans Code Section 999.7

AB 230

Requires prime contractors to:

- Provide proof of DVBE payment by request
- Certify the amount and percentage of DVBE work
- Use the DVBE subcontractors listed in the bid or proposal to the state unless a substitution is requested and approved

Requires state departments to:

- Not claim DVBE credit if DVBEs are not certified at time of award

Upon completion of a contract with DVBE subcontractors request, the prime contractor is to certify the actual percentage and amount of DVBE participation and that all payments to DVBE were made.

AB 1365

Requires state departments to:

- Maintain and retain all records regarding DVBE participation for a minimum of 6 years after collection
- Establish review procedures to ensure the accuracy and completeness of the certification of award amounts and amounts paid to DVBE subcontractors

Chaptered September 2020

Contracts/POs with DVBE subcontractors executed on or after January 1, 2021

SB 588

Requires state departments to:

- Withhold from final payment \$10,000, or the full payment if less than \$10,000, until a DVBE participation/payment certification is received from the prime contractor within a specified time period
- Provide prime contractors with 15-30 days to cure if complete and accurate certification is not received by the due date
- Permanently deduct the withhold amount if the prime refuses to comply after cure notice

Upcoming DGS Guidance

Stakeholder feedback - December 2020/February 2021

Guidance package includes:

- Broadcast Bulletin
- Changes to the SCM Volume 2, 3 and F (upcoming Vol.1)
- DVBE Program Requirements language for solicitations
- General Contract Language Updates
 - GSPD 401 Non-IT Commodities
 - GSPD 401 IT
 - SaaS Cloud Computing
- Updates to Applicable Forms
 - Former DGS PD 810P – NOW Prime Contractor's Certification – DVBE Participation (STD 817)
 - DGS PD 810D

2019-20 Consolidated Annual Report (CAR) - Preliminary

State awarded record-high \$11.9 billion, \$1.46 billion more than last year

- Approx. \$4.6 billion was for emergency procurements
- DVBE goal - 3.78% for the 12th year in a row - \$464 million to DVBE
- SB goal not met but close at 23.7% - \$2.8 billion to SB
- Both DVBE and SB dollars are the highest in the past decade
- On \$7.7 billion non-emergency procurements state achieved approx.:
 - DVBE goal – 5.5%
 - SB goal – 36.2 %

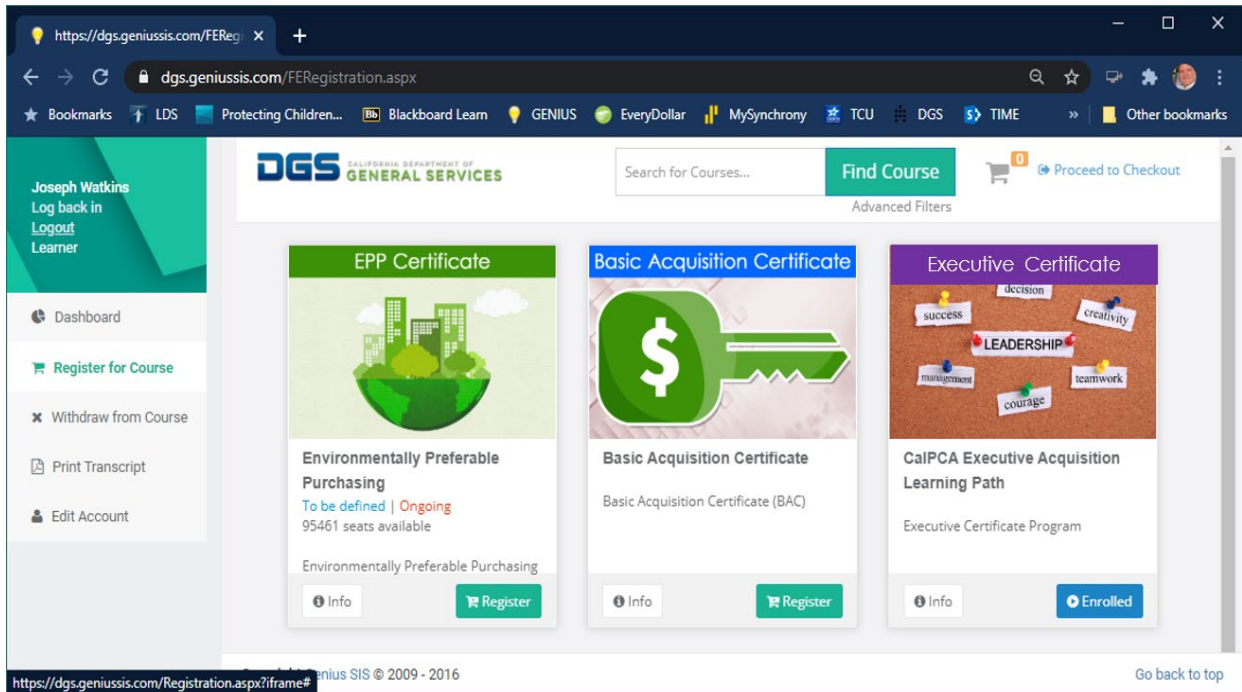
7. CalPCA Update

Joseph Watkins, Supervisor, CalPCA Unit, PT&CS Branch, PD, DGS

Updates to Webinar and User paced courses

- Standardized course duration
 - Require courses to be completed in 30 days
- No course expirations once course is completed

- User can revisit dashboard and review courses completed
- Required courses to be taken per agency's training policy or recommendation by PAU accreditation



EPP Course and Learning Path Certificate

- Very close to be completed
- Stimulate and improve EPP purchases

Basic Acquisition Certification path-Basic Hub Courses

- How to from start to finish an acquisition
- Learning path includes 6 courses for 6 months
- CUF course - May 5
- NCB webinar - July 7
- 110 users actively participating

Self-paced classes available June 30

- Next to be available – Management 1 of 2 classes
- Each quarter a new class will be available

Enrolled Users completed course statistics

- 2019 total: 9,852
- 2020 total: 1,629

8. LPAs and Contracting with CA Certified Small Businesses Pat Mullen, Manager, Multiple Awards Program Section, PD, DGS

OBJECTIVE

- Develop process to encourage and increase SB/DVBE purchases.

PROPOSAL

- Require ordering agencies to use SB/DVBEs for LPA orders less than \$250,000.
 - Similar to the acquisition method SB/DVBE Option
 - Encourage SB/DVBE participation for orders less than 50K.
 - Streamline exemption process for those that do not fit their needs or exempt for no SB/DVBE awardees
 - GC 14838 allows less stringent procurement process for state agencies
- RFO level implementation
 - Verify availability via LPA user instructions
 - Currently LPA non-mandatory
 - Add references to RFO and make this as part of the contract
- SB/DVBE proposal developed as a result of an MSA IT consulting services PC laptop contract issue
 - RFO too complex:
 - RFO winner selected by price and experience on a highly specific state agency run IT program.
 - Limited competition to one consultant who has been running the specific state agency IT program for a long time.
 - RFO winner instead could have been awarded based on a wider pool of vendors who not only have state agency level experiences, but federal and private experiences as well.

SUBMIT FEEDBACK OR COMMENTS

- Pat.Mullen@dgs.ca.gov