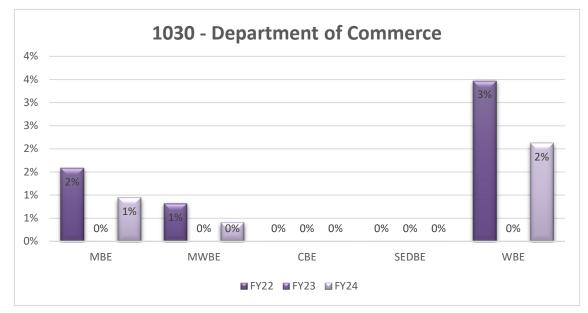




FY25 Business Diversity Spending Goal Plan – Department of Commerce Governor's Supplier Diversity Subcabinet approved best practices

(Agency graph showing spend comparison from FY22, FY23 and FY24)



FY 2023 – No spending goal established FY 2023 – 5.87% FY24 Spending Goal – 14.57% FY24 Actual Spend – 3.46%

FY25 Spending Goal: 0.65%

Summary Statement:

The Department of Commerce is dedicated to maximizing opportunities for certified small, minority-owned, and women-owned businesses. By creating a comprehensive approach utilizing the expertise of internal teams such as the Central Contracts Office, the Purchasing Team, and the Office of Equity and Belonging, Commerce is able to provide equity-focused contracting support to programs and help ensure adherence to supplier diversity practices. Key initiatives encompass mandatory procurement training, the development of additional resources for contract management training, the implementation of supplier diversity expectations, and equity-driven procurement practices with robust outreach efforts. During fiscal year 2024, Commerce enacted measures such as extended application windows, enhanced external posting requirements, and mandatory pre-proposal conferences in every competitive process. Commerce also instituted equity reviews by staff outside of the relevant contracting unit for direct buy contracts. Furthermore, there are ongoing efforts to utilize available platforms for outreach and training on new initiatives, such as Access Equity, to improve engagement. These strategies are consistent with the recommendations from the Equity in Capital Funding review, which details Commerce's responsiveness to community feedback and commitment to equity.

Looking ahead, Commerce will continue to assess the impact of these changes and explore additional strategies for barrier reduction to increase access to Commerce contracts for certified businesses, thereby ensuring sustained progress toward our goals for equitable contracting outcomes.

Steps your agency has completed to prepare for forecasting and steps remaining:

Commerce has set clear goals and created training for all staff involved in contracting and purchasing on all aspects of the supplier diversity policy, Executive Order 22-01, OMWBE's Tools for Equity, and the Access Equity platform. Using forecasting techniques such as extrapolation and time series analysis Commerce then analyses the data to create forecasts. Steps remaining are developing a comprehensive method of ensuring forecasting is performed in all appropriate units across the agency, as well as developing a process to compare forecasts to actual outcomes to inform and improve subsequent forecasting.

How supplier diversity efforts are managed within your agency:

The oversight of supplier diversity improvements at Commerce is a collaboration of efforts across multiple internal services teams. The Central Contracts Office provides the foundational knowledge and expertise for staff navigating supplier diversity guidelines, managing procurements, and managing contracts post-award. The Purchasing Team reviews all purchase requests for compliance with supplier diversity expectations before approving them. They are subject matter experts in the intersection of state purchasing, supplier diversity, and green purchasing. Lastly, the Office of Equity and Belonging works with internal teams to implement process improvements that promote equity and reduce barriers to diverse vendors accessing Commerce funds.

Is your agency currently using the Outreach Module in Access Equity for marketing and connecting with Diverse Businesses?

Yes. However, Commerce's decentralized nature of procurement and contract management means that usage of the Outreach Module is implemented on an individual unit basis. At this time, Commerce does not have a mechanism to comprehensively measure or determine the extent of its application across all contracting activities.

Are you using the Contract Compliance module in Access Equity to report your contract & purchase orders that include subcontractors (including statewide contracts)?

Yes. Commerce uses the Contract Compliance module to report contracts payments to subcontractors.

How does your agency track efforts to notify businesses about purchasing and opportunities to bid on contracts?

Tracking varies, however notification methods include utilizing the Washington Electronic Business Solution, Gov Delivery, posting on our agency website, posting on OMWBE website, as well as external networks such as chambers of commerce, social media, industry publications, and

Your agency plan according to EO 22-01 should already be implemented. How has your plan aided in your efforts to increase your agency plan from last year?

Yes, Commerce's plan, which includes implementation of Access Equity contract language, establishment of agency procurement policies and procedures, and well as enhanced trainings and outreach, has helped to incorporate use of supplier diversity practices.

Did your agency's spend decrease for FY24? If so, what was the reason(s)? What perceived barriers did you face?

What new efforts are you going to implement to try to increase your spending with small-minority and women owned businesses?

In December 2022 Commerce published the Equity in Capital Funding Review, which was an indepth review of the agency's funding administration practices with community partners. In May of 2024 the agency enacted new policies intended to increase spending with small-minority and women owned businesses and are responsive to the community recommendations in the report. These policies include: mandatory contracts management training, minimum application periods for competitive procurements, required external posting practices, and equity reviews of elective direct buys. Commerce will continue to monitor the impacts these changes have had, as well as exploring additional barrier reduction strategies led by the Central Contracts Office and Office of Equity and Belonging.