



## Supplier Diversity Inclusion Plan • Calendar Year 2021

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**Agency:** Department of Commerce

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### Department of Commerce's 2021 Supplier Diversity Inclusion Plan

Agency's plan to increase participation of certified small minority, women, and veteran owned firms:

**Direct Purchasing:** Diversifying our spending is a priority at Commerce, and the department has opportunities to improve beyond our modest improvements with non-pass through purchases and procurements. Since last year's 2020 inclusion plan, the department has taken steps to establish a diversity, equity, inclusion and respect (DEIR) governance structure with a vision, mission and executive sponsorship. We formally contracted for an agency wide assessment to be conducted to determine DEIR readiness in FY20 and it has helped to orient the department on next steps. Supplier diversity will be a primary work activity within this context, and include re-evaluating our procurement methodology, outlining opportunities with the expanded direct buy expenditure limits and potentially setting goals on number of certified firms we procure services from.

**Pass-through funding:** We will continue tracking the diversity of spending on our pass-through funding to communities, with the purpose understanding these data to inform and/or expand resources in diverse, and underserved communities. We believe that this effort will also encourage staff to be more attentive to the need to diversify our direct purchases and procurements as well.

**Technical Assistance and Business Support:** Since 2019, our community engagement, outreach and assistance to diverse small businesses has expanded. We are also investing in projects and organizations that build small business capacity, especially with disadvantaged businesses. As an example, the department has developed a working network of Small Business Resiliency Network that are community based. They provide in-language, culturally-appropriate one-on-one assistance to business owners, and help navigate applications for grants, loans and other departmental benefits.

***Best Practice 1: Proactively identify your contracting and procurement needs.***

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| A. | For CY21, we plan to continue purchases of furniture, cubicle walls, etc to accommodate the transition to the Modern Work Environment, facility footprint changes and additional staffing. IT purchases may be planned which includes hardware, software and some consulting. Upon the lift of the personal services contract freeze, we will resume professional consulting services, such as research and analysis, training, etc. |
| B. | Our executive leadership team reviews our diverse spending annually. Our purchasing team prepares reports and we have recently begun to examine our purchasing and procurement processes to look for opportunities to continue to diversify our spending.  |

***Best Practice 2: Review your procurement practices.***

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| A. | The department continues to require inclusion plans as it has since 2015 for our procurements. We began requiring inclusion plans in grant and loan applications since 2018, as our funding programs result in work for many contractors and subcontractors. Our goals at 10% and 5% are based on Results Washington Goals. |
| B. | In terms of unbundling, the department has not used the benefits of unbundling, in part, because our procurements have not been large contracts. The department, however, will use the best practice should we make large procurements of goods and services.   |
| C. | Aside from the inclusion plans, we have emphasized more plain-talked solicitation documents. The department is also inquiring on a broader language access effort, providing documentation in other languages.  |
| D. | The department continues to conduct pre-bid conferences, webinars and conference calls.   |
| E. | We have modified our insurance, bonding and experience requirements to better meet the needs of smaller firms. This has been done on a case-by-case basis.  |
| F. | We continue to post opportunities on the OMWBE website, we ask our business services and outreach team to help distribute, and we ask other agencies for ideas about possible firms to notify about the opportunities.  |
| G. | We continue to ask various organizations to help distribute information to small and diverse businesses, such as learning and networking opportunities and business support opportunities (such as export assistance).  |

H.	We continue to hold periodic training and informational exchange session with our agency management team. We review data, brought in certified business owners, so that we can begin planning to increase our diverse spend, especially for our pass-through funding.
I.	For CY21, and as funding allows, the department plans to provide more staff training on inclusion, implicit bias and other areas so that we are more informed on ways we can increase equity in contracting.
<b>Best Practice 3: Identify diverse options for each category of spend.</b>	
A.	Our contract staff routinely advise teams to use the search tool on the DES website to identify master contracts with diverse vendors.
B.	We have socialized OMWBE's searchable directory of certified minority and woman owned firms and many people around the agency use the directory. We recently began using it to find firms to direct buy from.
<b>Best Practice 4: Conduct outreach.</b>	
A.	Our business recruitment, retention and expansion team has several partnerships with agencies, local government, and other organizations that support small businesses.  The department has funded and formed the Small Business Resiliency Network that are community based organizations focused on outreach to diverse businesses. They provide in-language, culturally-appropriate one-on-one assistance to business owners, and help navigate applications for grants, loans and other departmental benefits.
B.	We continue to ask various organizations to help distribute information to small and diverse businesses, such as learning and networking opportunities and business support opportunities (such as export assistance).
C.	The department continues to post contracting opportunities through OMWBE's Bid and Contracting website.
<b>Best Practice 5: Monitor.</b>	
A.	Our agency leadership team regularly reviews our diverse spending and will be a critical activity as we further develop our DEIR plans. Our purchasing team prepares reports and we have recently begun to examine our purchasing and procurement processes to look for opportunities to continue to diversify our spending.

We also continue to collect data on the agency's total spend of its grant and loan pass-through spending to communities, including requiring reporting on expenditures over \$1,000 with OMWBE certified sub-contractors.

- B. Our Organizational Agility Team (performance, quality and lean initiatives, Deputy Director, Chief Financial Officer, Community Engagement and Outreach Director and our DEIR Steering Committee) comprise the initial team of staff who review our diverse spend quarterly.

The Executive Leadership Team and other key managers/staff will also participate in periodic, regular reviews. This review cadence will be even more institutionalized for CY21.