



Supplier Diversity Policy

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SUPPLIER DIVERSITY POLICY



What

Requires public entities in Washington state to change the way they do business with the private sector so they will not perpetuate systemic disparities



Why

Is a key milestone in the state's efforts to drive real and durable change



Who

Applies to all goods and services procurements made by state government agencies, higher education and other types of institutions

POLICY GOALS

- Remove barriers that prevent small, diverse and veteran-owned businesses from receiving equitable access to state goods and services procurements.
- Establish supplier diversity procurement requirements authorized in statute and Executive Order
- Support and enhance the practices found in the Governor's Subcabinet Tools for Equity in Public Spending and recommendations made in the 2019 State of Washington Disparity Study.

DISPARITY STUDY WAS OUR GUIDE

This chart shows that seven of the recommendations were specifically addressed by the Policy/ Handbook; four more by other DES policies/practices; and five by OMWBE.

Perhaps most importantly:

DES and OMWBE are working closely together to support agency compliance with EO 22-01 and the SD Policy.

Disparity Study Recommendations	Draft Supplier Diversity Policy/Procedure/FAQ Section	Reason not included in Policy/Procedure/FAQ Section
1. Implement an electronic data collection & monitoring system	OMWBE – ACCESS Equity	
2. Examine current policies & provide best practices	OMWBE statutes	
3. Conduct pre-bid conferences	Policy Section C(5)	
4. Post winning bidders/proposers to WEBS		Already addressed in new WEBS rules/tools
5. Conduct additional outreach efforts	Policy Section C(2)	
a. Conduct special outreach to M/WBEs in industries where they have received few opportunities	OMWBE statutes	
b. Focus outreach on agencies with low M/WBE utilization	OMWBE statutes	
6. Increase technical assistance to M/WBEs & small firms		Indirectly addressed in the policy and procedure, under the outreach events, which are intended to increase technical assistance.
7. Lengthen solicitation times	Policy Section C(6)	
8. Review contract sizes & scopes (unbundling)	Policy Section C(3)	
9. Raise the Direct Buy limits		Already done
10. Adopt “quick pay” policies	Policy Section C(6)	
11. Review insurance, surety bonding & experiences requirements	Policy Section C(6)	Also created new bonds policy
12. Train state staff on how to increase diversity in contracting	Policy Section A(1)	
13. Develop pilot race- & gender-neutral SBE programs		Outside scope of supplier diversity policy
14. Develop performance measures for success	OMWBE guidance	

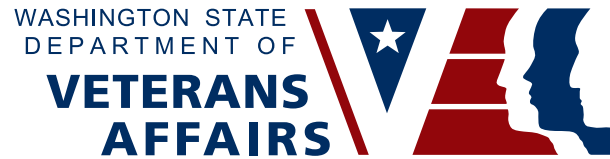
OUTREACH

We conducted extended outreach to get feedback on the policy.

- We sought feedback on the policy concept, which we used to develop the policy timeline in late 2019.
- We received more than 1,400 individual comments on the draft documents in late 2021.
- We worked extensively with several partners throughout the process, identified on next slide.

PARTNERS

Agencies

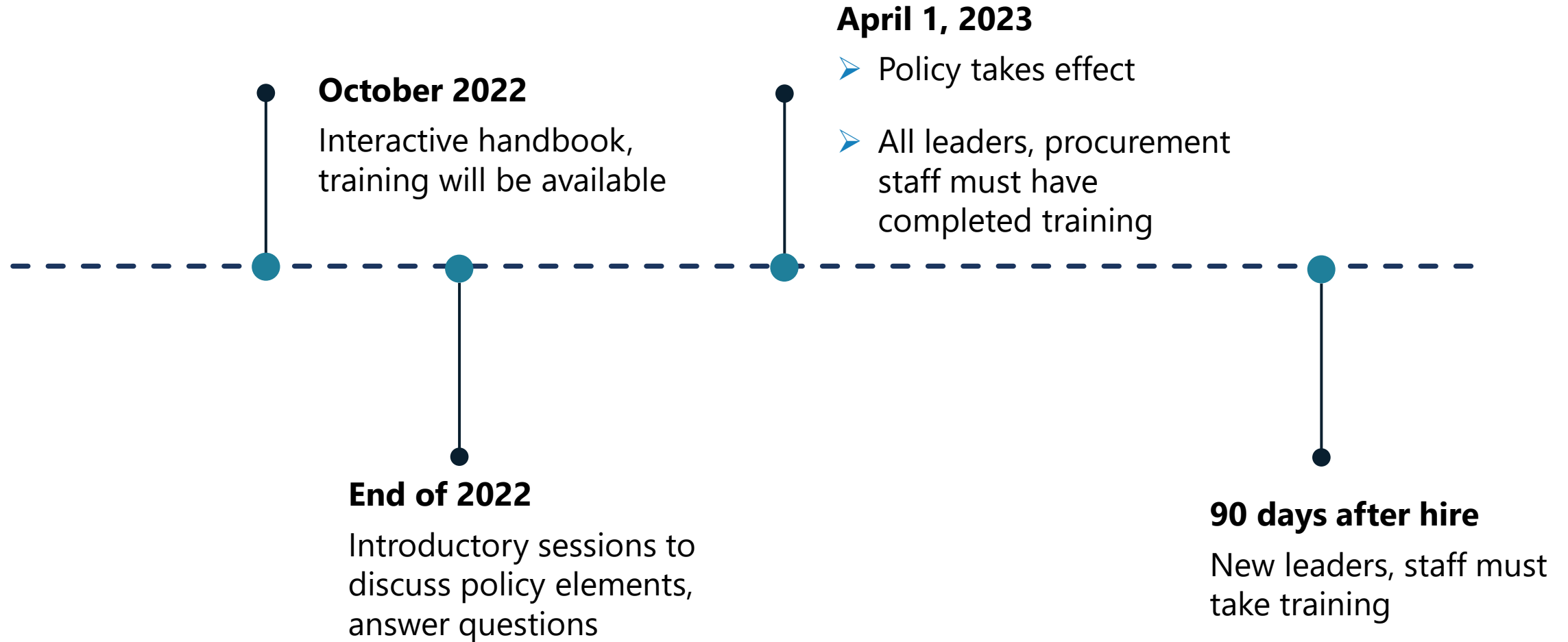


**Governor's Subcabinet
on Business Diversity**

DES Advisory Groups

- Business Diversity Advisory Group (BDAG)
- Procurement Customer Advisory Group (PCAG)

POLICY, TRAINING TIMELINE



TOOLS FOR PROCUREMENT STAFF

- Training video for procurement staff and agency leaders will explain policy, interactive handbook
- Interactive handbook will give procurement staff step-by-step instruction for how to embed supplier diversity requirements in all aspects of goods and services procurements
 - The handbook is being coordinated with OMWBE's Tools for Equity in Public Spending
- DES statewide contracts have implemented the same processes
- Considering developing resources to help agencies prepare decision packages for additional costs

EXECUTIVE LEADERSHIP REQUIREMENTS

Additional requirements for leaders:

- Designate one or more agency leaders with responsibility for increasing agency's spending with small, diverse and veteran-owned businesses.
- Publicly post the name and contact information of these leaders.

THANK YOU



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