

# ENTERPRISE SUPPLIER DIVERSITY POLICY UPDATE

Presented to Washington Association of Contracts Specialists (WACS),  
by:

Christine Warnock

Enterprise Procurement Policy Manager, DES

# **SUPPLIER DIVERSITY POLICY**

## **THE JOURNEY**

# REASON FOR POLICY

The state has committed to dismantling barriers to inclusion and equity in its procurement practices.

For real change to occur, a supplier diversity policy is needed that will require agencies to align their practices with recommendations from a statewide Disparity Study and the Governor's Subcabinet on Business Diversity.

Once adopted, supplier diversity considerations will be included in **all aspects** of state goods and services contracting and procurement.

# **SUPPLIER DIVERSITY POLICY GOVERNANCE**

# GOVERNANCE

The statewide Disparity Study calls for changes to current state procurement practices and policies so they will not perpetuate systemic disparities, in all contracting (including goods and services).

Executive Orders and RCWs also call for increasing utilization.

The Governor's Business Diversity Subcabinet obtained an AGO Opinion and established a legal path forward to contracting equity.

# SUPPLIER DIVERSITY POLICY- GOVERNANCE

## Governance:

State Law [RCW 39.26.090\(6\)](#)

State Law [RCW 39.26.005](#)

State Law [RCW 39.26.240](#)

State Law [RCW 39.26.245](#)

State Law [RCW 39.26.160\(3\)\(b\)](#)

State Law [RCW 43.60A.200](#)

[Executive Order 19-01](#)

**State Business Diversity Subcabinet and  
OMWBE: [Tools for Equity in Public  
Spending](#)**

**Washington State 2019 Disparity Study**

**AGO Opinion – legal path forward**



Office of  
Equity



# Roadmap to Contracting Equity

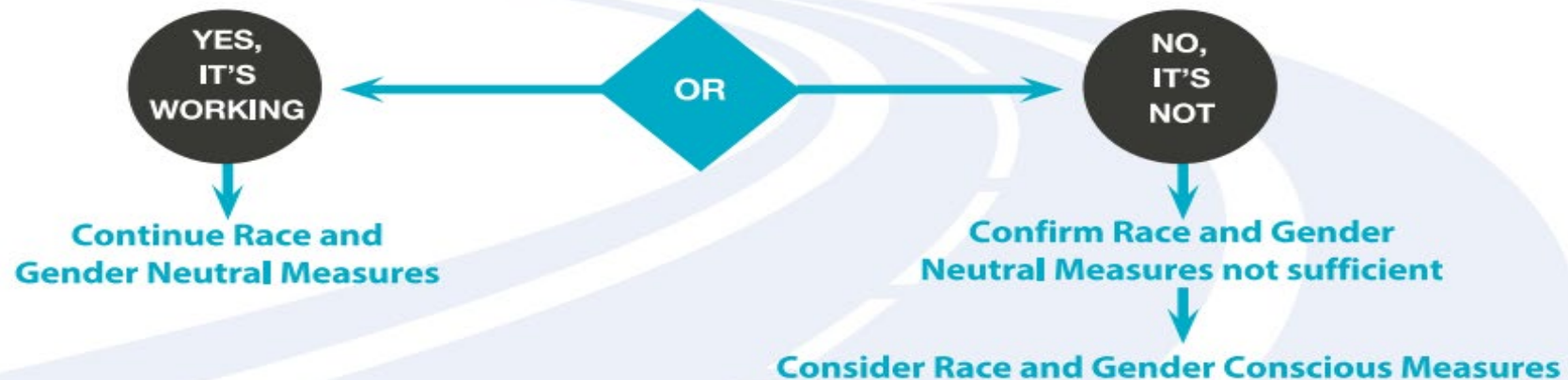
**Governing Body — Governor's Subcabinet on Business Diversity**

**Attorney General's Legal Opinion (No. 2017-02)**

**Disparity Study**

**Standardize Race and Gender Neutral Measures\***

**Evaluate Race and Gender Neutral Measures**



**\* Among agencies - policy, procedures, measures, training, adjustments.**

**Subcabinet agencies and partners:** Department of Enterprise Services • Department of Social and Health Services • Department of Transportation • Health Care Authority • Department of Corrections  
Department of Labor and Industries (Represent 2/3 of state spending)

Office of Minority and Women's Business Enterprises • Department of Veteran Affairs • Commission on African American Affairs • Commission on Asian Pacific American Affairs • Commission on Hispanic Affairs  
Department of Commerce • Governor's Office for Regulatory Innovation and Assistance • Attorney General's Office

# The path to standardizing race and gender neutral measures among agencies

## Tools for Equity in Public Spending

The toolkit provides support for agencies including resources such as model policies, tools and best practices

