



Inclusion Plan Guide & Template

This document includes:

- **Pages 1-2:** A guide for public agencies on how to use inclusion plans as part of bidding requirements to increase equitable contracting opportunities.
- **Pages 3-5:** An inclusion plan template form with instructions for the bidder. Bidders submit the plan as part of their bid package when your agency requires inclusion plans on bids.

Feel free to tailor the instructions and template to the needs of your agency and the type of procurement involved. The [Inclusion Plan FAQ](#) provides more information on plans and when it makes sense to require them.

Inclusion plans

Public agencies should require bidders to submit the following inclusion plan template as part of the procurement process when requiring inclusion plans. Along with the form, bidders should submit a list of the contractors they intend to work with. The bidder should proactively consider the small and diverse businesses they will subcontract with on the project before submitting their bid. This consideration also allows agencies to monitor the bidder's performance by checking if the listed businesses actually received work consistent with the plan. Your agency should include the inclusion plan instructions and template in the solicitation and incorporate the bidder's responses into the contract with the successful bidder. This allows your agency to hold the successful bidder accountable in following through with their commitments. Requiring bidders to state their plans and practices allows public agencies to hold bidders accountable to follow through on what they commit to, including the small and diverse businesses they plan to work with.

Failure to submit a plan

When requiring inclusion plans, consider bidders non-responsive if they fail to submit a plan, or non-responsible if the inclusion plan provides no actions intended to support diverse participation. Refer to your Assistant Attorney General (AAG) or legal counsel if you have questions on contract language or requiring inclusion plans.

Inclusion goals

Public agencies should also set aspirational inclusion goals for each project they require an inclusion plan for. This can generally be done in one of two ways: pass along the agency's overall goal amount from OMWBE to every project (simplest way), or set goals based on the availability of small and diverse businesses for the type of project that help the agency meet its overall target (best practice).



Inclusion goals are aspirational. While no minimum level of OMWBE certified, Veteran Owned, or Washington Small Business participation will be required as a condition for receiving a contract; the plan must include the actions the contractor will take to increase subcontracting opportunities for those business types. If a project truly has no small and diverse business participation opportunities, agencies should not request inclusion plans for that project. Public agencies can also contact OMWBE for assistance in locating small and diverse businesses.

The following pages are to be used as the Inclusion Plan Template.
Remove Pages 1-2 and the headers/footers from your final Inclusion Plan.
Replace [Bracketed Text] with your agency's information.



Inclusion Plan Instructions

To be responsive, a bidder must submit this Inclusion Plan Template as part of their proposal. The Inclusion Plan Template is incorporated into the contract if awarded to the bidder. The bidder must also include an anticipated list of small and diverse subcontractors or suppliers who may provide services on the project. Responses should reflect the bidder’s genuine efforts for small and diverse business inclusion. Businesses listed in the plan should be certified by OMWBE or DVA, or registered in WEBS as a small business. If a business is not certified or registered but may be eligible for certification, the bidder should encourage the business to become certified.

[Public Agency] aspirational goals for small and diverse business spending for this procurement:

- ✓ **[OMWBE goal]**% Business certified by the Washington State Office of Minority and Women’s Business Enterprises
- ✓ **[VOB goal]**% Veteran Owned Business certified by the Washington State Department of Veterans Affairs
- ✓ **[Small goal]**% Washington Small Businesses self-identified in the Washington Electronic Business Solution

The State of Washington promotes participation in all of its contracts by OMWBE certified businesses under [Chapter 39.19 RCW](#), DVA certified businesses under [Chapter 43.60A.200](#), by Washington small businesses under [Chapter 39.26.005](#).

Inclusion goals are aspirational. No preference is given for inclusion plans or goals in the evaluation of bids. While no minimum level of OMWBE certified, Veteran Owned, or Washington Small Business participation will be required as a condition for receiving an award, the plan must include the actions the contractor will take to increase subcontracting opportunities for those business types.

[Public Agency] currently considers bidders non-responsive if they fail to submit a plan.

[Public Agency] currently considers bidders non-responsive if the inclusion plan has a zero diverse participation amount.



Certified Business

Bidders can search the following directories for certified businesses. They may also contact the organizations for more information:

- OMWBE
 - [Directory of Certified Firms](#)
 - Contact at <https://omwbe.wa.gov/about-omwbe/contact-us-directions>
 - (360) 664-9750
- DVA
 - [Search for Veteran Owned Businesses](#)
 - Contact at <https://www.dva.wa.gov/doing-business-washington-state>
 - (360) 725-2169
- DES
 - <https://pr-webs-vendor.des.wa.gov/VendorSearch.aspx>
 - Contact at <https://des.wa.gov/services/contracting-purchasing/doing-business-state/webs-registration-search-tips>
 - (360) 902-7400

Please include the below identified “**Inclusion Plan Template**” for this Proposal.



Inclusion Plan Template

Inclusion Plan Criteria		
Aspirational goals for small and diverse business participation: <i>(Of the total contract work, what is the percentage of diverse business participation proposed for this project?)</i>		
1. Anticipated Certified Diverse Business Participation (Goals)		
State certification category	Project Goals	Anticipated Percent of Contract Amount
OMWBE certified businesses	[OMWBE Goal]%	
Veteran-owned business	[VOB Goal]%	
Small/mini/micro business	[Small Goal]%	
2. The firm’s “Diverse Business Subcontracting list”		
3. Planned efforts by the firm to meet or exceed the aspirational inclusion goals. To include, but not limited to the following:		
a. General Description, including any applicable policies and procedures,		
b. Mentoring, Training and Capacity Building Programs		
c. Prompt Payment, Retainage and Dispute Resolution		
4. A description of firm’s planned efforts at outreach to the small and diverse business community		
5. A description of firm’s process for ensuring small businesses have enough time and information to provide your firm with bids		
6. An explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.)		
7. A description of how firm considers small business in the development of bid packages		
8. Who will be the firm’s “Diversity Expert”?		
9. A list of projects (5 max.) with diverse business participation in the last five (5) years		
10. Acknowledgement of firm’s awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state’s diverse businesses utilization goals		
11. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm’s expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan		
12. Any additional information the firm would like to include as a part of their plan.		

The **[Public Agency]** will review the submitted inclusion plan for the genuine efforts involved and the maximum opportunity to contribute toward the **[Public Agency]**’s aspirational goals.



Inclusion Plans FAQ

What is an Inclusion Plan?

