



Meeting Recap

November 14, 2024
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 and provided instructions on participating in the Purchasing Authority Round Table (PART) meeting. As the meeting is held through Microsoft Teams (MT) remotely, participants were instructed to mute microphones to minimize background noise.

2. Procurement Division Updates

Sarah Cering, Policy, Training and Customer Service (PTCS) Branch Chief, on behalf of Angela Shell, Deputy Director, DGS, PD

Please see PART Meeting Recap #6, Policy Updates, presented by Sarah Cering.

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

Imran Chaudhary, Statewide Advocacy Section Manager, OSDS, DGS, PD

AB 2019

- Remedial Actions Reminder
 - Identifying state agencies who are not meeting SB or DVBE goals 3 out of 5 years starting in Fiscal Year (FY) 2022-23. Currently, OSDS is identifying state agencies who are not meeting SB/DVBE goals for 2 out of 5 years.
 - Notification letters sent to state agencies who did not comply.
 - Meetings scheduled with state agencies who did not comply.
 - OSDS is partnering with PAU to send out Deficiency Notices to state agencies.
 - For questions, email State Advocacy Support at Advocate@dgs.ca.gov.
- Remedial Actions Workgroup
 - Formed to identify remedial actions
 - Workgroup consists of DGS (policy, legal and audits), other state agency buying units and SB/DVBE advocates.
 - Specific remedial actions will be communicated through DGS Broadcast Bulletin.
 - OSDS encourages state agencies to subscribe to [DGS Broadcast Bulletins](#).
- Meet with state agencies not in compliance with their SB/DVBE participation goals.
 - Discussion Items:
 - FY 2023-24 Improvement Plans
 - Data Validation Query (DVQ)
 - AB 1574/AB 2019 requirements
- Improvement Plans

- Due October 1
 - Must be submitted if the state agency has not met one or both SB/DVBE participation goals
 - Must be submitted if the department has Infrastructure Investment and Jobs Act (IIJA) contracts to report.
 - Met with 34 state agencies and are currently reviewing their FY 2023-24 Improvement Plans, DVQs, and sharing the SB Sourcing Index, a tool to help state agencies locate certified SBs based on UNSPC codes.
 - 14 mandatory reporting state agencies did not submit by November 1.
 - PAU will issue Deficiency Notices to state agencies who did not submit their Improvement Plans.
- Reporting IIJA funds
 - Effective January 1, 2023, mandates state agencies set 25% SB goal on all new contracts over \$500,000 that are fully or partially funded by IIJA or exempt for specified reasons.
 - State agencies with IIJA funds need to report contracts with SB participation
 - If the contracts do not meet the 25% goal, include in the Improvement Plan.
 - [MM No. 24-02 Subject: Small Business Participation, wholly or partly, funded by the IIJA](#), issued April 2024.
 - Management Memo also provides additional guidance on exemptions, reporting requirements and annual recruitment plans.
 - Only two reports received for FY 2023-24.
 - If there are any approved exemptions, send as soon as possible to OSDSReports@dgs.ca.gov
- Reminder for departments to review DVQ numbers on a monthly or bi-monthly basis.
 - Better understand progress towards SB/DVBE goals and have the ability to course correct.
 - Avoid reporting delays and errors to allow FI\$Cal or OSDS additional time to provide assistance.
 - Received 533 emails from state agencies regarding issues with DVQ around the due date of October 1.
- DVBE Subcontracting Report
 - The November 1 deadline has passed for the FY 2023-24 submissions.
 - State agencies that did not report withhold payments and/or did not report 810D received deficiency notices for FY 2022-23.
 - DGS Office of Audit Services will be reaching out to state agencies directly to audit compliance with M&V Code 9999.5 and 9999.7.
 - The 810D is required even if there is no data to report.
 - Withhold payment reminder

Late Payment Penalty Paid Report (LPPPR)

- Submit LPPPRs even if there is nothing to report pursuant to the Prompt Payment Act.
- One common error is to leave the fields blank. This is not the same as entering "\$0" or "0".

Quarterly Advocate Meeting

- Scheduled for November 21
- Reminder to state agencies to encourage their SB/DVBE Advocates to join the Quarterly Advocate Meetings.

OSDS 50th Anniversary

- Celebrated 50th Anniversary on October 16
- Approximately 150 SB/DVBE Advocates attended
- 16 state agencies participated in the Meet the Advocate Outreach opportunity

State Agency Recognition Awards (SARA)

- The event will be held in person this year.
- Nomination calls have been distributed.

