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Background:

The Washington State Office of Minority & Women's Business Enterprises (OMWBE) is the sole certifying agency for small businesses owned and controlled by minorities, women, and socially and economically disadvantaged persons.

Each year OMWBE summarizes its strategies and key accomplishments in a report including the amount of public dollars spent by state agencies and institutions of higher education with certified firms in public contracting and procurement.

What changed between Fiscal Years 2018 and 2019?

- ▶ **The number of certified firms grew by 6%, or 155 more firms, from FY 2018** - 2,533 business are state certified. 1,230 businesses are federally certified. 849 firms have both state and federal certification.
- ▶ **State agencies and higher educational institutions increased spending in areas that could have gone to OMWBE certified firms** – An additional \$103 million was spent on all qualifying public contracts/procurements in FY 2019 totaling \$5,060,904,915 compared to \$4,957,570,606 in FY 2018.
- ▶ **State agency and higher education institution spending with OMWBE certified firms decreased** – Of the over \$5 billion in eligible spend in FY 2019, only \$177 million (3.50%) went to OMWBE certified firms, a reduction from 3.60% in FY 2018. Total spend with certified firms decreased \$1.2 million compared to FY 2018.

Why did utilization of certified firms decrease in FY 2019?

State agencies and colleges have different needs each year, which causes spending to vary. When comparing FY 2019 to FY 2018, construction accounted for both the biggest increases, and decreases, in spending with OMWBE certified firms depending on the agency or college. The 0.1% difference between FY 2019 and FY 2018 is smaller than the 0.5% increase of both years compared to the three fiscal years prior (FY 2015-2017).

What is OMWBE doing to increase utilization of certified firms?

OMWBE is preparing to implement a new Business Diversity Management System that will allow state agencies and higher educational institutions to track participation of diverse firms at a highly detailed level, including all prime vendors and sub-contractors. This step is the foundation for creating opportunities and will help OMWBE identify actual needs and barriers. We continue to review agency inclusion plans and educate procurement professionals on best practices to utilize diverse firms. The data this system will collect along with these additional efforts will better position Washington State to achieve sustainable and long term results of equity in public contracting and procurement.

How is OMWBE responding to COVID-19?

All OMWBE staff have been working remotely since March 24th. We are providing the same great customer service, just not in person. We continue our dedication to equity in public contracting and procurement in a virtual setting meeting with business owners, agencies, higher educational institutions and our partners electronically.

To ensure new businesses have the same opportunities, we are offering webinars to help businesses get certified. We are also sharing important updates and small business resources with our certified firms, using our website, newsletter, and social media channels to provide information and support during these challenging times that have hit minority- and women-owned businesses the hardest.