Inclusion plans outline commitments a contractor, vendor, or consultant will make toward the state's goal to increase spending with small and diverse businesses. Inclusion plans can be used in a wide variety of procurement types and for a wide variety of work areas. Work areas could include, public works, goods and services, professional services, etc.

Inclusion plans are important because they:

- Demonstrate a contractor, vendor, or consultant's commitment to include small and diverse businesses.
- Allow collaboration with an agency to develop a comprehensive strategy to identify the eligibility and availability of small and diverse businesses.

Inclusion Plan Requirements

- Agencies can require inclusion plans outlining outreach efforts as part of the proposal or bid or in the acceptance criteria, along with requirements for formatting, years of experiences, qualifications, pricing, etc.
- For Public Works, the Department of Enterprise Services (DES) currently considers bidders non-responsive if they fail to submit an inclusion plan where one is required. Bidders may be found non-responsible if their inclusion plan has a diverse participation goal amount of zero.
- Inclusion plans may be required where the contractor has ancillary services that are not directly related to the proposal that could be performed by small and diverse businesses, such as: IT support, engineering, manufacturing, operational, telecommunications, administrative, trucking, shipping, janitorial, etc.
- When the inclusion plan is part of the contract, it is enforceable per the terms of the contract.
- Refer to your Assistant Attorney General or legal counsel for additional guidance on contract language and inclusion plan implementation.

What are the components of an Inclusion Plan?

The following are potential components you would ask of a contractor, vendor, or consultant to put into their inclusion plan. You can also reference this [link to sample plans](#) for examples.



Component	Definition / Instructions
1. Anticipated Certified Diverse Business Participation.	Identifying the anticipated percent of small and diverse participation on this project. Participation can be as a prime contractor, subcontractor or joint venture partner.
2. The prime contractor's Diverse Business Subcontracting list.	Provide a list of small and diverse businesses that the prime contractor will utilize on the contract. This can include contracted services that support company operations and administration.
3. Planned efforts by the prime contractor to support small and diverse businesses, including but not limited to: <ul data-bbox="240 783 589 1129" style="list-style-type: none">• General Description, including any applicable policies and procedures• Mentoring, training, and capacity building programs• Prompt payment, retainage, and dispute resolution	Provide a description of prime contractor's plan to support small and diverse businesses. Examples may include: <ul data-bbox="626 667 1466 1098" style="list-style-type: none">• Policies and procedures the business will use to promote small and diverse business goals, and inclusion generally, and explanation of how these support diversity and inclusion.• Plan for unbundling jobs (smaller work packages) to allow for greater participation.• Current or planned small and diverse business programs such as apprenticeships, mentor, workshops, special events, bonding and surety programs, financing program, early payment programs.• Efforts to assist interested small and diverse businesses in obtaining related assistance or services.
4. A description of the prime contractor's planned efforts for outreach to the small and diverse business community.	Include participation and outreach plans that provide community education about government projects and opportunities to participate in those projects. For example, tradeshow, workshops, seminars, OMWBE webinars, sponsorships, and teaming with public or non-profits event organizers. Plans may include: <ul data-bbox="626 1413 1433 1528" style="list-style-type: none">• Communication plans.• Examples of the business outreach approach and methods such as website posting and advertising.
5. A description of the prime contractor's process to ensure small and diverse businesses have enough time and information to respond to solicitations.	Provide longer timelines to better allow small and diverse businesses time to respond to solicitations and submit an offer for subcontracts. Outline measures taken to promote small and diverse businesses interest and participation to ensure early contacts are meaningful.



Component	Definition / Instructions
6. An explanation of how the prime contractor will ensure small and diverse businesses understand the bid and specifications and are able to improve if they are not selected.	Describe the bid process and requirements to provide adequate information about the subcontract and assist small and diverse businesses in responding and successfully competing for the solicitation. For example, pre-bid meetings, clear bid directions, debriefings, etc. A debrief can be helpful for bidders who are not selected for a subcontract to learn why they were unsuccessful and improve for the next solicitation – important experience for newer bidders.
7. A description of how the prime contractor considers small and diverse business in the development of bid packages.	Outline the process the prime contractor will use to select portions of the work it wishes to be performed by small and diverse businesses. Include details on how these bid packages will be able to be completed, such as setting flexible timeframes for performance and delivery schedules.
8. Identification of the prime contractor’s “Diversity Expert” and the name(s) of the person who oversees inclusion efforts on this procurement.	Provide the name(s), title(s), and duties of individual(s) working for the prime contractor who will have the authority and responsibility to implement, monitor, and report on its inclusion plan progress. A single point of contact makes managing inclusion on projects much easier for the agency and provides a contact for small and diverse businesses in case there are any disputes or issues.
9. A list of sample projects (5 maximum) with diverse business participation in the last five years.	Provide a list of past projects with small and diverse business participation.
10. Acknowledgement of prime contractor’s awareness and commitment to business diversity.	Submit a policy statement acknowledging the prime contractor’s commitment to developing opportunities for small and diverse business participation. This should include the business’ inclusion goals.
11. Acknowledgement of the prime contractor’s education and training programs for its employees for expected behaviors and performance in implementing the small	Describe the prime contractor’s internal training for each of the small and diverse business inclusion plan strategies, such as a list of trainings, who attended, percentage of relevant staff who received training, etc. Describe how the prime contractor has implemented training on the inclusion plan with subcontractors and suppliers. List how the business uses educational institutions, programs offered by



Component	Definition / Instructions
and diverse business inclusion plan.	OMWBE or other training to educate its subcontractors and suppliers.
12. Any additional information the business would like to include as a part of their plan.	Additional statements, documented process improvements, or any other related information and materials.

How are Inclusion Plans Beneficial?

Internal benefits:

- Creates a tool that will help increase small and diverse business participation in state spending.
- Cultivates diversity expectations among state agencies and businesses.
- Builds an environment where state agencies receive information from contractors on who will be used for subcontracting work.
- Promotes early planning to encourage registration or certification.
- Clarifies the responsibility for collection of subcontractor data and the prime contractor’s efforts and policies around inclusion.

External benefits:

- Encourages positive economic impacts by increasing use of small and diverse firms – promoting competition and job creation while decreasing contract costs.
- Promotes equity by providing increased participation by people from underrepresented communities.
- Furthers transparency in contracting.

How do I know if an Inclusion Plan is right for my project?

Review your project details and ask the following questions to determine if an inclusion plan is appropriate for your project. If you answer “yes” to these questions, an inclusion plan makes sense on your project.

