



Supplier Diversity Policy Introductory Session

Dec. 14, 2022

HOUSEKEEPING ITEMS

Virtual Participation

- By email invitation through the Zoom registration process

Audio and technical Issues

- Use chat function in Zoom for assistance (do not use Q&A)
- **Presentation and session recording will be available after this session**

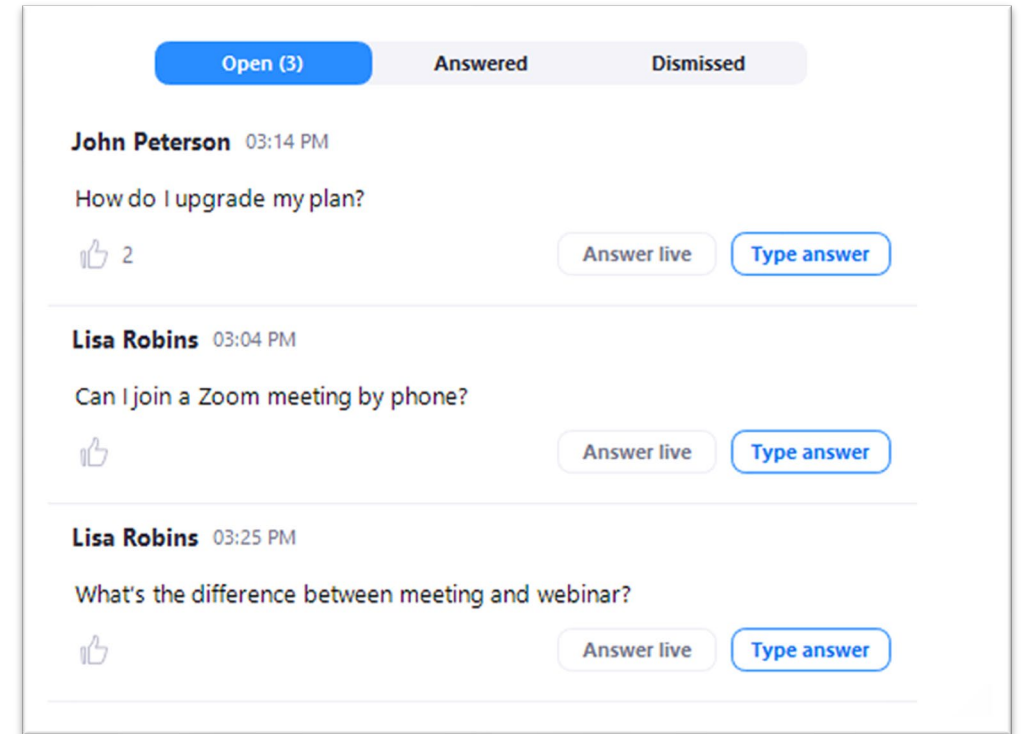
QUESTION & ANSWER OPTIONS

Zoom Webinar Functions

- ✓ Chat
- ✓ Q&A
- ✓ Polls



➤ **Post-session Survey**



PRESENTERS

DES panelists

- **Tara C. Smith**, Director
- **Christine Warnock**, Enterprise Procurement Policy Manager
- **Shana Barehand**, Business Diversity & Marketing Manager
- **Drew Zavatsky**, Procurement Risk Assessment Administrator
- **Zoë Mroz**, Sole Source Oversight Administrator

Guest panelists

- **Lekha Fernandes**, Director, OMWBE
- **Douglas Mora**, Supplier Diversity Toolkit Manager, OMWBE
- **Shamekia Moultrie**, Veteran Owned Business Program Manager, DVA

AGENDA

Topic	Presenters
Introduction	Christine Warnock (DES)
Agency leadership has a key role to help agencies succeed	Lekha Fernandes (OMWBE) Tara Smith (DES)
Supplier Diversity Policy (SDP) and expectations for agencies	Drew Zavatsky (DES)
EO 22-01 expectations for agencies and how they work together with the SDP	Doug Mora (OMWBE)
Review the checklist	Zoë Mroz (DES)
Agency support for implementation of SDP	Shana Barehand (DES) Doug Mora
Measuring success: How agencies show compliance with SDP	Drew Zavatsky, Zoë Mroz
Question & Answer	All




