



Meeting Recap

Thursday, February 16, 2023

1:30 p.m. to 2:30 p.m.

1. Welcome

Nick DeAngelis, Purchasing Authority Unit Supervisor, Policy, Training & Customer Services (PT&CS) Branch, Procurement Division (PD), Department of General Services (DGS)

Nick DeAngelis is the new PAU Supervisor who will be facilitating all future PART meetings. Nick DeAngelis welcomed all participants and provided instructions on participating in the Purchasing Authority Round Table (PART) Microsoft Teams meeting. He reminded participants to mute speakers to minimize background noise. Opportunities to answer questions will be provided at the end of each speaker's presentation and at the end of the PART meeting.

2. Procurement Division Updates

Angela Shell, Deputy Director, DGS PD

DGS PD has been addressing legislation and focusing on policy implementation for AB 2019, 2974 and 1574 that were signed into law and went into effect on January 1, 2023. [Executive Order N-16-22](#) and other bills such as SB 674 and AB 661 that relate to procurements are also being evaluated by PD. Many require PD to partner with state agencies to focus on diversity and equity in procurements and the requirement in the law that requires 25% of all procurements to be awarded to small businesses.

[Governor Newsom Executive Order N-16-22, September 13, 2022](#)

- All state agencies are required to develop an equity plan which focuses on diversity and equity in procurement operations and procurement staff recruitment.
 - PD provided examples to agencies to meet these requirements.
 - All state agencies are to submit an equity plan to their agency executive director and to the Governor's Office.

[AB 2019 \(2021-2022\)](#)

- Mandated 25% Small Business (SB) Procurement Participation
 - DGS PD met with several agency executives to review their agency's 25% SB procurement participation plans and assisted or discussed any obstacles that are hindering agencies' efforts for achieving the 25% SB procurement participation goals.
- Mandatory Leveraged Procurement Agreements (LPA)
 - State agency feedback received on challenges meeting the 25% SB procurement participation goals.

- Some mandatory LPAs do not offer SB awardees on contract. Agencies would like to utilize mandatory LPA purchases towards their SB procurement participation goals if more SBs were available on mandatory LPAs.
 - PD Acquisitions Branch is working on improving the SB Off-Ramp provisions to allow for more SB participation opportunities on mandatory LPAs whenever possible.
- Disparity Study
 - Evaluates state agencies disparity treatment in their procurement programs, specifically looking at women and minority-owned businesses.
 - DGS PD will procure a vendor to evaluate each category of contracts on a Statewide level.
 - Managed through the DGS PD, Supplier Diversity Program.
 - Vendor will utilize Outreach Data when compiling the study. The outreach data includes the number of businesses awarded contracts including SBs, DVBEs, women, minority or LGBTQ owned businesses.
 - Contractor consultants may need to contact state agencies to discuss the types of contracts awarded.
 - Scheduled to be completed and published by January 1, 2025.
- ERGSO Report
 - State agencies can allow SB/DVBE vendors to voluntarily self-identify for race, ethnicity, gender, or sexual orientation.
 - This helps compile ERGSO data collection for the Consolidated Annual Report.
 - Purchases and contracts with women and minority-owned businesses are encouraged, however, the State cannot legally require vendors to report on race, ethnicity, or gender. The State also cannot legally require award of procurements based on ownership status.

[AB 1574 \(2021-2022\)](#)

- Requires awarding state agencies to regularly seek out and identify certified SBs and micro-businesses (MBs) that have not previously conducted business with the State and are not regularly used in state contracts.
- Guidance issued to state agencies on November 4, 2022.

3. Office of Small Business and Disabled Veterans Business Enterprise Services (OSDS) Updates

Araceli Mohseni, Supervisor, Small Business/Disabled Veterans Business Enterprise (SB/DVBE) Statewide Advocacy Support Unit, OSDS, DGS PD

SB/DVBE Regulation Updates

- Two SB/DVBE Regulation Packages
 - Regulation Package #1:

- Incorporates AB 230, SB 588, and AB 1365.
- Additions:
 - DVBE subcontracting requirements and payments.
 - AB 1574 requirements and language to allow state agencies to set contract-specific SB participation goals.
- Under review at the Office of Administrative Law (OAL).
- Regulation Package #2:
 - Reflects increased small business size standards due to 2021 biennial review and incorporation of AB 2019 and AB 2974.