- Are small and diverse businesses available to work (ready, willing, and able) on this project?
- Are there sub-contractible or partnership opportunities due to the size of the contract?
- Does the contractor have ancillary services that are not directly related to the proposal that could be performed by small and diverse businesses?



Is there ever a reason not to have an inclusion plan?

- When a project has no sub-contractible opportunities.
- When a project is small, it likely will not benefit from an inclusion plan.
- When the project requires unique qualifications or specific skills that no available small and diverse businesses have.

How do agencies continue to improve their inclusion plan after it is in place?

- Conduct Evaluations/Consultations – Gather feedback and apply what you learn.
- Verify contractors enact the policies and procedures they commit to in the inclusion plan.
- Monitor contractor spending over the course of the project. Hold periodic meetings on current progress, particularly on larger contracts.
- Work collaboratively with your contractor so they meet their commitments.

A

Inclusion Plan Example 1

Prime Contractor Diverse Business Inclusion Plan Review			
Project Title: WA DES ESCO Services			
RFP Number:		Project Number: 2015-181	
Proposer/Prime Contractor/Consultant Name: Siemens – Sharene Rekow			
Proposer/Prime Contractor/Consultant Phone Number: 971-330-8945			
Inclusion Plan Evaluation Criteria			
Voluntary goals for certified diverse business participation: <i>(Of the total contract work, what is the percentage of diverse business participation proposed for subcontracting/joint venturing on this project?)</i>			
1. Anticipated Certified Diverse Business Participation (Goals) Submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
State certification category	State of Washington / Agency Goals	Anticipated Percent of Contract Amount (Goals)	Anticipated dollar value of Contract Amount (Goals)
Minority-owned business	10%	5 %	\$100,000
Women-owned business	6%	3 %	\$60,000
Veteran-owned business	5%	3 %	\$60,000
Small/mini/micro business	5%	3 %	\$60,000
Comment: The submitted voluntary anticipated dollar values of contract amounts are based on a cumulative \$2 Million total contract value over the next year. Please see the attached Inclusion Plan for a detailed explanation of the submitted goals.			
2. Diverse Business Subcontracting list submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Comment: At this time Siemens will not submit a list of diverse businesses that we intend to subcontract with, as this will change and be dependent on the associated FIMs for each project. Please see the attached Inclusion Plan for a detailed explanation of the diverse business subcontracting list.			
3. Submittal of planned efforts to meet or exceed the voluntary inclusion goals:			
a. General Description: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Comment: Please see the attached Inclusion Plan for detailed information regarding our planned efforts to meet or exceed the voluntary inclusion goals.			
b. Mentoring, Training and Capacity Building Programs: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Comment: Please see the attached Inclusion Plan for a detailed explanation and information regarding our Mentoring, Training, and Capacity Building Programs.			
c. Prompt Payment, Retainage and Dispute Resolution: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Comment: Please see the attached Inclusion Plan for detailed information regarding Prompt Payment, Retainage, and Dispute Resolution.			

<p>4. Submitted description of firm's planned efforts at outreach to the small and diverse business community: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Comment: Please see the attached Inclusion Plan for detailed information regarding Siemens' planned efforts at outreach to the small and diverse business community.</p>	
<p>5. Submitted description of firm's process for ensuring small businesses have enough time and information to provide your firm with bids. (to include: explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.); description of how firm considers small business in the development of bid packages; and if firm has developed something that they believe stands them apart from their competitors in this area: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Comment: Siemens believes it is important for small businesses to have adequate time and information to provide bids. Please see the attached Inclusion Plan for detailed information regarding the processes in place for ensuring small businesses have enough time and information to bid and how they can improve on their bid.</p>	
<p>6. Diverse Expert submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Comment: Please see the attached Inclusion Plan for a description about our Diversity Expert who is dedicated to supporting projects at the project level. Also, please see the Diversity Executive's Resume, attached.</p>	
<p>7. Past performance list of five (5) of your projects with diverse business participation in the last five (5) years and list them below: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Comment: Please see the attached Inclusion Plan for a description and list of 5 projects with diverse business participation in the last five years.</p>	
<p>8. Acknowledgement of proposing firm's awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state's diverse businesses utilization goals: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Comment: Siemens is aware and committed to reaching out to small and diverse businesses and helping Washington State to meet or exceed its diverse businesses utilization goals. Please see the attached Inclusion Plan for additional information regarding Siemens' commitment.</p>	
<p>9. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm's expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Comment: Siemens has education and training programs to communicate to our employees our expected behaviors and performance related to implementing the Diverse Business Inclusion Plan. Please see the attached Inclusion Plan for additional information.</p>	
<p>Reviewer Name: Charles Wilson</p>	<p>Date: Phone Number: 360-407-8455</p>
<p>Section/Group: Energy</p>	

B

Prime Contractor Diverse Business Inclusion Plan Review

Project Title: WA DES ESCO Services

RFP Number:

Project Number: 2015 -181

Proposer/Prime Contractor/Consultant Name: Siemens

Proposer/Prime Contractor/Consultant Phone Number: (971) 330-8945

Inclusion Plan Evaluation Criteria

Voluntary goals for certified diverse business participation: *(Of the total contract work, what is the percentage of diverse business participation proposed for subcontracting/joint venturing on this project?)*

1. Anticipated Certified Diverse Business Participation (Goals) Submitted:

Yes No

State certification category	State of Washington / Agency Goals	Anticipated Percent of Contract Amount (Goals)	Dollar value of Contract Amount (Goals) (Internal use only)
Minority-owned business	10%	5%	\$
Women-owned business	6%	3%	\$
Veteran-owned business	5%	3%	\$
Small/mini/micro business	5%	3%	\$

Comment:

2. Diverse Business Subcontracting list submitted: Yes No

Comment: No subcontractor list was submitted! Firm may have misunderstood the make-up of the list. It is not intended that the firm submit a list of subcontractors they intend to use, but a list of "potential" firms that may be solicited during the contract period.