A MESSAGE FROM DES, OMWBE LEADERS



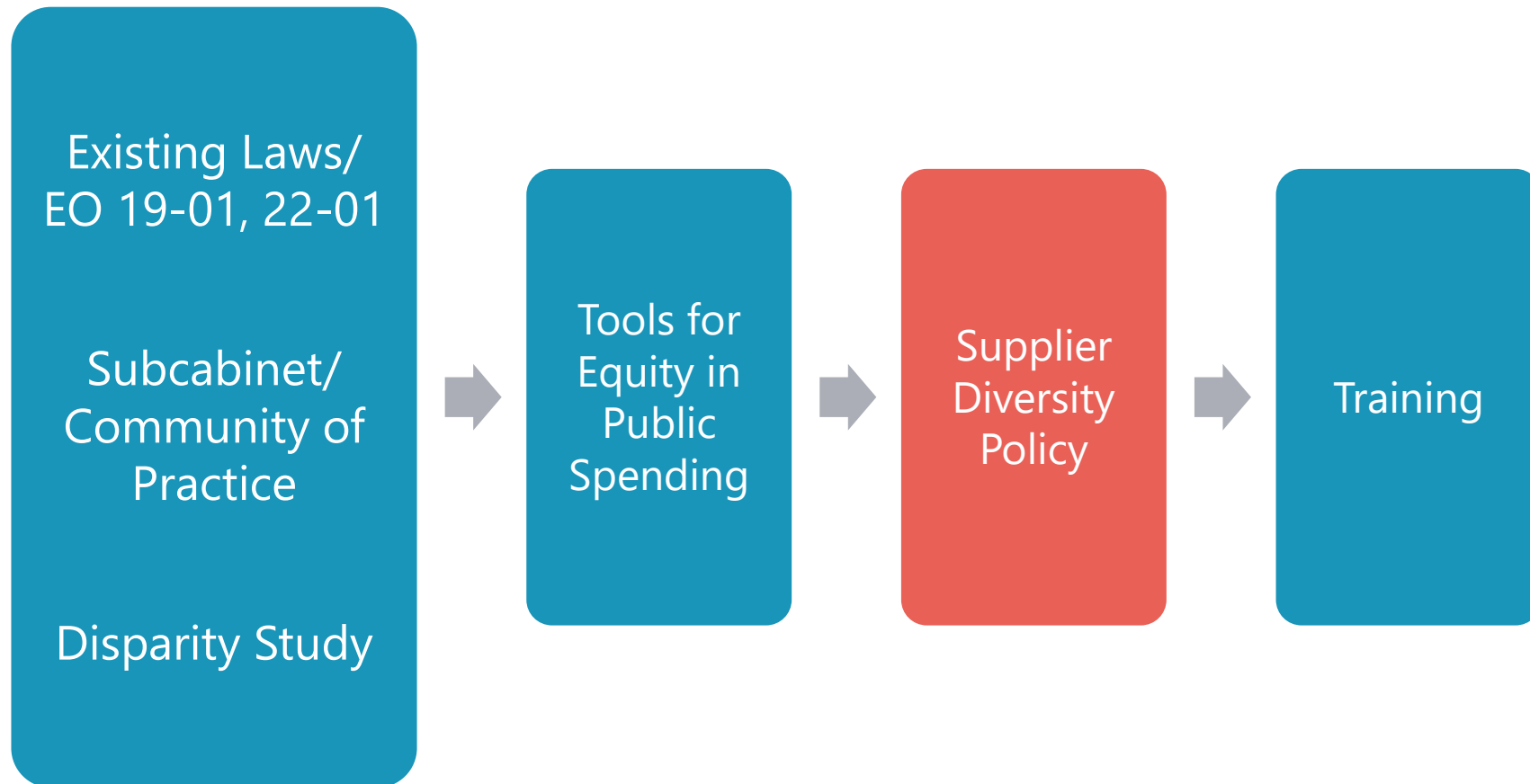
Tara C. Smith, DES Director
Lekha Fernandes, OMWBE Director

SUPPLIER DIVERSITY POLICY & AGENCY EXPECTATIONS

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, Executive Order 19-01 (promote veteran-owned businesses), and Executive Order 22-01 (equity in public contracting)
-  **Support and enhance practices** found in the Governor's Subcabinet Tools for Equity in Public Spending and recommendations made in the 2019 State of Washington Disparity Study