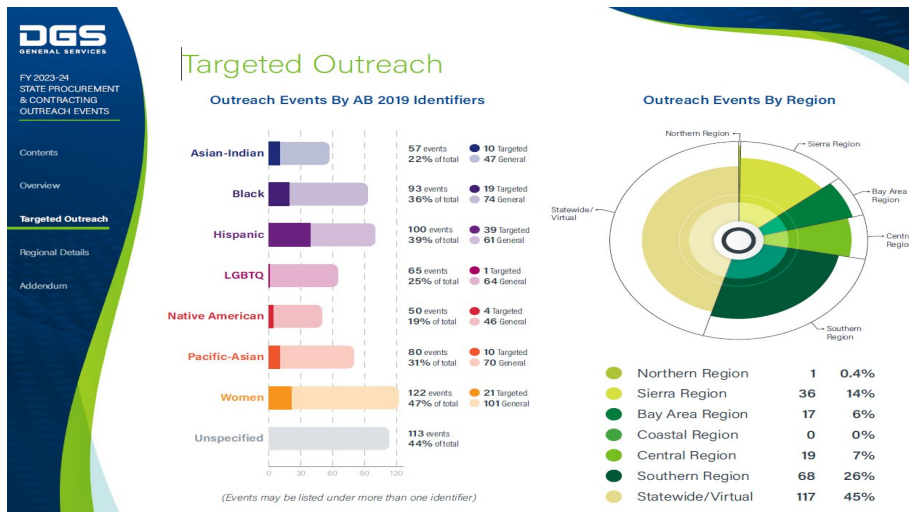
Policy, Legislation, and Regulations

- Legislation
 - Working on SB/DVBE regulations package on Gross Annual Receipts (GARS), AB 2019, AB 2974
- Launched a certification Pilot Project
 - Implemented a six-month pilot project to certify firms.
 - Due to software limitations, OSDS staff manually processes over 2,000 applications each year which creates a backlog of applications that prevent firms from becoming SB/DVBE certified.
 - As of November 8, there are only 612 certification files re-verified or in an active review and 421 certification files are pending re-verification reviews.
 - Files are assigned in the order that they are received.
 - Reduced backlog by 98%
 - If not approved for a permanent SB/DVBE certification process, the pilot project will expire on December 4, 2024.
- SB/DVBE Program Abuse and Compliance Reviews
 - 17 program abuse cases are currently under evaluation.
 - One has recently been closed with suspension.
 - 83 compliance reviews are currently under evaluation.
 - 3 DVBE substitution requests are in progress.

Outreach Events - State Agency Opportunities

- November 20, 2024
 - Caltrans North Region Procurement Fair, Caltrans, The Ziggurat, West Sacramento
- November 20, 2024
 - PROCON Interactive, Small Business Diversity Network, Virtual
- November 21, 2024
 - Veteran Success: Honoring Service and Empowering Business Growth, San Diego & Imperial Valley SBDC, Oceanside
- November 27, 2024

- Get in The Game OneLA Doing Business with DGS, Los Angeles Area Chamber of Commerce, Virtual
- Outreach Events: <https://www.dgs.ca.gov/PD/Events>
- Follow OSDS on LinkedIn at: <https://www.linkedin.com/company/dgs-osds>



Charts above display event breakdown of the AB 2019 categories for FY 2023-24 and provides outreach events by region and demographics with AB 2019 identifiers.

SB/DVBE Training Program

- Phase 2 in progress to create an 8-week, 8-course training cohort
- Currently providing courses in CUF, Marketing, EPP, Procurement & Acquisition Methods

Contact OSDS

- For SB/DVBE Certification, status/expedite process: Certification@dgs.ca.gov
- For SB/DVBE Compliance/Complaints: SB.DVBECOMPLIANCE@dgs.ca.gov
- For Outreach assistance, upcoming events: BusinessOutreach@dgs.ca.gov and <https://www.dgs.ca.gov/PD/Events>
- For Training that OSDS provides to SB/DVBES: SBDVBETRAINING@dgs.ca.gov
- For SB/DVBE Advocacy support: Advocate@dgs.ca.gov

4. Acquisitions Upcoming Contracts - 2024

Carol Bangs, Acquisitions Branch, DGS, PD

Marc Anderson, Acquisitions and Contract Manager, DGS, PD

For Departmental which have Statewide Contracts and MSA Requests

- Complete an Intake and Analysis Unit (IAU) Request form and email to: IAU@dgs.ca.gov.
- Contact IAU for the form.