3. Submittal of planned efforts to meet or exceed the voluntary inclusion goals:

a. General Description: Yes No

Comment:

b. Mentoring, Training and Capacity Building Programs: Yes No

Comment:

c. Prompt Payment, Retainage and Dispute Resolution: Yes No

Comment:

4. Submitted description of firm's planned efforts at outreach to the small and diverse business community: Yes No

Comment:

5. Submitted description of firm's process for ensuring small businesses have enough time and information to provide your firm with bids:

a. Explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.): Yes No

Comment:

b. Description of how firm considers small business in the development of bid packages: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
c, If firm has developed something that they believe stands them apart from their competitors in this area: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
6. Diverse Expert submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: I-Wah Chang, Siemens Supplier Diversity Procurement Specialist
7. Submittal of list of five (5) of projects with diverse business participation in the last five (5) years: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
8. Acknowledgement of firm's awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state's diverse businesses utilization goals: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
9. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm's expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
Overall Plan Comments:
With the exception of the firm's failure to submit a "Diverse Business Subcontracting list", the overall inclusion plan is acceptable!
Reviewer Name: Charles Wilson Date: 10 / 10 / 2016
Reviewer Title: Public Works Business Diversity Program Manager
Phone Number: (360) – 407 - 8455
Section/Group: Energy Program



Subject: Prime Contractor Diverse Business Inclusion Plan Review

Prepared For: Washington Department of Enterprise Services

Project: WA DES ESCO Services

Inclusion Plan

1. Siemens has taken into consideration the information that is publically available on the State of Washington's Office of Minority and Women's Business Enterprise (OMWBE) website. After significant research of the Agency Diversity Participation Reports, Siemens has submitted our voluntary goals. We believe these goals are attainable given the specialization of our type of energy efficiency work. We took the following factors into account when we set these goals: released facts and figures for each State of Washington Agency for 2015, existing companies who are OMWBE-certified in the specialized trades, and our national experience of identifying and qualifying companies in the specialized trades. After reviewing the participation report for the WA Department of Enterprise Services, which had a total spend of \$192 Million, the combined total spend of Certified MWBE businesses was \$1.6 Million or 1.27%. The majority of the type of work we expect our subcontractors to perform requires very specialized technical skills and has limited availability, even in locations with a high population of diverse businesses. Siemens has performed a preliminary review of the OMWBE-certified companies and has determined that while there are companies with similar capabilities available, based on our national experience across the country, only a handful of the identified companies will possess the technical capabilities needed to perform on our projects. The following table shows the number and percentage of OMWBE-certified diverse companies who we have currently identified as potentially possessing appropriate capabilities.

Total Number of Companies	2,335	
Companies Within scope of ESCO work	79	3% of Total # of Companies
MBE Companies	47	59% of Companies within Scope
MWBE Companies	7	8%
WBE Companies	16	20%

It is based on the achievement and preliminary review of OMWBE-certified companies that we submit a combined voluntary goal of 8% for certified MBE and WBE. The submitted voluntary anticipated dollar values of contract amounts are calculated based on a cumulative \$2 Million total contract value over the next year. As Siemens evaluates each opportunity and the associated facility improvement measures (FIMs), we will do our due diligence and our best and good faith efforts to ensure we have as much small and diverse business participation as possible.

2. Siemens Building Technologies is fully committed to fostering the growth and expanding the participation of diverse businesses. Siemens is experienced in maintaining a Commercial Small Business Plan administered by the GSA. Even with our Federal Government experience, we understand that the small and/or diverse business requirements at the Federal level differ from those at the State and Local Government level; each State must cater to the market environment of its constituents. Focusing on a state or city is critical to understanding the nuances of each market. Siemens understood the importance of this critical piece and proactively invested in a small business outreach manager who is dedicated to supporting our State and Local Government projects that have diversity requirements. Siemens' Government Project Sourcing Specialist, I-Wah Chang specializes in understanding and helping Siemens to understand the diversity missions of each customer and how to align our mission with the customer to help them meet or exceed their goals.

At this time, Siemens will not submit a list of diverse businesses that we intend to subcontract with, as this will change and is dependent on the associated FIMs for each project. Also, additional companies may receive their small and/or diverse certification after we have developed a list, thus Siemens will maintain a dynamic list of diverse companies. As Siemens and our new Senior Sales Executive, Sharene Rekow, begin a

Building Technologies Division

coordinated and continued push for aggressive energy savings in Washington, we will build our list of diverse businesses with whom we believe we can partner. At the time of submission of this Inclusion Plan, we have begun to review the list of OMWBE-certified companies and to research each of their capabilities. As each opportunity comes up and the associated FIMs are evaluated, Siemens will adjust our list of diverse businesses accordingly.

3. a. Siemens planned efforts to meet or exceed our voluntary inclusion goals may include the following activities: general solicitation, outreach events, and project-specific solicitation. The general solicitation consists of downloading OMWBE's most current Directory of Certified Firms. Each company's provided information and information available online to determine if the company may fall within the scope of work that Siemens provides. Companies are removed from consideration for the following reasons: out of scope, unrelated industry, or defunct business. After removing companies from consideration, each company will be contacted by email and asked that if they are interested in partnering with Siemens in the future. If a company is interested, they are asked to complete a Pre-Qualification Questionnaire. If we do not receive any feedback from a company, we will follow up multiple times by phone and email to ensure each company has had the opportunity to express their interest. Hosting an outreach event begins with the same process as the general solicitation, though each company is invited to attend the outreach event. There is no cost for the diverse companies to attend the event and each company benefits from meeting new people and new resources. After we have had a chance to meet the companies, whether in-person or by phone, we begin the process of pre-qualifying them and including them in our database, which can be accessed across the country. As each new opportunity comes up, our Sourcing Specialist and the Zone procurement manager will perform project-specific searches, starting with the companies who previously expressed interest.

3.b. We currently have a mentorship program being developed in our Appalachian zone that is intended to match select diverse companies with a member of the Zone leadership. These companies were identified through an outreach event that we held at our Beltsville, MD office on May 18th, 2016. The companies were chosen for a number of factors, which included potential strategic alignment in the future and interest in developing capabilities for participation on projects. For all projects, project management utilizes our *Project Management and Controlling Tool* to complete ratings for subcontractors and to manage the project. Once subcontractors begin performing on projects, operations and procurement provide feedback to the subcontractors about their performance ratings. Operations diligently takes the time to work with subcontractors during and after performance on a job to understand how they can improve in the future.

While we want to see the diverse businesses be awarded with these opportunities, they still need to successfully bid these opportunities. If the business is unsuccessful in bidding an opportunity, our procurement and operations teams work with them to help them de-scope their bid and understand how they can improve on the next bid. To cater to diverse businesses that may be unfamiliar with working with Siemens or are new to the industry, we offer some assistance such as *Temperature Controls Electrical Estimation* seminars taught by our in-house electrical estimators. These seminars provide the companies with information about how to read our drawings, what we expect to be included in each bid, and how to more accurately put together bid packages. It is part of our standard procurement process to negotiate with firms where quotes originally submitted were too high and we utilize *Siemens Exchange*, an e-sourcing platform, to ensure that all bidders have access to the same relevant contract documents, plans, specifications, and scopes for the same length of time.