POLICY COORDINATION



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 the SD Policy and EO 22-01


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	Also created Policy Section C(4)	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	

POLICY EXPECTATIONS FOR AGENCIES

- Implement Disparity Study recommendations contained in the policy
- Agency Leaders take active role in ensuring that agencies implement the policy
- Report policy compliance to DES
- Use the checklists
- DES is coordinating a decision package for policy/EO 22-01 FTEs, template available Spring 23

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IMPLEMENTING THE SUPPLIER DIVERSITY POLICY

- Applies to all goods and services purchases by state agencies, agencies, higher education and other types of institutions
 - How agencies can implement the policy and EO 22-01: the checklists are your guide
 - DES and OMWBE will help with the implementation through tools, templates, and consultation
 - Policy implementation steps are in the [interactive handbook](#)
- 

IMPLEMENTING THE POLICY

The supplier diversity policy focuses on discrete strategies for business transformation, listed in the handbook:



- C1. Forecasting
- C2. Outreach
- C3. Unbundling
- C4. <\$150K
- C5. Pre-Bid Conferences

- C6. Solicitation/K Language
- C7(a) Evaluation Points
- C7(b) SIP
- C7(c) Reserved Awards
- C(8) Transparency



QUESTIONS: SUPPLIER DIVERSITY POLICY & AGENCY EXPECTATIONS

Please submit questions
during the Q&A

EO 22-01 EXPECTATIONS AND SDP WORKING TOGETHER

TOOLS FOR EQUITY IN PUBLIC SPENDING

- Planning and Forecasting
- Internal Processes
- Inclusion Plans
- Statewide Contracts
- Outreach



douglasm@omwbe.wa.gov
equitytoolkit@omwbe.wa.gov

ZOOM POLL 1



Have you attended an OMWBE Toolkit Session?

- Yes, I've attended one session.
- Yes, I've attended multiple sessions.
- No, I haven't attended any but plan to.
- No, I haven't attended and don't plan to.

TOOLKIT AND DES IMPLEMENTATION



Tool (EO 22-01)	DES Implementation
Planning and Forecasting	Forecasting
Outreach	Outreach
Inclusion Plans	Subcontractor Inclusion Plans
Internal Processes	Unbundling, Contracts Valued Under \$150K, Pre-Bid Conferences, Solicitation/Contract Language
Statewide Contracts	Statewide Contracts



**QUESTIONS:
EO 22-01
EXPECTATIONS
AND SDP WORKING
TOGETHER**

Please submit questions
during the Q&A

CHECKLIST REVIEW

CHECKLIST OVERVIEW

- What it is
- [Checklist 1](#) – for EO 22-01 agencies (large and small cabinet agencies)
- [Checklist 2](#) – for all other agencies
- Each required section linked to relevant resources: the OMWBE web site (Tools for Equity), SDP Handbook, etc.
- How to use it

Supplier Diversity Checklist 1



Required for all cabinet agencies and those that have accepted the invitation to follow the Executive Order 22-01, Equity in Public Contracting. Full compliance also requires adherence to the Supplier Diversity Policy. All sections are collapsible. Each section provides an icon link with hover-over text to resources or additional information.

Checklist Icons:

- Link to OMWBE, - Link to Online Handbook, - Additional information, - Link to DES tools

Leadership

<input type="checkbox"/>	Assign staff to oversee implementation of EO 22-01.	
<input type="checkbox"/>	Designate agency supplier diversity leader(s), posts contact info on agency website (note: this may be the same staff as person above).	
<input type="checkbox"/>	Completed updated Executive Management training by April 01, 2023	

Training




<input type="checkbox"/>	Staff who work with contracts have completed DES supplier diversity training by April 01, 2023, and have attended OMWBE Toolkit Workshops.	
<input type="checkbox"/>	Agency tracks training of staff on procurement processes.	

Planning and Forecasting

<input type="checkbox"/>	Agency has documented processes for planning and forecasting.	
<input type="checkbox"/>	Forecast all competitive purchases, direct buys with a statement of work, sole source contracts, and noncompetitive purchases estimated at \$20,000 and above, annually.	
<input type="checkbox"/>	Use the Forecasted Needs Template to post to the agency's website its forecasted needs for all noncompetitive and competitive purchases annually by March 1.	

