

## State Agency & Higher Education Supplier Diversity FAQs

### 1. Why is building diversity in state contracting important?

Small businesses are the backbone of the Washington economy. The majority of Washington employers are small private firms, and many are owned by minorities, women, and veterans. Small businesses provide jobs to about 51 percent of the state's private workforce - more than 1.3 million workers.<sup>1</sup> Strengthening opportunities for small and diverse businesses strengthens Washington's economy, supports our communities, improves the quality of life for everyone, and increases competition and innovation while lowering costs.

### 2. How can I determine if a firm is certified? What are the requirements for certification?

OMWBE maintains a [Directory of Certified Firms](#) that anyone can access. See video on [how to use the OMWBE Directory](#). WDVA maintains a [List of Certified Veteran Owned Businesses](#), you can also find them in [WEBS \(Washington's Electronic Business Solution\)](#).

There are five types of state certification through OMWBE:

- MBE - Minority Business Enterprise
- WBE - Woman Business Enterprise
- MWBE - Minority Women Business Enterprise
- CBE - Combination Business Enterprise
- SEDBE - Socially and Economically Disadvantaged Business Enterprise

Details for the various certification requirements are available on the [Certification page](#) of the OMWBE website.

If you have questions about certification, you can reach out to OMWBE via email [TechnicalAssistance@omwbe.wa.gov](mailto:TechnicalAssistance@omwbe.wa.gov) or by phone at (360) 664-9750. Our office hours are Monday-Friday from 8 a.m. to 5 p.m., excluding holidays.

There is one type of state certification through WDVA:

- VOB – Veteran Owned Business

Requirements for certification are available on the [Certification page](#) of the WDVA website.

If you have questions about Veteran Owned Business Certification please contact [vob@dva.wa.gov](mailto:vob@dva.wa.gov) or (360) 725-2169.

### 3. What are the benefits of certification?

- Boosts a firm's potential for doing business with government agencies and private companies looking for small diverse firms.
- Projects funded by the U.S. Department of Transportation (USDOT), including highways, aviation, and transit, have enforceable goals for the inclusion of certified firms. Public entities that manage these projects and their prime contractors look to our directory for federally-certified firms.
- Significantly increases a firm's visibility through listings on important databases for certified firms.
- Increases a firm's awareness of active bids throughout the state.
- Access to reduced interest rates on business loans through the [Linked Deposit Loan Program](#) (for state certified firms).

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<sup>1</sup>U.S. Small Business Administration 2018 Washington State Small Business Economic Profile

#### 4. Where can I find supplier diversity reports and plans?

OMWBE's website lists [supplier diversity reports and plans](#) for all state agencies and higher education institutions.

#### 5. Where can I find a report that shows the entire state spend to compare to our agency spend?

See the [OMWBE Annual Report](#).

#### 6. Our agency used a firm certified by OMWBE; why wasn't it included in our annual diversity spending report?

There could be a number of reasons. On the OMWBE website, you can see a detailed list of [what diverse spending is counted](#) and what is not counted. Here is an example:

While "Travel" does not count, if an agency does business with a certified travel agency, fees paid to the travel agent counts as use of a certified firm. The cost of the plane ticket does not count because the airline is not a certified firm. The same is true for car rentals, hotels, etc., when using a travel agent.

#### 7. What is considered subcontractor spend?

Subcontractor spend is only included in the dollars and percentages spent with minority business enterprises (MBE), women business enterprises (WBE), minority/women business enterprises (MWBE), combination business enterprises (CBE) or socially and economically disadvantaged business enterprises (SEDBE). However, this spending is not automatically included in the agency's overall spend. Agencies that track their subcontractor spend can report their subcontractor spend directly to OMWBE at the end of the state's fiscal year and OMWBE adds it to the agency spend report. Example:

The agency awards a contract to BIG Construction Company, a non-certified prime contractor, for \$100,000. This \$100,000 is represented in the overall spend. BIG Construction Company paid \$20,000 to Small Business Masonry, an OMWBE certified MBE. The \$20,000 payment by Big Construction Company counts as diverse certified spend for the agency.

#### 8. Why doesn't OMWBE accept additional subcontractor data spend for [veterans \(DVA\)](#) or [WEBS registered](#) small businesses?

OMWBE does not manage or verify these certifications so veteran and small business certifications are a separate line item on the supplier diversity report.

#### 9. I have verified that a firm is currently certified on [OMWBE's website](#) however, they are not showing up in our Agency's Supplier Diversity Report.

Please contact OMWBE at [SupplierDiversity@omwbe.wa.gov](mailto:SupplierDiversity@omwbe.wa.gov) for assistance. It could be that the certified firm was not certified during the reported fiscal year or the tax identification numbers the firm provided to the state Office of Financial Management may not match what is on record at OMWBE.

#### 10. How can purchasers at our agency help with achieving the governor's business diversity goals?

- Take an active interest in finding firms on the [Directory of Certified Firms](#).
- Use historical spend to [identify diversity](#) and forecast future spend via [data.wa.gov](#).
- Talk with certified businesses in your industry about what they do.
- Include small and diverse businesses in market research for upcoming procurements.
- Include OMWBE certification information on your agency website and on external marketing materials.
- Become familiar with the benefits of certification (see question 3) and share them in your purchasing outreach efforts.
- Share outreach events with OMWBE at [omwbewebadmin@omwbe.wa.gov](mailto:omwbewebadmin@omwbe.wa.gov).
- Invite OMWBE to do a workshop at your agency on any of OMWBE's programs or services.
- [Share bid solicitations with OMWBE](#) and partners: [Commission on African American Affairs](#), [Commission on Asian Pacific American Affairs](#), [Commission on Hispanic Affairs](#), [Governor's Office of Indian Affairs](#) & [Women's Commission](#).
- Continually utilize [Supplier Diversity Best Practices](#).

**11. Our agency would like to use a firm certified by OMWBE or DVA for a purchase our agency needs, however, the firm is not on the state's master contracts list. Is there an option that allows our agency to use the certified firm so we can achieve diverse spending?**

The Department of Enterprise Services does recognize there are occasions when the master contracts list "cannot justifiably satisfy the agency's needs." Please refer to [DES Pol-DES-090-00 FAQs](#) and direct any questions to [contractingandpurchasing@des.wa.gov](mailto:contractingandpurchasing@des.wa.gov) or call (360) 407-2210.