We understand that it is very important to tangibly build the capacity of diverse companies. In order to maintain the quality of our work, we expect the same level of quality work from each subcontractor. We do not lower our expectations for our diverse contractors, though we recognize that there may be a gap between the needed capacity and a company's actual capacity. We realize the capacity building takes time and takes sustained effort and does not happen overnight. We also understand the importance of ensuring that contract scopes are appropriate for contracting with small and diverse companies and will take the time to reasonably structure the scopes of work. Our goal is to start a company on a small opportunity and provide them with as much support so that they are set up to succeed on the opportunity. After completion of several smaller jobs, we gradually involve the company in the larger projects. As with any partnership, there is a learning curve for both parties to understand how to work with each other. Siemens hopes to see each supplier and subcontractor to succeed and will work with each company to develop their capabilities and capacities.

Building Technologies Division

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3.c. Siemens understands that one of the biggest challenges that disproportionately excludes diverse businesses is cash flow because many of the companies cannot wait for paid-when-paid or net terms. In order to address cash flow, Siemens has an optional *Supply Chain Finance Program*, which allows the diverse business to be paid 10-12 days after approval of their submitted invoice, regardless of if Siemens has received payment from our customer. This allows the diverse company to avoid having to wait for paid-when-paid terms or net terms. This program helps to bridge the gap between standard pay terms and allows them to receive their money faster, which is a tremendous benefit for companies who pay payroll weekly or biweekly. Our *Supply Chain Finance Program* has been received very favorably by suppliers, contractors, and some state government agencies.

Siemens includes retainage language in all of our subcontracts, with varying and negotiated retainage. Siemens asks that each invoice submitted by a subcontractor reflects the agreed upon percentage of retainage. When Siemens determines that work on the project is substantially complete and if the amount of retainage percentages is in excess of an amount that would be adequate for our protection, we will release the excess amount to the subcontractor. Subcontractors have the option to substitute the warranty retainage with a warranty bond that remains in effect until the expiration of the warranty period.

Siemens believes it is prudent for all parties to limit and resolve any disputes as equitably as possible, with the opportunity to appeal and reach a resolution together. Siemens believes that any claims should first be brought to the attention of and be resolved by the project manager. If the resolution provided by the project manager is not satisfactory to the subcontractor, an appeal can be made to Siemens' designated representative. Representatives will meet to resolve the claim and have adequate time to come to a mutually acceptable resolution. If a resolution cannot be reached, Siemens and the subcontractor will discuss if the claim should be submitted for mediation. Although Siemens is a large company, we work diligently with our subcontractors to attempt to resolve any disputes as equitably as possible.

4. Siemens Building Technologies has both the global experience and the local presence to provide a unique portfolio dedicated to Cities and States of all sizes across North America. Siemens believes that it makes good business sense to partner with diverse local companies because this allows the opportunities to stay within the local community. When the opportunities stay within the local community, the small and diverse companies hire local residents and those residents spend their money in the local community, driving economic growth and striving for community improvement.

Siemens strongly believes that in order to effectively partner with diverse companies, we must view the interaction and partnership as a mutually beneficial journey, not merely a checkbox activity in a process. As an example of our outreach to the small and diverse business community across the country, in August 2015, we held an MWBE outreach event in Philadelphia, PA with more than 50 attendees. In September 2015, we hosted an outreach event in the City of Richmond, VA and saw almost 20 attendees come out to the event. In February 2016, we hosted an event in Chicago, IL with 30 attendees from 25 companies. Most recently in May 2016, we hosted a MBE outreach event in Beltsville, MD, which brought out 63 attendees from 54 companies, all of which were related to our specialty field. The Training and Outreach Coordinator from the State of Maryland's Office of Business Programs and the Director of Maryland's Department of General Services' Energy Performance & Conservation presented during the event. The decisions to host these outreach events were not part of any contractual obligations; Siemens saw a need to meet and introduce ourselves to the small and diverse business community. As evidenced by our previous efforts at outreach, as we expand our presence in the State of Washington, we will increase our efforts of outreach to the small and diverse business community. Upon further discussion with the local leadership and management team, we will consider the appropriateness of hosting at least one outreach event in the State of Washington.

Beyond Siemens doing official outreach to the small and diverse business community, many of our employees are personally involved in various organizations and associations that assist and support the small and or diverse business community.

5. Siemens strongly believes that in order to partner with diverse companies, everyone involved must view the interaction and partnership as a journey, not merely a checkbox activity in a process or due to a contractual obligation. In order to prepare for the first step in the long journey, we start by researching and gathering information about the accepted certifying agencies, subcontracting participation requirements, participation

Building Technologies Division

goals, good faith effort guidelines, state regulation, and searchable databases. Once Siemens understands the market environment, we perform a broad-based statewide general solicitation or outreach event to gauge the interest level of each company. Siemens understands the importance of ensuring diverse companies have adequate time to learn about and bid opportunities. After we are once again approved of being on the WA DES ESCO, list, we will help to solicit interest for each WA State opportunity; however, as we progress through each step of our inclusion plan, we will be able to ensure small businesses have adequate time and information to provide us with bids. We believe that by proactively gauging and understanding diverse businesses' interest in participation through our general solicitations and outreach events, we minimize the amount of time needed on our end to identify potential bidders and maximize the amount of time for diverse companies to learn about and submit their proposals.

Siemens utilizes *Siemens Exchange*, which is an e-sourcing platform that allows us to communicate with bidders. We ensure that all bidders have the same access and knowledge of the relevant contract documents, plans, scope of work, and specifications. Each bidder is entered into *Siemens Exchange* and invited to the appropriate sourcing event. *Siemens Exchange* is available 24 hours a day, seven days a week. As time allows on each project, we will hold pre-bid meetings to ensure that bidders are prepared to bid, know what to expect in the bid, and understand how to bid. Also during the pre-bid meeting, company representatives are allowed to ask clarification questions. During the bidding process, companies are permitted to continue to ask clarification questions, with questions and answers provided to all bidders. After all bids have been submitted, it is a standard part of our procurement process to negotiate with firms where quotes originally submitted were too high. It is also part of our standard procurement process to hold de-scope meetings with companies to help them understand why they were not selected and how they can improve on future opportunities. When time allows and deemed appropriate, Siemens will hold electrical estimating courses that are taught by one of our in-house electrical estimators.