Software License Program (SLP) IT/SaaS Provisions Changes Request Process

- State agency submits an SLP negotiation request package to: IAU@dgs.ca.gov.
 - Complete agreement (including exhibits and attachments) with redlines approved by state agency’s legal counsel.
 - Comparison grid with standard language, proposed redline language, and rationale for the change.
 - No form is available at this time.
 - Requests are forwarded to Carol Bangs or Kim Hettrick
- DGS works with ISO, CDT legal, and DGS legal to provide redline feedback for agency to provide to contractor.
- Upon mutual agreement of terms between State and Contractor, DGS will obtain approval from DGS, Procurement Division Deputy Director, Angela Shell.
- DGS will provide a one-time authorization for agency to enter into the agreement with negotiated terms.
- Average processing time is 90 days.
- Direct questions to SLP@dgs.ca.gov.

Upcoming Solicitations

Award Type	Solicitation Title/Description	Contact Email	SB Preference	DVBE Requirement/ Incentive	Advertisement Inlk to CSCR
Statewide	Hydrogen Fuel	amanda.lewis@dgs.ca.gov	Yes	In Development	Upcoming
Statewide	Alternate Fuel Vehicles	frank.martin@dgs.ca.gov	Yes	Yes	Event ID 0000031286
Statewide	EVSE Portable DCFC Chargers	rudolph.jimenez@dgs.ca.gov	In Development	In Development	Upcoming
Statewide	Salmon, Steelhead, and Trout Feeds	Tara.Gill@dgs.ca.gov	Yes	Yes	Event ID 0000029644
Master Agreement	Temporary Healthcare Staffing Services	kayla.sly@dgs.ca.gov	Yes	Yes	Event ID 5249923

Some LPA solicitation re-bids were recently awarded. Weekly updates are posted on PD website: [Procurement Division](#).

Enterprise Technology Statewide Contracts

- 35 contracts awarded on October 1, 2024
 - 30 different OEMs represented.
 - 11 awards to SB/DVBES
 - Of 35 contractors:
 - 10 SBs,
 - 4 DVBEs, and 14 are utilizing DVBEs.

- Check with contractor for participation of prime or subcontractor level.
- Three-Year Contract Term with Two 1-Year Extension Options
- Contract Numbers 1-24-70-19 (1-35)
- Contract User Instructions available on [Cal eProcure](#).
 - State agencies are reminded to view individual User Instructions on Cal eProcure to find items appropriate for their agency and verify if Off-Ramp provisions are available.

One-Times Acquisition (OTA) Update

- Marc Anderson is the new manager of the OTA and Multiple Awards Program Section.
- Requisition Submittal Deadlines
 - IT Goods and Services – January 31, 2025
 - Non-IT Goods – March 31, 2025
- Processing Times
 - IT Goods and Services processing time is 60 days
 - Non-IT Goods processing time is 90 days
- Clock starts with a submitted *complete* requisition package.
- Updated website guidance is coming and will be provided in a DGS Broadcast Bulletin.
- Fleet Assets
 - Include your Fleet Acquisition Plan (FAP) number with your requisition.
- Currently in progress to hire a full team by next year to address the backlog.

5. Statewide Supplier Diversity Program

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

State Procurement and Contracting Disparity Study

- The State Procurement & Contracting Disparity Study aims to ensure diverse Small Businesses (SBs) and Disabled Veteran Business Enterprises (DVBES) have fair access to state contracts.
- Required by Assembly Bill 2019, this analysis will guide policies to address any barriers these businesses face.
 - The contract has been awarded to Mason Tillman Associates, LTD (MTA), a certified small business, aligning with the state’s goal to support diverse suppliers.
- Business Outreach Community Meetings
 - A key component of the disparity study.
 - DGS and MTA completed five in-person community meetings and three virtual meetings from October 29 through November 14.
 - Two remaining meetings via zoom on November 15 at 10:00 -11:30 a.m. and 3:00 - 4:30 p.m.
 - Engaged with a total of 225 businesses. Completed 82 one-on-one meetings with vendors.

Participation Details for In-Person Meetings:

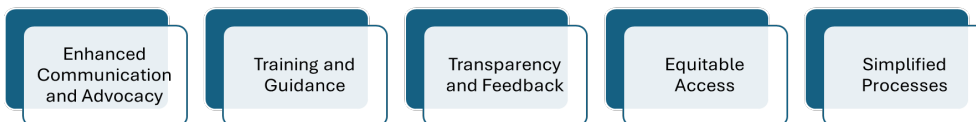
Dates	Location	No. of Attendees
29-Oct	SAN DIEGO	11
30-Oct	LOS ANGELES	34
6-Nov	SACRAMENTO	39
7-Nov	OAKLAND	25
8-Nov	FRESNO	7

Common Issues Raised



- The in-person meetings identified challenges such as:
 - Limited access to contracting opportunities,
 - Insufficient advocacy support,
 - Complex application processes,
 - Concern over fairness in state contracts.

