



Meeting Recap

May 15, 2025
1:30 p.m. to 2:30 p.m.

1. Welcome

Nick DeAngelis, Purchasing Authority Unit (PAU) Supervisor, Department of General Services (DGS), Procurement Division (PD)

Nick DeAngelis welcomed all participants. Since the meeting is held on MS Teams Participants were instructed to mute their microphones to minimize background noise and use the chat or utilize the Teams hand feature for questions.

2. Procurement Division Updates

Angela Shell, Deputy Director, DGS, PD

Angela thanked PART participants for attending the meeting during the fiscal year end.

Reminders

- State agencies are to adhere to the Reasonable Accommodation (RA) policy and procurement process, and track RA purchases in FI\$Cal.

Tariffs

- A Broadcast Bulletin on tariff guidance, release date TBD.
- Leveraged Procurement Agreements (LPA)
 - Do not accept LPA quotes or invoice price increases for tariffs.
 - Immediately notify DGS of any LPA price increases.
 - DGS has not approved any LPA price increases due to tariffs.
 - DGS is currently determining if LPA will allow for price increases.
- State agencies are to seek internal legal counsel on the application of tariffs for procurements outside of LPA's.

DGS PD Website Update - Human Centered Design Contract

- Workshop events were held with the vendor community and state agencies .
- Vendor Community Feedback
 - Challenges in access to state contracting both on [CaleProcure](#) and DGS website.
 - Focusing on “what” and “how” PD communicates with vendors.
- Focus on enhancing the DGS PD website and stakeholders’ website experience.
- State agencies are encouraged to provide feedback to contract consultants, such as:
 - How effective is PD at delivering messages
 - How are messages received?
 - Are there any website challenges?
- Projected completion by the end of 2025 year.

- Angela expressed her appreciation to state agencies who provided feedback to contract consultants on PD communications. Areas of focus were
 - Message delivery
 - Receipt
 - Perceived challenges.

Disparity Study

- Consultants working on the study have many questions about the State's procurement data.
- State agencies are responsible for entering procurement information in FI\$Cal or uploading data if not transacting in FI\$Cal.
- Consultants want the data normalized for eProcurement:
 - What are you classifying your data as?
 - What kind of contracts are being entered into?
- The data provided enables the consultant to have the correct perspective when coming up when recommending solutions.
- Angela expressed appreciation to the state agencies that helped identify the appropriate classifications for the consultant.

E-Marketplace

- Catalogue punch-out system project
 - Element of electronic bidding that is currently not in FI\$Cal
- State agencies will be contacted when more information is available to share, such as:
 - How project innovation will benefit the State
 - What the structure will look like
 - State agency testing
 - User experience
 - Details of the project

Purchasing Authority (PA) Tiers

- DGS PD to review and update the four PA tiers and the dollar thresholds for each acquisition method category.
 - Evaluate if the PA tiers maximize the opportunity for state agencies to conduct procurements under their own PA.
 - PA tier re-evaluation will be addressed closer to the end of 2025.

3. Office of Small Business and Disabled Veteran Business Services (OSDS) Updates Imran Chaudhary, Statewide Advocacy Section Manager, OSDS, DGS, PD

Advocacy

- The [2023-24 Consolidated Annual Report](#) (CAR) was published, and the State exceeded both goals:
 - SB - 26.58%
 - DVBE - 4.69%.
- Of the \$13.35 billion awarded, \$3.55 billion went to SB and over \$625.8 million to DVBE.