While Siemens wants to see diverse businesses participate on all opportunities, we must also be assured that the company has the capability and capacity to successfully perform on the project; it is not beneficial to anyone if the selected company cannot financially and soundly complete the project. As such, companies, regardless of their diversity status, must successfully bid each opportunity; opportunities are not awarded purely based on diversity status. While it may take a few submittals before a company is successful in being awarded a project, our procurement and operations' teams will work the companies to help them understand how to improve on the next bid. It is part of our standard procurement procedure to review our entire scope of work to determine if it is feasible to subdivide the work to reflect the capabilities of the local market. Siemens utilizes many strategies in awarding opportunities; it is not necessarily based on the lowest cost but the method and justification will always be disclosed. Some of the selection criteria take into account total cost of ownership, quality, innovation, and diversity status.

6. Siemens understands the importance of increasing participation and opportunities for diverse businesses. Almost two years ago, we invested in a small business outreach program by hiring I-Wah Chang as our Government Project Sourcing Specialist, who is dedicated to supporting State and Local Government projects or any project that has diversity requirements. While Siemens has a corporate Small Business Supplier Diversity Initiative, our specialist is embedded as project-specific resource at the project level; she is involved first hand in reviewing varying requirements, developing diversity strategies for projects, identifying diverse companies who can be utilized directly on projects, meeting these diverse companies, hosting outreach events, and documenting diversity efforts for each opportunity. I-Wah's resume has been included to demonstrate the range of her experience. She is currently pursuing the Certified Professional in Supplier Diversity™ Certification and provides support across the country to provide participation opportunities to diverse companies.

7. Siemens has experience in maintaining a Commercial Small Business Plan administered by the GSA. We are also experienced in maintaining project-specific diversity plans. Siemens procurement and business intelligence is developed Advanced Reporting Solution (ARS), which is an on-demand reporting environment that enables transparency into procurement related figures, results, and details. ARS enables the user to drill down in the system to analyze information for a specific area or zone. For instance, the results shown below are through FY2016 Period 10 for the Mountain Pacific zone and the figures are in Millions of USD. With three mouse clicks, we are able to show the small business achievement results (through FY16 P10) for just the Mountain Pacific

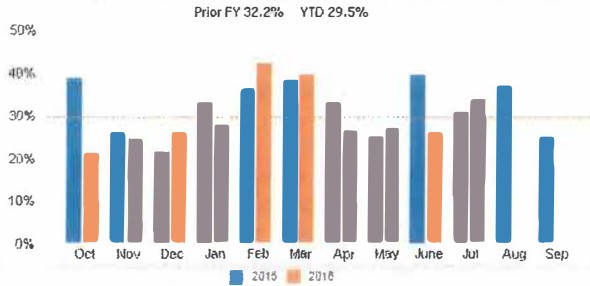
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Zone. With one additional click, ARS can show the names of all the companies with a MBE certification for which Siemens is getting credit in the Mountain Pacific Zone. It is important to note that the certifications shown may not be the specific ones that the OMWBE recognizes, that means the companies that show up as MBE may not be certified specifically with the State of Washington's OMWBE.

Small Business Achievement



Small Business Suppliers - YTD

Supplier Name	SB Spend	Prior FY	% of Spend
Total	\$13.36	\$15.10	
EC COMPANY	\$2.78	\$1.33	20.79%
PATRICK MECHANICAL LLC	\$1.88	\$0.85	14.03%
EPIC ELECTRIC INC	\$0.94	\$0.96	7.01%
STAR ELECTRIC INC	\$0.77	\$0.60	5.74%
VAISALA INC	\$0.61	\$0.34	4.57%
JOHNSON RIVER ENTERPRISES LLC	\$0.59	\$0.28	4.42%
LANDSCAPES UNLIMITED LLC	\$0.59	\$2.50	4.39%
MERIT ELECTRIC INC	\$0.51	\$0.20	3.83%
AUTOMATION CONTROLS INC	\$0.49	\$0.51	3.66%
FULLFORD ELECTRIC INC	\$0.35	\$0.52	2.53%
ONICON INC	\$0.34	\$0.20	2.54%
AIR REPS LLC	\$0.23	\$0.20	1.74%
AQUA ENGINEERING & ENERGY	\$0.22	\$0.02	1.65%

Suppliers by Small Business Category

SB Category

- BA
- ANC
- DBE
- Disabled
- EDWOSB
- GLBT
- HBCU
- Hubzone
- JWOD
- MBE
- MWBE
- NAT
- SBE
- SDB
- SDVOVB
- VOSB
- WBE
- WOSB

Small Business Suppliers

Supplier Name
Total
PATRICK MECHANICAL LLC
EPIC ELECTRIC INC
EC COMPANY
JOHNSON RIVER ENTERPRISES LLC
AUTOMATION CONTROLS INC
STAR ELECTRIC INC
VAISALA INC
LANDSCAPES UNLIMITED LLC
MERIT ELECTRIC INC
AIR REPS LLC
AQUA ENGINEERING & ENERGY
LET COMPANIES INC
GLACIER ELECTRIC CONSTRUCTION INC
FULLFORD ELECTRIC INC
COCHRAN INC
ONICON INC
PROCTOR SALES INC
MONACO ENTERPRISES INC

Note: This section is only used to identify suppliers in a certain SB Category. Selecting a category in this area will only display suppliers in the selected category and will not change data in other sections. However, clicking on a specific supplier name will change data in the other sections.

Active Suppliers by SB Category

8a	2
ANC	3
DBE	6
Disabled	1
EDWOSB	1
GLBT	-
HBCU	0
Hubzone	0
JWOD	0
MBE	10
MWBE	1
NAT	0
SBE	114
SDB	23
SDVOVB	1
VOSB	6
WBE	10
WOSB	2

Industry Benchmarks (where available)

MBE	2.6%
SDB	3.2%
WBE	4.7%
WOSB	6.6%

Percent of Active 3rd Party Suppliers by Small Business

8a	0.2%
ANC	0.6%
DBE	0.9%
Disabled	0.2%
EDWOSB	0.1%
GLBT	0.0%
HBCU	0.0%
Hubzone	0.0%
JWOD	0.0%
MBE	1.7%
MWBE	0.1%
NAT	0.0%
SBE	16.3%
SDB	3.4%
SDVOVB	0.2%
VOSB	1.0%
WBE	1.9%
WOSB	0.4%

Small Business Categories

- SBE - Small Business Enterprise
- SDB - Small Disadvantaged Business
- WOSB - Women-Owned SB
- HUBZone - Hub-Zone Small Business
- VOSB - Veteran-Owned SB
- SD-VOSB - Service-Disabled Veteran Owned
- 8a - Is a small business dev. program
- ANC - Alaska Native Corporations
- NAT - Native American Tribes
- MBE - Minority Business Enterprise
- WBE - Women Business Enterprise
- DBE - Disadvantaged Business Enterprise

Below is a list of five projects within the last five years where Siemens has demonstrated our efforts and dedication to the inclusion of diverse businesses. This list is an example of our experience across the country, across different markets, and different project sizes.