SB/DVBE Policy Updates

- [AB 1574 \(2020-2021\)](#)
 - DGS PD developed policy requiring awarding state agencies to regularly seek out and identify certified SBs, MBs, and dually certified DVBEs that either have not previously conducted business with the State or are not regularly used in state contracts.
 - Includes available tools and best practices to incorporate, develop and adopt into state agencies' internal policy and procedures.
 - Discussed in Broadcast Bulletin [No. P-11-22](#), released on November 4, 2022
- [AB 2019 \(2021-2022\)](#)
 - Codifies the 25% participation goal for SB on state dollars contracts.
 - Authorizes the State to allow for an applicant or certified firm to provide an ERGSO.
 - ERGSO: Form which allows businesses to voluntarily self-identify race, ethnicity, gender, or sexual orientation.
 - Data collected: Businesses managed and controlled at least 51% minority and/or women-owned, and/or LGBTQ-owned.
 - FI\$Cal to offer ERGSO option as of January 1, 2023.
 - Additional efforts are underway to fully implement bill.
 - Discussed in Broadcast Bulletin [No. P-12-22](#) released on November 16, 2022.
- [AB 2974 \(2020-2021\)](#)
 - Establishes a 25% SB participation goal on state's infrastructure funded with proceeds from the Federal Infrastructure Investment and Jobs Act (IIJA).
 - Implemented in FI\$Cal's procurement transaction modules.
 - State agencies required to work with their SB Liaison to notify the SB community of contracting opportunities for projects funded with IIJA as of April 1, 2023.
 - Requires state agencies to report annually to OSDS.
 - Allows for the ability to exempt certain contracts.
 - For more details refer to the bill: [AB 2974](#)

Important Reminders for State Agencies

- DVBE Subcontracting Report

- Reminders were sent to state agencies that missed the deadline to submit their DVBE Subcontracting Report.
- SB 588 requires that state agencies must report whether they received certifications from prime contractors.
- Legislative Analyst Office (LAO) will conduct a future assessment of how SB 588 worked.
- CUF Brochure
 - OSDS has published the [CUF brochure](#) which is available [online](#).
 - Provides CUF requirements for SBs and DVBEs.
 - Reminds state agencies regarding CUF requirements for SBs and DVBEs.
- SB/DVBE Quarterly Meeting
 - First quarterly meeting on February 22, 2023. For future meetings, email DVBE@calvet.ca.gov.
- State Agency Recognition Awards (SARA)
 - SARA ceremony will be held in person at the DGS Ziggurat Auditorium.
 - Broadcast Bulletin announcing the date will be released shortly.
- SB/DVBE Emergency Registry
 - For state agencies conducting emergency purchasing
 - Please be sure to request access to the SB/DVBE Emergency Registry.
 - Search portal
 - Available to state buyers and is not public facing.
 - Simplifies the process of locating SB/DVBE certified businesses that can provide emergency goods or services.
- Expedited Certification Request
 - Contact OSDS
 - Applies to:
 - Firms that are in current contract.
 - Businesses that are not currently SB/DVBE certified.
 - Businesses about to have their SB/DVBE certification expire.

New SB/DVBE Training and SB/DVBE Advocacy Support Units

- OSDS is Growing! Two new units were created to support DGS' effort with equity and inclusion in state procurement.
 - SB/DVBE Training Unit
 - Supports DGS strategic goal and provides in-depth training and technical one-on-one assistance on state procurement and contracting to SB/DVBEs to level the playing field between large and small businesses.
 - Statewide SB/DVBE Advocacy Support Unit
 - Manager: Araceli Mohseni
 - Created to help state agencies meet their mandated SB/DVBE contracting goals.