- Remedial Action Workgroup Meetings Ongoing
 - State agencies that do not meet SB/DVBE goals for three out of five years, starting with year 2022-23, will be subject to remedial actions. Reporting is currently in year two of the five-year cycle.
 - If state agencies have not met the SB/DVBE goals for the last two years, they are at risk of needing remedial actions.
 - The work group comprises a variety of individuals inside and outside of DGS who are examining practical solutions to address challenges and develop actionable steps for remedial actions.
 - Currently, it is in the approval process and will be unveiled at the Best Practices webinar on July 16. Invitations will be sent to advocates for the next Best Practices webinar.
- The advocacy team is meeting with 46 state agencies and discussing their 2023-24 improvement plans, data validation query (DVQ), and sharing the SB Sourcing Index.
- AB 1574 Reminder:
 - Expanding the supplier pool does not mean replacing existing suppliers.
 - The small business community has indicated that they have not been receiving solicitations that they have received in the past. State agencies cited AB 1574 as the reason.
- CAR Training
 - The last training course is scheduled for May 16 for non-FI\$Cal state agencies.
 - Intended for advocates, procurement staff, SCPRS processors, PCard/CalCard reconcilers, PO reporters, and staff responsible for creating/approving CAR reports.
 - Recordings will be posted on the [CAR webpage](#).
 - Reminder to review your state agency SB/DVBE procurement dollars on a monthly or bi-monthly basis
 - Review of data reduces reporting delays and errors
 - DGS received 535 emails from state agencies on SB/DVBE responses from September 1 through October 12, 2024.
 - Reviews done after the fiscal year-end are difficult to correct and create unmanageable last-minute workloads.
 - Gives the state agency a chance to fix any FI\$Cal defects
 - Allows state agencies to better understand progress towards SB/DVBE goals.
- DVBE Subcontracting
 - Recording of DVBE subcontracting training is posted on the [SB-DVBE-Training-Unit](#) website.
 - Reminder on the DVBE withhold
 - Withhold is only necessary if the prime contractor fails to certify payment to DVBE subcontractors per the contract.
 - Legislative analyst contacted OSDS regarding MVC 999.5 and 999.7 reporting compliance audits and may or may not contact state agencies.

- The quarterly Advocate meeting is scheduled for May 22, 2025.
- Infrastructure Investment Jobs Act (IIJA)
 - [AB 2974 Management Memo](#):
 - This bill mandates state agencies establish 25% SB procurement goals on all new contracts over \$500,000 that are fully or partially funded by the IIJA.
 - For IIJA-funded contracts, report contracts with SB participation.
 - Only two were received for fiscal year 2023-24.
 - Send approved exemptions to OSDs.
 - Only one approved exemption received for fiscal year 2023-24.
- SB/DVBE Emergency Registry – Buyer Search Portal
 - Easy to identify SBs/DVBEs in the event of an emergency.
 - Includes businesses that provide both goods and services.
 - Categories included, but are not limited to:
 - Base Camp Operation
 - Obstruction
 - Fire Protection
 - Hazardous Materials, Logistics
 - Electrical, Debris Removal
 - Energy
 - Fuel
 - Vehicle Rentals
 - Traffic Control
 - Miscellaneous Supplies and Services.
 - All procurement officials are encouraged to register at: https://dgs.service-now.com/dgs_ssp
 - During the January emergency in LA and Ventura Counties, SB/DVBE vendors increased to over 2,100
- SB/DVBE Training Program
 - Goal projected for May 2025, specifically for certified SB/DVBEs.
 - Courses:
 - LPAs
 - Pre-Bidding Preparation for LPAs
 - SB/DVBE Option
 - Fair and Reasonable
 - Departmental Contracts
 - CUF
 - Marketing (2-part series)
 - EPP
- Upcoming 2025 Outreach Events of Interest for State Agencies
 - May 22

- Small and Diverse Supplier Expo, University of California, Davis (UC Davis)
- June 5
 - LAACCF Get in The Game Small Business Summit and Procurement Fair, Los Angeles Area Chamber of Commerce Foundation
- June 6
 - Business Development Lunch Series, Regional Hispanic Chamber of Commerce
- June 6
 - Lunch & Learn Networking Training Event, Small Business Diversity Network
- June 11
 - 2025 Biz Expo, Los Angeles Latino Chamber of Commerce
- June 25
 - Recon 2 (Interactive) Small Business Resource Conference, Small Business Diversity Network (Virtual)
- June 25
 - SoCal Contracting Conference, Orange County Inland Empire (OCIE) Small Business Development Center (SBDC)
- For all outreach events and event descriptions, go to <https://www.dgs.ca.gov/PD/Events>
- Follow OSDS on LinkedIn at: <https://www.linkedin.com/company/dgs-osds>

Certification

- As of April 15, 2025,
 - 20,393 SBs
 - 17,983 are SB (Micros),
 - 5,437 SB Public Works (PW)
 - 2,171 DVBEs.
 - All numbers include vendors with dual and triple certification.

Compliance

- 15 SB/DVBE program abuse cases currently under evaluation.
- 39 compliance reviews currently under evaluation.
- 4 DVBE substitution requests currently under evaluation.
 - Reminder that the law requires state agencies to send the DVBE substitution request to OSDS for approval.