Recommendations for Improvement

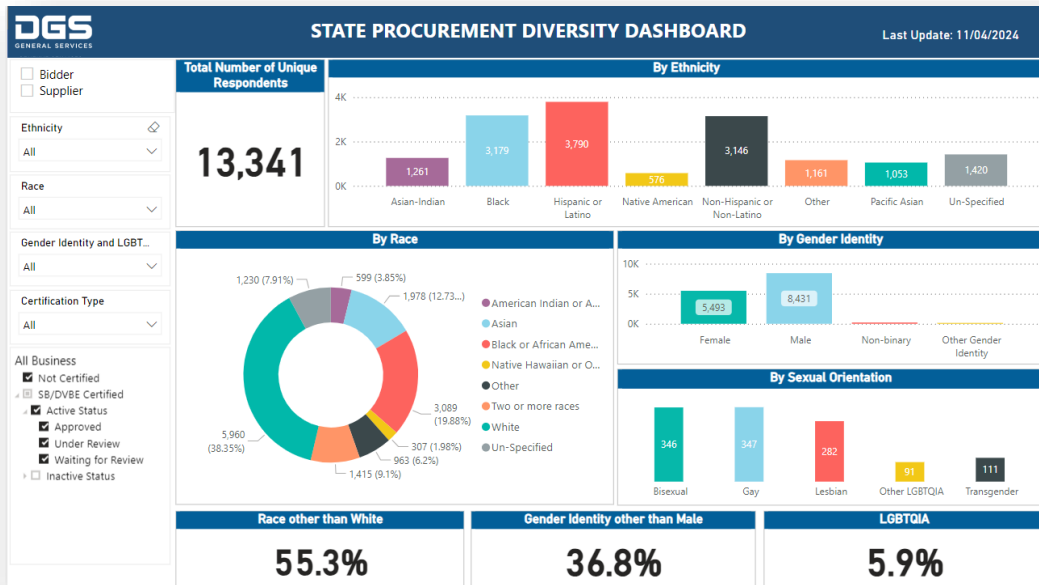


- Businesses recommended establishing a stronger advocacy network, offering more targeted training, simplifying application procedures, and improving transparency through bid feedback. To address these needs, DGS provides resources:
 - One-on-one consultations,
 - The Procurement Technical Assistance Program (PTAP),
 - Access to bid opportunities via Cal eProcure,
 - Supporting businesses in navigating the state contracting process more effectively.
- State Procurement and Contracting Disparity website link:
 - <https://cadgdisparitystudy.org/>

Zoom link to the November 15 Business Community Meeting:
<https://us02web.zoom.us/j/8332571595?omn=87348312257>

State Procurement Diversity Dashboard

- As a part of the PD Strategic Goal, the State Procurement Diversity Dashboard has been developed.
 - As of November 4, 2024, there are 13,314 businesses providing their diversity information.
 - Distribution is based on ethnicity, race, gender identity and sexual orientation.
- Dashboard is updated weekly with resultant numbers improving each week.



Supplier Diversity Symposium

- March 2024, the first inaugural California Supplier Diversity Symposium was held at DGS headquarters. DGS extends gratitude to all the state agencies involved in making the event a success—your contributions were essential!
- Please save the date for the second annual California Supplier Diversity Symposium, scheduled for March 13, 2025, at the May Lee State Office Complex in Sacramento.
 - Similar to the first event, this symposium will focus on increasing the economic impact of California’s small and diverse businesses by expanding access to resources and procurement opportunities.
 - Hosted by DGS, California Department Insurance (CDI), California Office of Small Business Advocate, California Department of Transportation (Caltrans), and Health Care Access and Information (HCAI)
 - Contact/Website Information
 - Website: [Statewide Supplier Diversity Program \(ca.gov\)](https://www.ca.gov/statewide-supplier-diversity-program/)
 - Email: SupplierDiversity@dgs.ca.gov

6. Policy Updates

Sarah Cering, Policy, Training and Customer Services Branch Chief, DGS, PD

IT General Provisions (GP)

- A [Broadcast Bulletin #P-06-24](#) on the updated IT GPs was released on November 13, 2024.
 - The new IT GPs is for non-Cloud goods/services and Cloud Computing Services in a new format.
 - Procurements with cloud computing services must include these new IT GPs.
 - A highlights document is included and addressed vendor feedback.
 - Future non-IT goods GPs updates are planned in a similar format.

