**State of California**

**Health and Human Services Agency**

**Department of Rehabilitation (DOR)**

## California Vendor Policy Committee (CVPC) Meeting

## Thursday, August 7, 2025

9:00 a.m. – 2:30 p.m.

Hybrid meeting held at Department of Rehabilitation Central Office, 721

Capitol Mall, Room 301, Sacramento, CA 95814, with virtual participation available via Zoom

**In attendance**:

CVPC members (in-person): Paul Patche II (District 1), Joni Patche (District 3), Michael Hatch (District 4), Sandy Balani (District 5), Max Duarte (District 7), Jerry Gann (District 8)

CVPC members (by Zoom): Harry Begian (District 6)

DOR staff (in person): Sue Pelbath, Luis Rodriguez, Carlene Guzman, Oscar Chavez, Brandon Birchell, Joshua Pitts, Raj Basi, Nia Lutu, Vicki Lim, Jennifer Wilbon

DOR staff (by Zoom): Emma Godinez, John Galicinao

Members of the public (by Zoom): Steve Alford, Dave Carroll, Maria Trovato, James Pappas, Rocio Fonseca

**Meeting Minutes**

## Item 1: CVPC Roll Call and Introduction of DOR Staff and the Public

Vice Chair welcomed attendees, conducted a roll call, and introduced DOR staff and members of the public.

**Item 2: Executive Committee Reports: Chair’s Report, Vice Chair’s Report, Secretary-Treasure’s Report,** **Department and Business Enterprises Program (BEP) Reports**

**Chair and Vice Chair’s report**

Committee members comments and questions

* Elections are approaching
* Provided Legislation updates
* Suggested setting up a taskforce to create a BEP vendor website, discuss what to put on the website, and the costs to create a website
* Would like to know where the funds would come from for the website

**Motion**: District 1 moved a motion to have the department explore where funds (management or professional services funds) can be drawn from, to develop a website for CVPC, and the amount that can be used for the website. The motion further requests the department advise on how to acquire the money. The motion was seconded by District 8.

**Vote:** District 1, yes. District 3. Yes. District 4, yes. District 5, yes. District 8, yes. The motion passed.

Department comments and questions

* Suggested members make a motion to find out where the funds for the website would come from

**Secretary – Treasure’s Report**

Committee members comments and questions

* Discussion of funds/how much is in the account
* Working on the non-profit status

**Motion:** District 5moved a motion to approve the May 1, 2025, meeting minutes. The motion was seconded by District 1.

**Vote:** District 1, yes. District 3, yes. District 4, yes. District 5, yes. District 6, yes. District 8, yes. The motion passed.

**Department and Business Enterprises Program (BEP) Reports**

Department comments and questions

* Need to fill the open BEP, Program Manager position; a committee member will be on the hiring panel with the department
* A Taskforce has been put together to address the voting. The taskforce will also look at how MOR’s and fees are paid
* Would like to know if there is a Bylaw or what the Bylaws say about a committee member/vendor participating in the hiring panel
* Northern Field Office updates: introduced new BEC, SSA position was posted and closed, will move forward with hiring, working with contracts and procurement
* Central office: discussed equipment purchases, 1 request for public records, discussed BEP worker’s comp training presentation for the education conference, discussed assembly bill and how the bill will impact BEP vendors
* Southern Field Office: provided staff updates/currently fully staffed, no contract for Los Angeles yet
* Public records request for a list of all VMU locations
* Going to start doing audits at VMU locations to make sure the reporting is correct

Committee members comments and questions

* The chair appoints who will sit on the hiring panel from the committee, the Bylaw that addresses this should be reviewed
* Shared reasons for developing a taskforce for voting
* Thanked the department for contacting ORIM
* Asked what the public records request was for
* Suggested monitoring VMU accounts

**Item 3: Training Subcommittee Report**

Committee members comments and questions

* The contract for the hotel is finalized
* Shared what is planned/scheduled for each day
* 2025 BEP training conference will be held in Southern California at the Hilton Anaheim, 09/03/25 – 09/05/25 (Wed – Fri)
* Reminder to dress in semi-business attire
* Explained financial loss of trust fund money for those who sign up for the conference but don’t attend
* Would like to know how many people are attending (vendors)
* Asked how many dinners are accounted for
* Would like to know if the count includes only vendors or is BEP staff included
* Cannot attend Disneyland during conference times
* Extra tables can be added if needed to allow DOR staff to sit with vendors during meals
* Questions about rooms and discount rates
* Asked that vendors bring auction items and raffle gifts
* Would like to know if there will be a final written exam in the training class
* Would like to know when the pre-evaluation date will be
* Asked how many students will be going through the training class
* Would like to know if there is an interview process after the 20-day pre-evaluation

Department comments and questions

* Reviewed the BEP education conference agenda
* Reviewed the meal count, which does not include DOR staff
* BEP staff cannot be on the vendor contract
* The education conference agenda has already been submitted to OCB because of the braille request, any request for changes will need to be submitted right away
* Training officer provided updates and a quick overview of the training program/class and 20-day pre eval, gave projected timeframe for the 20 day pre-eval
* There will be exams throughout the course
* 2 students are almost ready for the 20-day pre eval
* BEP training conference is for vendors only, a student is not a licensed vendor, the department will need to find out if a student can attend
* Will need to complete Chicago Lighthouse after the 20-day pre-evaluation