4. Acquisitions Updates

Carol Bangs, Acquisitions Branch, DGS, PD

Tina Larios, IT Specialist I, Masters Agreement Unit 1, DGS, PD

Upcoming Solicitations

- Sand and Cinders, Road Abrasives
- EVSE Portable DCFC Chargers
- Pavement Markers

- Gases (Medical, Industrial, Specialty, BAR, CARB) – currently being advertised.
- Frozen Dietary – currently being advertised.
- Milled Rice
- Mexican Entrees and Tortillas
- Cereal, Ready to Eat
- DNA, Consumable Kits and Supplies
- Frozen Fish
- Temporary Healthcare Staffing Services – rebid

State Department LPA Requests

- Statewide Contracts and Master Service Agreement requests are under review which will determine PD's ability to create LPAs.
 - Contact PD for questions or additional information.

LPA Subcontracting

- LPAs can help state agencies meet their SB/DVBE participation goals
- LPA User Instructions identify SB and/or DVBE participation.
 - Buyers are responsible for reading the User Instructions.
 - Contact the contract manager listed if you have any questions.

LPA Subcontracting Substitution

- Prime contractors who receive a preference or incentive during solicitation evaluation commit to using subcontractors for the duration of the LPA term.
- Any substitution for an SB subcontractor must be approved by the awarding agency.
- Any substitution of a DVBE subcontractor must be approved by both the awarding agency and the DGS Office of Small Business & DVBE Services as required by law.
 - Reminder: If DVBE subcontractors are used, the awarding agency must follow the requirements of Military & Veterans Code §999.5 and §999.7(a). This information is available in the LPA User Instructions (UI).
- Contact OSDS regarding subcontractor substitutions.
- Noted challenges and/or non-compliance
 - Subcontractors are not being utilized on the LPA.
 - Buyers are to read and review the UI if there are concerns regarding subcontractors.
 - Subcontractors listed on a state agency purchase document are later substituted
 - Substitutions must be approved by OSDS as required by law.
 - Follow the same substitution practices as awarding to non-LPA SB/DVBE contracts for the LPA subcontractor.

5. Statewide Supplier Diversity Program

Sourajit Mustafi, Research Data Specialist, Statewide Supplier Diversity Program, DGS, PD

State Procurement & Contracting Disparity Study

- The study aims to ensure that diverse certified SB/DVBEs have equal access to state contracting opportunities as required by AB 2019.
 - The analysis will guide policies and address any barriers these businesses face.
 - Study Period: July 1, 2019 - June 30, 2023
 - Mason Tillman Associates, LTD (MTA) is conducting the study
 - The cornerstone of California’s commitment is to ensure all businesses, regardless of size or ownership background, have fair and meaningful participation in the State’s recruitment process.
- Completed Tasks:
 - Project plan and initiation completed on July 24, 2024
 - Community engagement plan and ten public participation meetings
 - Data verification: Data duplication and clarifications
 - Industry classification: Distributed to 153 state agencies for sign-off
 - 125 one-on-one anecdotal vendor interviews
- Current Tasks:
 - Classification of contracts into the following industries:
 - Construction
 - Architecture and Engineering
 - Professional Services
 - IT Goods and Services
 - Non-IT Goods and Services
- SCPRS Contract Data:

Prime Records	Acquisition Types	Acquisition Subtypes
153 departments	Non-IT Goods	36 unique subtypes
1,044,847 purchase documents	Non-IT Services	
46,840 vendors	IT Goods	
	IT Services	
	Telecom	

- Industry Classification of SCPRS Data
 - Most Reliable Source - Industry assignment by purchase document
 - Supplier name
 - Business description
 - First item title
 - UNSPSC codes
 - Acquisition type and acquisition subtype
- Industry Classification Clarification Meetings with State Agency PCOs/PACs
 - Participation Details:

Date	Number of Invited Departments	Number of Participants
17-April 2025	139	179
21-April 2025	139	106
8-May 2025	14	10