CHECKLIST EXAMPLE

Subcontractor Inclusion Plans

<input checked="" type="checkbox"/>	Agency has documented processes that include discussing subcontractor inclusion plans at pre-bid conferences as appropriate.	
<input type="checkbox"/>	Agency includes subcontractor inclusion plans for all contracts that will have subcontractors.	
<input checked="" type="checkbox"/>	Agency has a method to track how primary contractors are meeting the inclusion goals.	

Checklist Icons:

 - Link to OMWBE,  - Link to Online Handbook,  - Additional information,  - Link to DES tools



QUESTIONS: CHECKLIST REVIEW

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AGENCY SUPPORT FOR IMPLEMENTING SDP

EO 22-01 SUPPORT

- Toolkit Workshops
- Consulting: Process review, OMWBE database search, unbundling opportunities, statewide contract use analysis
- Continued partnership with DES and WDVA to provide information sessions
- Diverse Spending Goal Plans

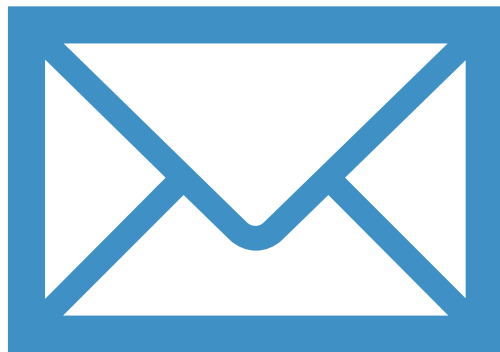
douglasm@omwbe.wa.gov
equitytoolkit@omwbe.wa.gov

MONTHLY NEWSLETTER



Subscribe to our [Supplier Diversity Newsletter](#) to stay up to date on Access Equity system implementation and more!

Subscribers Receive:



- New OMWBE Certified Businesses
- Upcoming Toolkit Workshops
- Access Equity Updates
- Supplier Diversity News

TOOLS WE DEVELOPED TO HELP YOU

Procurement consulting service

- Help small agencies, boards, and commissions with contracts and procurement services -- follow procurement laws and best practices to minimize risk
- Conducting and managing competitive procurements
- Buying from a statewide contract
- Using direct buy purchasing authority
- Using and substantiating the need for sole source contracts
- Assisting with agency procurement risk assessment

DES templates and guidance

- Unbundling
- Posting winning bids
- Small/vet points
- Reserved awards
- Multiple awards
- Outreach
- Other supplier diversity best practices
- Decision package template for SDP FTEs

Double the help

- OMWBE support: Tools for Equity
- DES PIE Team
- DES is planning some networking and matchmaking sessions in 2023

PHASE 1 IMPLEMENTATION: EASY AND IMPACTFUL

Small and veteran points: Up to 20%

You can offer points to:

- Small businesses
- Veteran-owned businesses

Outreach during solicitation development

- Search for SDVBs
- Document in spreadsheet
- If you have time, search other databases
- Outreach email to all businesses on list
- Count your outreach efforts

Contracts worth \$150K and less

- If estimated contract value is >\$150K, must be awarded to the highest scoring responsive and responsible small or veteran business
- Search for small, veteran-owned businesses that sell what you are buying

SAMPLE BID EVALUATION

The process for bid evaluations:

1. Bidder responsiveness, performance requirements, price factors, and responsibility
2. Non-responsive bidders are rejected and are notified of the reasons
3. Purchasers have the right to:
 - Request clarification
 - Waive any informality
 - Reject any or all bids in part or in total
 - Accept any portion of the bid unless the bidder stipulates all or nothing in their bid
 - Cancel the solicitation and, if desired, re-solicit
 - Negotiate with the lowest responsive and responsible bidder(s)

STEP	ITEM	POINTS
1	Bid Responsiveness/Responsibility	Pass/Fail
	Bid Evaluation	
2	Performance Requirements/Qualifications Exhibit B – Performance Requirements	500
3	Cost Factors Exhibit C – Bid Price	500
	Total:	1000
4	State Procurement Priorities	
	Washington Small Business	50
	Certified Veteran-Owned Business	25
	Executive Order 18-03	25
	Total:	1100

CLEARLY STATING PROCUREMENT PRIORITIES

1. WASHINGTON STATE PROCUREMENT PRIORITIES & PREFERENCES (STEP 4).

[Entity] will apply the following Washington State procurement priorities and preferences, as set forth below, to this Competitive Solicitation