**Item 4: Benefits Subcommittee report with guest Nav Mahl, ORIM. Highlights included the following:**

* Update on how health insurance rates will be impacted for BEP in 2026
* CalPERS board announced preliminary health plan premium rates for 2026. All plan types are expected to see increases, the rates are premlinary and subject to final approval. If approved, the new premiums will take effect 01/01/26
* Reviewed percentages for 2025 and 2026, reviewed key highlights of the upcoming changes
* These are the preliminary rates, they are not yet official. This is the trend nationwide
* Majority of the vendors are on the HMO plan. There are 14 members on the HMO plan, 1 member on the PPO plan
* The vendor contribution to the HMO plan is currently $519 and the program pays the rest
* The trust fund contribution is $890
* The $890 does not include the increase
* Discussed how the current health plan is set up between large and small

Committee members comments and questions

* Asked how many vendors are on the HMO plan
* What is the vendors’ contribution to the HMO
* What is the trust funds contribution

**Item 5: BAC Report**

Committee members comments and questions

* Summarized key topics presented at the May 2025 BAC meeting
* BAC Vice chair position filled
* Next BAC meeting 08/14/25

**Item 6: QLDC Report**

Committee members comments and questions

* Would like department to review the waivers from the last QLDC meeting
* Ironwood recommendation: 10-year waiver; however, the committee recommended a 5-year waiver
* Discussion took place about interim lists, and satellites
* Question regarding micromarket at the Ronald Reagan Building
* There is no micromarket at the Ronald Reagan Building, but the building is requesting one
* Discussion took place about concerns regarding a micromarket in the Ronald Reagan Building
* There are 5 vending machines in the Ronald Reagan Building
* Waiving the micromarket at the Ronald Reagan building because of low population and nearby competition
* Reviewed awarded locations since the last meeting
* Discussion took place regarding prisons
* There are not many new location developments because there are not a lot of vendors to put into these new locations
* Would like to know if the department contacted DOT to see about getting vending machines at Whitewater
* Asked if there is an update regarding Alameda Coast Guard
* Would like the department to look into JPL and the Department of Energy

Department comments and questions

* 2 waivers, from the August QLDC meeting: Ironwood State Prison employee cafeteria and East County Regional Center Cafeteria
* Waivers from the July meeting: Van Nuys State Building Cafeteria, Ronald Reagan State Building Micromarket, Coalinga State Hospital cafeteria, Hiram Johnson State Building cafeteria
* Roadside rest in Palm Desert/Desert Oasis set to open in 2029, the department has reached out to Caltrans to express interest
* Request to put Whitewater on the QLDC agenda
* There is no update for Alameda Coast Guard

**Item 7: Rules Subcommittee Report**

Committee members comments and questions

* No recent Rules meeting
* An update to a section of the regulations was sent to legal about submitting ballots electronically
* Need to review regulations as everything is outdated
* Discussion took place about electronic payments. Legal is working on the language, then will bring it to the Rules Committee

Department comments and questions

* The business plan is with the legal department
* Updates regarding RSA

**Item 8: Finance Subcommittee Report**

Department comments and questions

* Reviewed: reports, missing MOR’s, active vendors owing funds
* Currently 23 active vendors owing funds, reviewed outstanding invoices, reviewed key highlights, 10 vendors missing MOR’s which totals 33 missing MOR’s
* These are active vendors with locations that owe
* Set aside expenditure report discussed
* Discussed purchases and spending and what was allocated for this fiscal year
* All the invoices are owed, some invoices have been settled already
* There are no known disputes
* Response to the request to receive reports earlier, the information will not be up to date, the information will go 2 months back
* Will submit the reports, 2 months behind,10 days before the CVPC meeting, and members can decide which reports they want to discuss during the meeting

Committee member comments and questions

* Questions regarding the trust fund report
* Asked if there were any disputes regarding invoices owed
* Would like reports to be distributed with the agenda and would like to receive the reports earlier

**Item 9: Legislative Subcommittee Report**

The Department read the Legislative Report per the chair’s request which reviewed the following:

Assembly Bill 800

Senate Bill 14

Federal Advocacy – Department of Defense & USDA Sites

Goals for the remainder of the year

**Item 10: Guest speakers from Texas, Larry Watson, Chair**

Explained the process of going to credit/debit card readers at prisons, shared hurdles, and challenges, as well as benefits and rewards since implementation. SLA does not have access to card readers. There is no credit card limit, can spend as much as you want. Explained the difficulties and problems with prepaid cards.

Committee members comments and questions

* + Asked if SLA has access to the card readers
  + Asked about credit card limits
  + Asked about selling prepaid cards

**Item 11: District Reports**

Committee members comments and questions

* Delegates provided updates within their respective districts
* California City Prison is putting 2,000 federal inmates by 09/01/25 in California City Prison/State detention center, and would like to know if BEP is interested in operating the vending machines there
* Discussion took place regarding Cantaloupe credit card readers
* Discussion took place about giveaways at the prisons, fundraisers

Department comments and questions

* Discussions took place regarding California City Prison
* Discussion about card readers

**Item 12: Open Forum, Suggestions for next meeting, Discuss and update action items**

Committee members comments and questions

* Discussion took place regarding card readers, Cantaloupe card reader
* Discussion took place regarding illegal sellers

Meeting adjourned at 2:30 PM