4.1.a Increase state agency and educational institution utilization of state-certified small businesses in public works and other contracting and procurement by 2017 to: Minority-owned businesses: 10% Women-owned businesses: 6% Veteran-owned businesses: 5%

G2: 4.1.a Increased State Certification Utilization

Background: Community Advocacy leads to more intense focus on state supplier diversity

Structure
- Prior to 1983-W/MBE utilization at less than 1%
- State FY 2014-W/MBE utilization at 1%
- Creation of OMWBE (1983)- responsibilities
  - Certification
  - Monitoring/compliance
  - Outreach/education
  - Supplier diversity policy development and plan

Delete this and add "Picture" from the "Report Components".

Add a new "Picture" for each slide.
G2: 4.1.a Increased State Certification Utilization

Current State: 39.19 RCW Compliance with public works and procurement goals.

W/MWBE Utilization for Agencies Overall Total in 2014: 1.02%

Problem/Opportunity: Culture Change in procurement practice

Agency Participation Plans
- Received 32
- Not Received 31

Higher Education Participation Plans
- Received 19
- Not Received 16

State Goals
- Minority 10%
- Woman 6%
- Veterans 5%

Ask
- 20% increase over current rate of 1%

Barriers
- Agencies/colleges not complying plan submittal
- No common language
- Goals are aspirational
- Master contracts
- Large contracts
- Bonding Issues
Strategy: Responding to the Customers needs

**Overhaul the data collection**
- Purchase Card
- Subcontractor
- Interagency Agreements

**Help Certified Firms**
- Video Tutorials
- Access to capital-DFI
- Webinars

**Partners**
- Prime Contractor
- Private Sector

Action Plan

### Action Plan

<table>
<thead>
<tr>
<th>Task</th>
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<th>Partners</th>
<th>Expected Outcome</th>
<th>Status</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Reach out to top performing agencies to learn best practices</td>
<td>OMWBE</td>
<td>Agency; colleges</td>
<td>Learn best practices to share/increase utilization</td>
<td>Completed; identified LNI as best practice</td>
<td>December 2014</td>
</tr>
<tr>
<td>Identify areas in the state where W/MBES are lacking; offer certification classes and increase certification by 30%</td>
<td>OMWBE</td>
<td>All agencies, colleges, local, and private sector</td>
<td>Increase certified firms in needed NAICS codes for utilization</td>
<td>Completed; increased new State certification by 10%</td>
<td>December 2014</td>
</tr>
<tr>
<td>Visit with each agency and college to review participation and template</td>
<td>OMWBE</td>
<td>All agencies, colleges, local, and private sector</td>
<td>100% participation plan submittal</td>
<td>Completed; visited 34 agencies and 31 out of 35 colleges</td>
<td>May 2014</td>
</tr>
<tr>
<td>Offer certification classes to targeted procurement areas</td>
<td>OMWBE</td>
<td>All Agencies and Colleges</td>
<td>Increase in certified firms in particular areas of procurement</td>
<td>On Track</td>
<td>Ongoing</td>
</tr>
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<tr>
<td>Develop data system for Purchase Card utilization.</td>
<td>OMWBE</td>
<td>OFM</td>
<td>Develop IT program in both DES and OMWBE’s data system to pull p-card diversity spend</td>
<td>On Track</td>
<td>December 15</td>
</tr>
<tr>
<td>Develop training on doing business with the state</td>
<td>OMWBE</td>
<td>All agencies, colleges, local, and private sector</td>
<td>Assist firms in successfully competing for government contracts</td>
<td>On Track</td>
<td>January 16</td>
</tr>
<tr>
<td>Meet with all colleges and agencies to create a partnership to get eligible firms certified</td>
<td>OMWBE</td>
<td>All Agencies and Colleges</td>
<td>Increase certified firms</td>
<td>On Track</td>
<td>January 16</td>
</tr>
<tr>
<td>In collaboration with DES, develop supplier diversity and inclusion plans</td>
<td>DES</td>
<td>OMWBE</td>
<td>Increase small and diverse business participation in goods and services and public works contracts.</td>
<td>TBA</td>
<td>TBA</td>
</tr>
</tbody>
</table>
Diversity in Washington State Contracts, Procurement, Public Works and Transportation