2021 Coordinated toolkit implementation:  
Introduce new tools quarterly



Follow up Support Sessions:  
share plans for implementation  
& ask questions



Final Support Sessions:  
share implementation progress  
& lessons learned

### Existing Toolkit Resources

#### Current Voluntary Measures

- Improved agency guidance on supplier diversity best practices
- Established tools for agencies to increase supplier diversity with planning & forecasting, internal processes, master contracts, inclusion plans, and outreach
- Merged statewide small business information for easier access
- Improved certification process
- Utilize state's data sources to help inform supplier diversity efforts

#### In Progress

- Establish new aspirational goals for each agency
- Establish internal agency culture action team and technical & business assistance action team
- Improve methodology for tracking and monitoring genuine efforts through launch of Business Diversity Management System
- Conduct proof of concept; measuring participation in client services and provider contracts
- Include diverse spending data from purchasing cards
- Launch model policies

### Subcabinet Agencies and Partners





# ACTIVITIES COMPLETED TO DATE

# SUPPLIER DIVERSITY POLICY

## **Activities completed to date:**

- October 23, 2019: Concept shared at policy workshop
- June 30, 2020: Policy outline shared at policy workshop
- June 2020 – early 2021: Worked with a development work team on an initial policy draft
- May 2021 – July 2021: Complete rough draft of policy, procedure, glossary, and FAQ; conducted targeted stakeholder review
- August 4, 2021: Draft policy documents shared with stakeholders for feedback
- August 18, 2021: Hosted two policy workshop sessions
- October 2021: Compiling feedback; and begin development of training program
- November 2021: Responding to feedback and developing a final draft policy

# **SUPPLIER DIVERSITY POLICY FEEDBACK HIGHLIGHTS**

# SUPPLIER DIVERSITY POLICY

## **Summary of feedback themes:**

- Accountability
- Prebid conferences - large/complex procurements
- Capacity
- Clarification wanted on awards to small/veteran businesses
- Central posting of plans, etc.

# NEXT STEPS

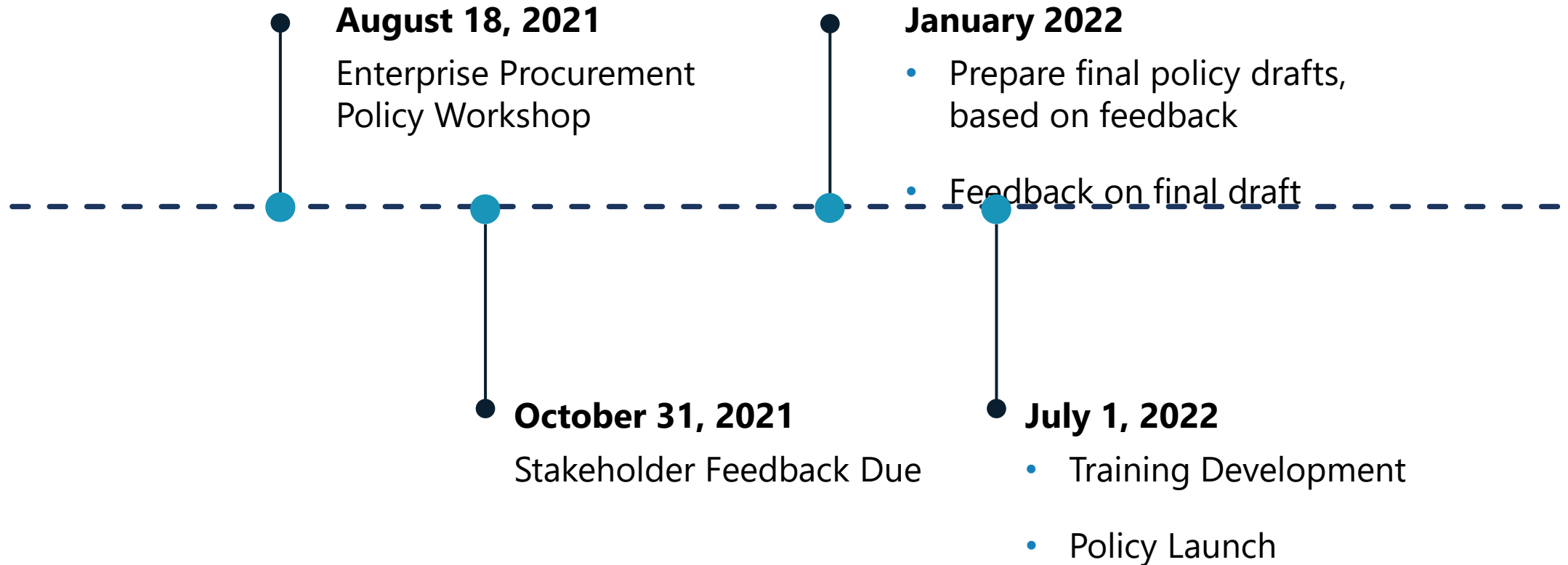
# SUPPLIER DIVERSITY POLICY

## **Next Steps:**

- Finish revising final policy draft, based on feedback
- Share Final DRAFT policy documents, tools, and samples with stakeholders for final review
- Develop final components of the training program

# TIMELINE

# TIMELINE





# Q&A