- Compiled 70 FAQs
 - The most common question is how the classifications are determined.
- Five percent classification data sent to FI\$Cal for comments if there are errors found.
- Received 90 sign-off documents from state agencies
- Next Steps
 - Starting the last week of May, MTA will begin collecting subcontracting data.
- Contact:
 - Website: [Statewide Supplier Diversity Program \(ca.gov\)](https://www.dgs.ca.gov/Statewide-Supplier-Diversity-Program)
 - General Inquiries Email: SupplierDiversity@dgs.ca.gov
 - Disparity Study Inquiries: DisparityStudy@dgs.ca.gov

6. Policy Updates

Renée Alexander, Manager, Office of Policy, Training and Business Intelligence Section, DGS, PD

Assembly Bills (AB)

- AB 2019 SB/DVBE Participation
 - Broadcast Bulletin dated May 8, 2025, announced SCM policy updates on SB/DVBE participation requirements and regulations.
- [AB 1511 State Government: Diverse, Ethnic, and Community Media](#)
 - Effective July 1, 2025.
 - State agencies are responsible for putting together their plan, and tracking is ready to be implemented.
 - Reach out to the Office of Community Partnerships and Strategic Communication within the Office of Planning and Research at the Governor's Office for a three-part training series on how to develop your plan and be effective and compliant with the law, [GOV 65054.2 \(a\)](#).
 - DGS to develop a form with instructions, [GOV 65054.2 \(c\)](#), due in December 2025.
 - PD strongly recommends that state agencies begin tracking now instead of later in the year.
- AB 1158 Recycle Content in Carpet

- SCM policy to be completed soon.
- Pending ABs currently in progress to be completed:
 - AB 661 – Recycled Products/Materials
 - AB 1158 – Carpet Recycling
 - AB 778 – CA Grown Agricultural Food Products
 - SB 1335 – Food Service Packaging

7. Reasonable Accommodations

Nick DeAngelis, Supervisor, Statewide Procurement Oversight and Consulting Unit, DGS, PD

DGS PD received information that state agencies are having challenges adhering to the Reasonable Accommodations procurement policies and procedures currently in place.

- Policies were created in collaboration with California Human Resources (CalHR), stakeholders, and the Department of Rehabilitation (DOR).

Reasonable Accommodations (RA) Process Challenges

- Increase in new procurement staff entering State employment.
- Forecasting increased RA procurement needs due to the Return to Office four days a week by executive mandate starting July 1.
- Training RA coordinators and RA procurement tracking.
- Prioritizing and expediting the RA process for new employees' RA requests.
 - Buyers must understand that they have more flexibility when procuring RA requests
 - Buyers must process RA as an expedite request.
 - Vendor delays:
 - Buyers should not be accepting 30-day deliveries; instead, select another vendor who can fulfill and expedite deliveries sooner rather than later.
- The DOR website provides a list of vendors that supply and/or focus on RA goods/services.
- Although DGS PD encourages state agencies to adhere to SB/DVBE goals, the SB/DVBE option is not the only way to procure expedited RA goods/services.

RA Policy Reminders

- Maintain internal procurement procedures that align with SCM policy and procedures for acquisitions related to RAs.
- Ensure that their procurement professionals and other state staff involved in the procurement process are knowledgeable of these internal procurement procedures.
- Track all acquisitions related to RAs, which shall be recorded, reported, and identified in FI\$Cal SCPRS.
- The Assistive Technology Supplier Directory, maintained by DOR, can be used by state agencies and is a resource of suppliers who offer specific equipment/services.

RA Request Process Reminders

- Buyers must expedite and track the purchase and initiate the procurement process within seven business days after RA approval and purchase request receipt.
- Evaluate CALPIA products, but if the product is not offered through CALPIA, the state agency may move forward without a CALPIA waiver.
- Surplus property verification is not required when buying items for an RA.
- DGS Statewide Procurement Oversight and Consulting Unit and the Office of Audit Services monitor compliance for RA Acquisitions.

RA Procurement Coordinator Policy Reminders

- Each state agency must identify an RA procurement coordinator.
 - RA procurement coordinators shall attend and receive a certificate of completion for the “Acquisitions Related to Reasonable Accommodations” course.
 - RA procurement coordinators and buyers shall actively track orders and follow up with vendors to find out how long after purchase the items can be delivered.
 - RA coordinators and buyers shall work with vendors who expedite shipment.
- Buyers can utilize any appropriate acquisition method to procure RA goods and services.
 - Simpler acquisition methods are recommended (Fair & Reasonable, SB/DVBE Option, etc.) to expedite the process.