State	Market	Total Price (Approx)	Subcontracted to Diverse Business \$ (Approx)	% of Total Price Subcontracted to Diverse Business
TX	Federal Government	\$27,500,000	\$11,600,000	42%
NY	Higher Education	\$909,000	\$357,000	39%
TX	Municipal Government	\$9,439,000	\$1,440,000	15%
Washington,	Federal	\$2,850,000	\$826,500	29%

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DC	Government			
TX	Hospital	\$3,442,000	\$722,000	21%

8. We recognize that within Governor Inslee's strategic framework, Results Washington, the second goal is "Prosperous Economy" and within this goal is "Quality of Life – Washington is a great place to live" and "Vibrant Communities". Siemens is aware and fully committed to reach out to diverse businesses and to help Washington State reach the state's diverse business utilization goals. To increase utilization by 2017 and reach the ambitious State goals takes dedication. When we have met our voluntary goals, we will continue our dedication to put forth our best and good faith efforts to identify and include diverse businesses in each opportunity. Siemens is committed to helping the State prove that vibrant communities abound in Washington and that the State is a great place to live.

9. Due to our Commercial Small Business Plan administered by the GSA, Siemens is obligated to "conduct or arrange for the conduct of training for purchasing personnel regarding the intent and impact of Section of 8(d) of the Small Business Act on purchasing procedures." However we believe it is prudent and a best practice for our employees to be trained and educated on the benefits of utilizing and partnering with diverse businesses. In addition to the required education and training, our Specialist routinely presents to various internal groups. She provides updates and presents to the procurement department at least once a month and presents to certain sales executive groups once or twice a year. She also does presentations around diversity contractual compliance and contract management, as needed. Depending on the situation, there are times when our Specialist spends hours educating and explaining to an employee, on an individual basis, the importance of considering, utilizing, and partnering with diverse companies. As the Mountain Pacific Zone builds and develops its Inclusion Plan, we will provide additional training and education to the employees in the Zone to ensure clarity and expectations.

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A

Inclusion Plan Example 2

Prime Contractor Diverse Business Inclusion Plan Review			
Project Title: WA DES ESCO Services			
RFP Number:		Project Number: 2015-181	
Proposer/Prime Contractor/Consultant Name: MacDonald-Miller			
Proposer/Prime Contractor/Consultant Phone Number:			
Inclusion Plan Evaluation Criteria			
Voluntary goals for certified diverse business participation: <i>(Of the total contract work, what is the percentage of diverse business participation proposed for subcontracting/joint venturing on this project?)</i>			
1. Anticipated Certified Diverse Business Participation (Goals) Submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
State certification category	State of Washington / Agency Goals	Anticipated Percent of Contract Amount (Goals)	Dollar value of Contract Amount (Goals) <i>(Internal use only)</i>
Minority-owned business	10%	10%	
Women-owned business	6%	6%	
Veteran-owned business	5%	5%	
Small/mini/micro business	5%	5%	
Comment: Firm met or exceed state goals!			
2. Diverse Business Subcontracting list submitted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
Comment: Firm did not provide require list.			
3. Submittal of planned efforts to meet or exceed the voluntary inclusion goals:			
a. General Description: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Comment: Plan was submitted!			
b. Mentoring, Training and Capacity Building Programs: Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>			
Comment: Information was included, but only described minimal training efforts. Failed to identify mentoring program/efforts as well as capacity building!			
c. Prompt Payment, Retainage and Dispute Resolution: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
Comment: Information was submitted!			

4. Submitted description of firm's planned efforts at outreach to the small and diverse business community: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: Information was submitted!
5. Submitted description of firm's process for ensuring small businesses have enough time and information to provide your firm with bids. (to include: explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.); description of how firm considers small business in the development of bid packages; and if firm has developed something that they believe stands them apart from their competitors in this area: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: Information was submitted!
6. Diverse Expert submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: Keven Blum, Human Resource Director
7. Past performance list of five (5) of your projects with diverse business participation in the last five (5) years and list them below: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: List was submitted.
8. Acknowledgement of proposing firm's awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state's diverse businesses utilization goals: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: Acknowledgment was submitted!
9. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm's expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: No acknowledgment was submitted!
Reviewer Name: Charles Wilson Date: 08/30/2016 Phone Number: 78455
Section/Group: Energy

B

Prime Contractor Diverse Business Inclusion Plan Review

Project Title: WA DES ESCO Services

RFP Number:

Project Number: 2015 -181

Proposer/Prime Contractor/Consultant Name: MacDonald-Miller

Proposer/Prime Contractor/Consultant Phone Number:

Inclusion Plan Evaluation Criteria

Voluntary goals for certified diverse business participation: *(Of the total contract work, what is the percentage of diverse business participation proposed for subcontracting/joint venturing on this project?)*

1. Anticipated Certified Diverse Business Participation (Goals) Submitted:

Yes No

State certification category	State of Washington / Agency Goals	Anticipated Percent of Contract Amount (Goals)	Dollar value of Contract Amount (Goals) (Internal use only)
Minority-owned business	10%	10%	\$
Women-owned business	6%	6%	\$
Veteran-owned business	5%	5%	\$
Small/mini/micro business	5%	5%	\$

Comment:

2. Diverse Business Subcontracting list submitted: Yes No

Comment: No subcontractor list was submitted, although they stated in their plan that they "maintain a list of qualified firms".