- **Executive Order 18-03: Workers' Rights (Mandatory employee arbitration & class action waivers): 25 points**
- **Washington Small Business: 50 Points**
- **Certified Veteran-Owned Business: 25 Points**

CERTIFYING AS A SMALL BUSINESS

“Washington Small Business” is defined in RCW 39.26.010(22)

3 requirements:

- **Location:** Bidder’s principal office/place of business must be located in Washington, i.e. headquarters
- **Size:** Business must have either:
 - 50 or fewer employees OR
 - Gross annual revenue of <\$7 million
- **OMWBE** state-certified businesses (to get the priority points, must be in-state and must meet the size standard)

WEBS certification: Bidder must be registered in WEBS

CERTIFIED VETERAN BUSINESS

Certified veteran-owned business is defined in RCW 43.60A.190

Must meet **4 requirements**:

- 1. At least 51% owned and controlled** by an honorably discharged or disabled veteran or active member of military or military reserves
2. Must be **incorporated** in the state of Washington
- 3. WEBS certification:** Must register and certify its Veteran-Owned business status in WEBS
- 4. WDVA certification:** Must be certified by WDVA and listed WDVA's website

OUTREACH DURING SOLICITATION DEVELOPMENT

Develop email and script

Include:

- Commodity codes
- Contacts for questions
- We created a template to help you!

Do research, save in a spreadsheet

- Search for SDVBs: OMWBE, WEBS, City of Seattle, King County
- If you don't find any certified businesses, we can help you:
 - Search
 - With training

Measure effectiveness of your outreach with SDVBs

- How many did you find?
- How many did you contact?
- How many downloaded the solicitation?
- How many bid?
- How many won?

AWARDS TO SMALL/VETERAN BUSINESSES >\$150 K – NEW!

A method to estimate the value of a contract

- **WEBS:** View previous procurements
- Request contract information or check **data.wa.gov** to see who was awarded
- Check **fiscal.wa.gov** to see how much was spent on the contract

Ensure there are ample small, veteran businesses available

Let us know if you cannot find any vendors for the goods/service you need:
DESPIEProgram@des.wa.gov

Be clear that the award is intended to go to small or vet business

Contract language should clearly:

- **Define** small and veteran-owned businesses
- **Express** the intent to award to a qualified small or veteran business
- State what is **responsive** and **responsible**

WHAT CAN YOU DO?!?

Liaise and support small and diverse business organizations

- State agencies **can't** assist vendors with their bids
- **PTAC and Tabor 100 CAN!**
- **Highlight PTAC** in the prebid:
 - <https://washingtonptac.org/>
 - thurston@washingtonptac.org
- **BDAG/Tabor:** Reach out to Kim Sauer, PIE team
- DES is planning some **outreach events** in 2023 to **connect purchasers with small, diverse and veteran-owned business**. Share your ideas with us!



QUESTIONS: AGENCY SUPPORT FOR IMPLEMENTING SDP

Please submit questions
during the Q&A

DEMONSTRATING COMPLIANCE

MEASURING SUCCESS

- Procurement Risk Assessment (PRA)
 - Track progress in all checklist tool usage
 - Increased small and veteran owned business spending
- SDP compliance reviews will be included in the next PRA beginning Spring 2024

Q&A

ZOOM POLL 2



What topic areas would you like to see covered in a targeted workshop? Check all that apply.

- Leadership Requirements
- Training
- Strategies (forecasting, outreach, unbundling, pre-bid conferences, contract/solicitation language, evaluation points, subcontractor inclusion plans, reserved awards, contracts under \$150,000)
- Compliance
- Other (please specify topic area in chat)

NEXT STEPS

- We will provide to all attendees:
 - Written answers for all questions
 - A written transcript to this meeting
 - PowerPoint of today's presentation
- [Survey](#)
 - We will use the information we receive from you to plan topic-specific sessions in 2023





STAY IN THE LOOP

Subscribe to DES updates and information the policy and future sessions.

THANK YOU



DES [mienterpriseprocurementpolicy.wa.gov](https://des.wa.gov/enterprise-procurement-policy)



360-407-2210



[Current Enterprise Procurement Policies \(des.wa.gov\)](https://des.wa.gov/enterprise-procurement-policy)