- Provides state agency training and on-the-job support geared toward the SB/DVBE Advocate and procurement technical assistance.
- Goal is to support state agencies statewide in their SB/DVBE advocacy efforts and to provide consultative services on how to navigate procurement challenges in meeting the SB/DVBE participation goals.
- For additional information email: Advocate@dgs.ca.gov

4. LPA Updates

Carol Bangs, Acquisitions Branch, DGS PD

Statewide Contracts

- Food Services
 - Primarily utilized by CDCR
 - Legislation requires specific products listed to be provided by line item.
 - Available by territory or in groups instead of by line item
 - Allows opportunity for SB/DVBE procurements and lower prices.
- Forklifts
 - Forklifts, pallets, trucks, and jacks are separated by line item.
 - State agencies such as Caltrans, Water Resources, and Parks & Recreation utilize various forklift models which are specific to their needs.
 - Open to various vendors
- Renewable Diesel
 - Released Solicitation
 - Contracts in place will soon be ending and replaced by new contracts.
 - DGS PD is staying updated on purchasing and supply issues.

Master Service Agreements

- Uniform Laundry Services
 - Currently in development.
 - Vendors are small firms by region.
 - Uniform repair is an additional service provided through the MSA.
 - Utilized by DGS, Facilities Management Division (FMD).
- Employment and Income Verification Services
 - Recently awarded to Equifax.
 - Amended to add credit monitoring and ID monitoring.
- Personal Protective Equipment (PPE) Removal
 - Two awards – Statewide-tiered award
 - Contract includes waste removal services.
 - Contact the contract administrator for additional information.

- Mover Services
 - Currently in evaluations.

Cooperative Agreements

- Mailing Equipment & Supplies
 - Five awarded contracts
- Plotters
 - Two awarded contracts

LPA User Instructions (UI)

- Reminder to utilize UI for contract administrators contact information as well as to obtain specific contractual requirements.
- Contract administrators are familiar with the contractor’s expectations, and the various services/goods the contractor provides. This includes response time, delivery time, or SB/DVBE Off-Ramp information.

SB/DVBE Off Ramp on Mandatory LPA

- Vendors listed on a mandatory LPA must be used unless SB/DVBE Off-Ramp is available as stated on the UI. LPA products or services have already been assessed for warranty and for a list of available resellers, if available.
- Refer to UI for SB/DVBE Off-Ramp availability. SB/DVBE Off-Ramps offer SB/DVBE vendors opportunities to fulfill statewide contract items.
 - Follow the requirements for SB/DVBE Off Ramp usage: Example- the SB/DVBE price is equivalent or less for services or products listed on the mandatory LPA.
- If there are questions on a mandatory LPA’s SB/DVBE Off Ramp, contact the contract administrator. Each state contract administrator’s contact information is found in the UI.

Upcoming LPA Procurements

| Award Type | Solicitation Title/Description | Contact Email | SB Preference | DVBE Requirement/Incentive | Advertisement link to CSCR |
|------------|-----------------------------------|--|----------------|----------------------------|------------------------------------|
| Statewide | Food Service Supplies, Disposable | Willie.Orphe@dgs.ca.gov | Yes | Yes | Event ID 000020355 |
| Statewide | Paper (Matte, Gloss, Index) | Willie.Orphe@dgs.ca.gov | In Development | In Development | Upcoming |
| Statewide | Forklifts and Pallet Trucks/Jacks | lynne.edision@dgs.ca.gov | In Development | In Development | Upcoming |
| Statewide | Body Armor | robb.parkison@dgs.ca.gov | In Development | In Development | Upcoming |

| Award Type | Solicitation Title/Description | Contact Email | SB Preference | DVBE Requirement/Incentive | Advertisement link to CSCR |
|------------------|--|--|----------------|----------------------------|-------------------------------------|
| Statewide | ZEV/Hybrid Trucks, Medium and Heavy Duty | eugene.shemereko@dgs.ca.gov | In Development | In Development | Upcoming |
| Statewide | Renewable Diesel | amanda.lewis@dgs.ca.gov | Yes | No | Event ID 0000023603 |
| Statewide | Paratransit Vehicles | steve.funderburk@dgs.ca.gov | No | No | Event ID 0000022297 |
| Statewide | Dry Bakery Mixes | Jennifer.Jee@dgs.ca.gov | Yes | Incentive Only | Event ID 0000026022 |
| Statewide | Individually Wrapped Lunchmeat & Cheese | Jennifer.Jee@dgs.ca.gov | Yes | Incentive Only | Event ID 0000026023 |
| Master Agreement | Uniform Laundry Services | louis.han@dgs.ca.gov | In Development | In Development | Upcoming |