Washington State Department of Enterprise Services

Chris Liu
July 29, 2015

What we are hearing from our customers and communities

• Barriers to doing business
• Difficult and inconsistent processes
• Current performance numbers
Current state

- Data not standardized
- Many independent efforts but no central focus
- No common language
- No statewide community of practice

Strategy and next steps

- Work with community members to develop a common understanding of the issue.
- Form a subcabinet.
- Mobilize a team to support the subcabinet (address the “how”).
## Subcabinet Agency Members

- Dept. of Transportation, Lynn Peterson
- Dept. of Social and Health Services, Kevin Quigley
- Health Care Authority, Dorothy Teeter
- Dept. of Enterprise Services, Chris Liu
- Dept. of Corrections, Bernie Warner

- Dept. of Labor & Industries, Joel Sacks
- Dept. of Veteran Affairs, Alfie Alvarado-Ramos
- Office of Minority & Women’s Enterprises, Alexis Oliver
- Commission on African American Affairs, Ed Prince
- Commission on Asian Pacific American Affairs, Michael Itti
- Commission on Hispanic Affairs, Uriel Iniguez

- Attorney General’s Office, Laura Watson
- Governor’s Office, Executive Team

Represent more than 2/3 of state spending  
Community of practice  
Community transparency, reporting and communication  
Single source legal counsel  
Provide direction

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## Organizational structure

- Regular meetings with community members

- Support team for subcabinet formed July 20; meets daily

- Subcabinet formed July 15; meets regularly
Anticipated Areas of Focus

1. Contracting and procurement practices
2. Public works / transportation practices
3. Training / education practices
4. Policy / legislative initiatives
5. Data collection / report systems
6. Diversity architecture (community of practice)
7. Communication and outreach

This will not be a linear process – work in focus areas will be concurrent

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<tr>
<td>Define immediate, mid- &amp; long-term needs</td>
<td>Support team</td>
<td>Community members</td>
<td>Define and agree on issues and timeframes.</td>
<td>In progress</td>
<td>August 2015</td>
</tr>
<tr>
<td>Based on needs, determine the scope of work</td>
<td>Support team and subcabinet</td>
<td>Community members and stakeholders</td>
<td>Common, across the board understanding of issues and how to address them.</td>
<td>In progress</td>
<td>August 2015</td>
</tr>
<tr>
<td>Identify barriers / conduct gap &amp; root cause analysis</td>
<td>Support team</td>
<td>Community members</td>
<td>Standardize data, identification of the root cause.</td>
<td>In progress</td>
<td>Sept. 2015 *</td>
</tr>
<tr>
<td>Identify funding strategies</td>
<td>DES</td>
<td>Subcabinet, Governor’s Office, OFM</td>
<td>Ensure sustainability for business diversity efforts.</td>
<td>In progress</td>
<td>Sept. 2015 *</td>
</tr>
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</table>

* Estimated
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<tr>
<td>Create community of practice</td>
<td>Support team</td>
<td>Subcabinet, community members, state agencies</td>
<td>Standardize practices statewide and create diversity architecture.</td>
<td>TBD</td>
<td>Long term</td>
</tr>
<tr>
<td>Expand and develop business diversity inclusion plans</td>
<td>Support team</td>
<td>Subcabinet, community members</td>
<td>Increase small and diverse business participation in goods and services and public works contracts.</td>
<td>In progress</td>
<td>On-going</td>
</tr>
<tr>
<td>Legislative Initiatives</td>
<td>Support team</td>
<td>Subcabinet, community members, Legislature</td>
<td>State policy that encourages small and diverse business participation in state contracting</td>
<td>In progress</td>
<td>Fall 2015</td>
</tr>
</tbody>
</table>

Send inquiries to:

BusinessDiversity@des.wa.gov