3. Submittal of planned efforts to meet or exceed the voluntary inclusion goals:

a. General Description: Yes No

Comment:

b. Mentoring, Training and Capacity Building Programs: Yes No

Comment:

c. Prompt Payment, Retainage and Dispute Resolution: Yes No

Comment:

4. Submitted description of firm's planned efforts at outreach to the small and diverse business community: Yes No

Comment:

5. Submitted description of firm's process for ensuring small businesses have enough time and information to provide your firm with bids:

a. Explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.): Yes No

Comment:
b. Description of how firm considers small business in the development of bid packages: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
c, If firm has developed something that they believe stands them apart from their competitors in this area: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
6. Diverse Expert submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment: I-Wah Chang, Siemens Supplier Diversity Procurement Specialist
7. Submittal of list of five (5) of projects with diverse business participation in the last five (5) years: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
8. Acknowledgement of firm's awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state's diverse businesses utilization goals: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
9. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm's expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comment:
Overall Plan Comments:
With the exception of the firm's failure to submit a "Diverse Business Subcontracting list", the overall inclusion plan is acceptable! We will anticipate a forthcoming diverse business subcontracting list!!!!
Reviewer Name: Charles Wilson Date: 09 / 01 / 2016
Reviewer Title: Public Works Business Diversity Program Manager
Phone Number: (360) – 407 - 8455
Section/Group: Energy Program



MacDonald-Miller
FACILITY SOLUTIONS

DIVERSE BUSINESS INCLUSION PROGRAM

The purpose of MacDonald-Miller Facility Solutions, Inc. (hereafter referred to as the "Company") Diverse Business Inclusion Program is to foster a healthy and diverse marketplace in our local communities. We are committed to assuring that minority-owned, women-owned, veteran-owned and small/mini/micro-business have equal access and equal opportunity to compete for and successfully provide their products and/or services for the projects that are developed for the Washington State Department of Enterprise Services.

Approach

The Company employs a specific set of strategies for communicating and contracting with diverse businesses on projects. As unique needs arise, we may add to or adjust the strategies in place to meet those needs. Regardless of which strategies are employed, the end goal is to use the project as a platform for promoting economic development by heightening access to jobs and increasing the capacity of any diverse business.

Diverse Business Subcontracting Goals

The Company's Diverse Business utilization goals are in alignment with the State of Washington's and are as follows:

- Minority-Owned business – 10% of contract
- Women-Owned business – 6% of contract
- Veteran-Owned business – 5% of contract
- Small/mini/micro-business – 5% of contract

In order to achieve the above stated utilization goals, we employ a number of strategies to engage and encourage Diverse Business participation. These strategies may include any one or a combination of the following:

I. Training and Mentoring Programs

Being successful in today's market means being open to new and flexible strategies. Throughout the course of the project, the opportunity to develop new strategies may arise. The Company will work with the Diverse Business to educate and train them in these new strategies by assisting with the following:

- Provide feedback on submitted proposals to help improve future submissions.
- Provide training on preparing and submitting invoices.
- Review the submitted proposals and confirm all required inclusions have been accounted for if they have not been specifically identified.





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II. Prompt Payment, Retainage and Dispute Resolution

We understand the challenges diverse businesses face when performing in today’s market. We help these businesses through the following means and methods:

- Provide technical assistance and training relating to preparing and submitting invoices.
- Offering prompt pay agreements and reduced retainage requirements to assist with cash flow needs.
- Prompt review and resolution of conflicts or disputes if any are brought forward.
- Providing a wrap-up insurance policy for all sub-consultants in lieu of requiring individual sub-consultants provide individual policies.

III. Efforts to Reach Out to Diverse Businesses

The Company initially utilizes a multi-prong approach for promoting project opportunities, which includes the following elements:

- Maintain a list of qualified firms.
- Notify qualified firms of future upcoming opportunities and estimated timing of the projects.
- When economically feasible, divide projects into discreet tasks that align with the Diverse Business skill sets.
- Reach out to qualified firms once their equipment/resources have been identified for a project.
- Advertisement in local publications, via social media, and within local industry associations and/or designated resource providers.
- Hold a project specific “Open House” in our main offices for any interested firm to come meet the team and discuss the project scope and requirements.

Project opportunities and the associated open house details are advertised through a wide range of resources:

Local Publications*	Social Media*	Associations*	Resource Partner*
DJC	LinkedIn	NAWIC	Tabor 100
PSBJ	Facebook	CREW	NW Minority Suppliers Dev. Council
Everett Herald	Twitter	BOMA	William M. Factory Incubator
North Kitsap Herald	RSS Feeds	NAIOP	University of Washington’s BEDC
Tacoma Weekly	WSSHE	CDCC	

*this list is not all inclusive and subject to change. See additional partners herein



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By holding an open house for relevant opportunities, the Company effectively communicates the project opportunity and efficiently addresses questions regarding scope and requirements. It is also beneficial to learn about the products and services all interested companies can provide, and we find the highest rate of success when teams can meet face to face.

IV. Securing Proposals from Diverse Business

We understand Diverse Businesses may not have the required manpower to turn proposals around in a limited timeframe. As such, we will attempt to keep the qualified firms notified of potential projects and the estimated timing of the projects. As the projects become more defined and secure, we will reach out to these firms and get confirmation of their interest. A project specific "Open House" will be advertised a minimum of two weeks prior to a bid package in which the team will explain the scope and requirements. Our Diverse Business expert will be available to answer any questions with respect to the project scope and bid requirements. A list of interested firms will be compiled after the open house. One week prior to the bid package deadline, our project team will reach out to all interested firms to verify if they will be participating by submitting a bid package.

Upon award of the bid, the Diverse Business proposals will be reviewed. If specific items were not addressed satisfactorily, or items are flagged as non-compliant, the Diverse Business expert will contact the firm and provide feedback on future improvements. In addition, if a qualifying firm provides a proposal and does not address the strengths of the firm over their competitors, the Diverse Business expert will contact the firm and provide that feedback.

V. Commitment to Compliance

The Company is committed to make all reasonable attempts to meet or exceed the above stated Diverse Business utilization goals. In order to achieve this commitment with current and future projects, it is imperative to educate and train the development teams prior to beginning each project. All projects utilizing the Washington State Department of Enterprise Services Performance Contracts, will hold an internal meeting in which the development team will review the Diverse Business Implementation plan and our commitment to meet this plan.

Diverse Business Contact

Our Diverse Business expert who will be responsible for implementing the strategies identified in the document will be filled by Kevin Blum, Human Resource Director.

Select project list with Diverse Businesses performed over the last five years

Project Name	Company
1. 2014 Gas Meter Installation	Ferguson Enterprise Inc
2. HCC Bldg 4 FAA Retrofit	Veterans Northwest Consultants
3. Seattle Central CC – Energy Conservation Measures	Performance Contracting Inc
4. Snohomish Boiler Replacement / Snohomish Library	ESC Automation
5. U240 Sound Transit	Steelkorr