5. SIMM 71B Updates

Tiffany Angulo, Deputy Director, Statewide Technology Procurement, California Department of Technology (CDT)

CATTIE Team/Project

- Categorization of All Technology, Telecom and Internet of Things Efforts (CATTIE)
- Stakeholders: DGS, CDT, ODI and GovOps

SIMM 71B Updates

- Merge SIMM 22 to SIMM 71B
 - Broadcast Bulletin to announce SIMM 22 decommission and SIMM 71B updates.
- Streamlines policies.
 - Mandated IT policy compliance signatory certification/AIO signature requirement.
 - Signatory based on dollar amount.
 - Language to align with 2018 statutory requirements.
- Modernized Language to include:
 - Current IT procurement policies
 - Security IT enhancement policies
- Will provide better information on IT procurements.
- CDT is building "profile of tools" in support of these updates.
 - Example Workflows and FAQs
- Aligns state IT security standards to include the Information Security Risk Framing

- Information Security Risk Framing Checklist: Helps Information Security Officers (ISOs) verify compliance to State IT security standards prior to procurement.
- Signature areas for Procurement & Contracting Officer (PCO) and Purchasing Authority Contacts (PACs).
- DGS/CDT Guides
 - Announcement forthcoming via Broadcast Bulletin or Technology Letter.
 - Will seek feedback prior to release.
 - Vetting to various groups including PART.
 - CDT encourages state agencies to participate in the feedback.

6. Policy Update

Sarah Cering, PT&CS Branch Chief, DGS PD

Broadcast Bulletin

- Eight 2022 enacted bills which affect DGS PD, will require procurement policy implementation.
- Announcements regarding these bills will be released soon.

Regulations and SCM packages

- Some bills are not included in DGS PD's direct SCM incorporation exemption and must go through the regulation process first before SCM policies are implemented.
- AB 2019 requires DGS to take remedial action including adjusting Purchasing Authority.
 - DGS has been lenient in the past with non-compliance and only required corrective action plans when departments did not comply.
 - Additional information will be forthcoming regarding Purchasing Authority adjustments in response to AB 2019.

Office of Policy, Procedures and Legislation (OPPL) New Hire

- Yuriy Sukhostavskiy is the new supervisor for the OPPL Unit
 - OPPL oversees the State Contracting Manual, Volume 2 (SCM Vol 2).
 - Tasked to work on internal process procedures to route policy quickly through DGS PD to assist in implementing bills currently in statute.

Procurement Efficiencies and Initiatives

- Target Area Contracting Preference Act (TACPA)
 - 2022 Initiatives in legislation passed for TACPA.
 - Executive Order [N-16-22](#) was issued to implement TACPA training.
 - DGS PD is revisiting TACPA form, processes, and possibly internal/external designation review of TACPA applications.
- CATTIE Project
 - SIMM 71B Updates
 - DGS in collaboration with CDT.
 - Developing web-based classification quick guide
 - Guide includes classification definitions.

- Guide includes how to classify contracts.
- Release date delayed due to IT workgroup resource issues and internal processing improvements.

IT General Provision Projects

- Expected completion this year.
- Delayed due to internal staffing and resource issues.

NCB Process

- Dispute Resolution/Non-Competitive Bid Unit (DRU/NCB) supervisor, Renata Rasberry, retired in January. Currently recruiting for DRU/NCB supervisor.
- Unit is undergoing internal and external process improvements.
 - Reorganization of DRU/NCB unit and workload.
 - Review of internal and external NCB processes.
 - Review of NCB instructions in SCM and guidance provided to customers.
 - Review of lessons learned because of NCB portal implementation.