Cloud Computing GPs

- The Cloud Computing GPs were combined with the Cloud Computing Special Provisions that were previously mandatory.
- The Special Provisions are no longer available as they are incorporated into the PaaS, IaaS, and SaaS GPs documents and are now all part of the new overall Cloud Computing GPs.

SCM Updates

- General Provisions
 - Require an update to SCM since the dispute clause timeframe for state agency director to respond is now 30 days instead of 90 days.

GenAI

- [Executive Order \(EO\) N-12-23](#)
 - EO N-12-23 is a permanent policy as a result of an enacted Senate Bill 896.
 - DGS Broadcast Bulletin on proposed GenAI policy update is planned to be released on November 18, 2024.
 - The EO contains a 2025 DGS deliverable which impacts procurement.
- Contract Term Updates
 - A new GenAI update will include a section at the end of IT GPs.
 - State agencies will no longer need to manually enter the required contract language. Instead, the GenAI contract terms and conditions will be incorporated into the IT GPs.
 - Update to the IT GPs is a January 2025 Executive order deliverable and is also part of a PD Strategic Goal.
- PART Member Feedback
 - Draft of Section 22 GenAI contract language planned to be sent for PART feedback on November 18, 2024.
 - If PART members need more time to provide feedback, please contact Office of Policies, Procedures, and Legislation (OPPL): PPO@dgs.ca.gov and efforts will be made to accommodate requests.
 - After PART comments are received, vendor comments will be considered.
- Virtual Vendor Forum

- A DGS Broadcast Bulletin will be sent on November 18 to the IT vendors of the proposed updates to the IT GPs incorporating the new GenAI contract language.
 - Vendor comments accepted until December 19
- Virtual IT Vendor Forum scheduled for December 2024.
- Procurement Guidance
 - Part of the January EO deliverable are GenAI procurement policy refinements.
 - PD has collected and analyzed comments on the existing GenAI procurement guidance and have made recommendations based on some of the hot topics.
 - For example, for the policy regarding restriction on using Fair and Reasonable (F&R) acquisition method for GenAI purchases
 - PD is reviewing alternatives to allow use of F&R for GenAI purchases.
 - There will be a draft to be circulated for PART member feedback when available. Feedback received will help PD understand how the procurement policy implementation will impact state agencies.
- STD 1000
 - Updating the acknowledgement and disclosure fact sheet for GenAI.
 - Revisiting categories exempt from GenAI and intend to expand the exemptions.
 - Develop exemption process including alternatives i.e. with federal government contracts where resistance to signing the STD 1000 or the contract language arises.
- If there are questions about the GenAI procedures or challenges state agencies are experiencing, please send input to OPPL: PPO@dgs.ca.gov

Legislative Updates

- Tracking 30 procurement related bills. DGS Broadcast Bulletin will be released soon regarding inactive bills impacting procurement policy.
- Of those 30 bills, 9 were enacted. See below under Enacted Legislation heading.
 - Most were low impact to procurement policy.
 - GenAI related bill is the largest impact to statewide procurement operations.
 - GenAI related bill codified existing EO of continued refinement of GenAI procurement policy and GenAI IT procurement project authority in collaboration with CA Department of Technology (CDT) and Government Operations (GovOps).

Enacted Legislation

- Assembly Bill (AB):
 - [262](#) – Children’s Camps: Safety and Regulation (*DSS specific*)
 - [1511](#) – State Government: Ethnic and Community Media (*Non-IT Services*)
 - [2068](#) – Employment Protections: Call Centers (*Telecom or Non-IT Services*)
 - [2287](#) - Inuit (*Replaces “Eskimo”*)
 - [2543](#) – Small Business Procurement and Contract Act: Eligibility (*Regardless of immigration status*)
 - [3193](#) – State Acquisitions of Goods and Services: Rehabilitation Services (*DOR specific*)

- Senate Bill (SB)
 - [896](#) – Artificial Intelligence Accountability Act
 - [1101](#) - Fire Prevention: Prescribed Fire, State Contracts and Mapping (*CalFIRE specific*)
 - [1207](#) – Buy Clean California Act: Eligible Materials (*Updates definition and insulation*)