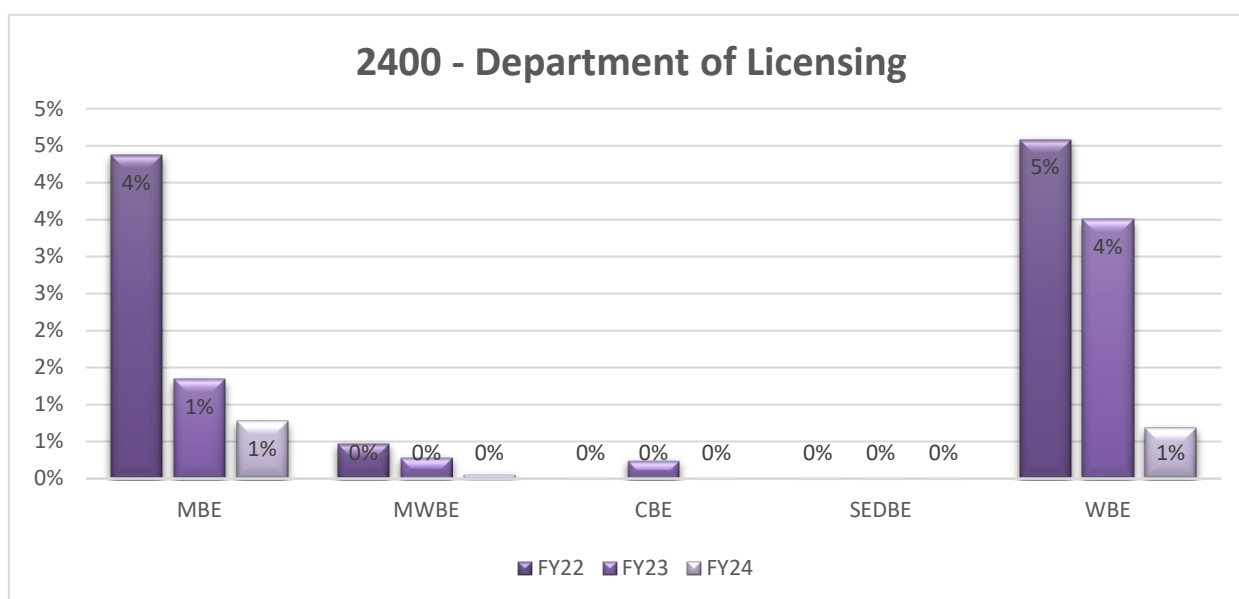


FY25 Business Diversity Spending Goal Plan – Department of Licensing
[Governor's Supplier Diversity Subcabinet approved best practices](#)

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



FY 2023 – No spending goal established
FY 2023 – 5.12%

FY24 Spending Goal – 11.00%
FY24 Actual Spend – 1.49%

FY25 Spending Goal: 6.49%

Summary Statement:

To increase our spend with diverse businesses, we have created a Supplier Diversity Coordinator position dedicated to managing and supporting the agency's supplier diversity efforts. Additionally, we have a newly developed Supplier Diversity data dashboard for broader visibility across the agency. This fiscal year, we aim to bring DOL leaders together to strategize upcoming purchases and procurements, looking for innovative ways to do business with more certified vendors and drive meaningful change. We plan to conduct more outreach campaigns to certified vendors, conduct unbundling analyses for all competitive solicitations, and revise

our agency policies and procedures to incorporate supplier diversity considerations.

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

1. Run report of all contracts expiring within the fiscal year
2. Discuss those contracts with the Contract Manager and Contract Specialist assigned to the contract to find out if we will be renewing/soliciting for those same goods and/or services
3. Compile the list of contracts that meet the criteria on the FNR
4. Research the commodity codes in WEBS and fill in the remainder of the FNR
5. Send to the web team for publishing prior to October 1 deadline

How are supplier diversity efforts managed within your agency:

- The Contracts and Procurement Assistant Administrator, Procurement & Supply Specialist Manager, and Supplier Diversity Coordinator regularly collaborate on upcoming purchases/procurements
- The Supplier Diversity Coordinator searches the certified business directory for purchases of items that are recurring purchases
- Preparing for upcoming purchases that are dependent on legislative funding by staying up to date on leg road map
- Contracts staff or the Supplier Diversity Coordinator reach out to vendors if we think they may qualify for certification and point them to OMWBE for to start the cert process
- Collaboration with DES when we are unsure whether we need to solicit for goods/services outside of statewide contracts
- The Assistant director of ASD meets monthly with Supplier Diversity Coordinator/their manager to stay up to date on current status of deadlines, projects, efforts, and roadblocks

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

No. We have upcoming procurements which we plan to use the outreach module for, but we have not used it yet.

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

We have some of our contracts with subcontractors in Access Equity already, and we are in the process of adding our other contracts that need to be added. Because most of our current contracts were put in place prior to the existence of Access Equity (and the majority are statewide contracts), we don't have contract language that requires the vendor's use of Access Equity, which we anticipate will cause some pushback. We have not started tracking the financial details yet.

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

Currently, we track this in WEBS with the plan to track via Access Equity soon. The majority of our active contracts are from statewide contracts, and with those sometimes we reach out directly. On some of the statewide contracts we have, we are requesting at least two quotes be from diverse businesses.

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?

The 2024 goal plan set aspirational goals that were fluid in nature and were modified through the calendar year due to budget impacts and staffing limitations. While maintaining the overall goal of the plan, we identified barriers and opportunities to improve our upcoming fiscal year's spend.

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

Our spend decreased. The main reason for the significant decrease is that the vendor we have historically spent the highest dollar amount with (Woodburn) no longer qualifies for certification. We have been in contact with that vendor since the OMWBE certification qualifications were updated, and we verified that they still do not qualify for certification.

They are also our number one vendor in the VOB spend category, so if we were to switch vendors, that would impact our VOB spend in a negative way. Additionally, we are still under contract with the vendor we typically spend the 2nd highest dollar amount with, but we did not make any payments to them last fiscal year. We know we will be making at least one large payment to them this FY, so that should help.

Barriers-

1. Data collection being inaccurate is a large barrier for us. Categories of spend that are

currently captured are too broad to show an accurate picture of our spend. We believe our numbers will increase when data collection approach changes to sub-sub objects of spend rather than just sub-objects

2. If we work with a certified vendor for an extended period of time, they get successful enough that the owner's personal net worth exceeds the limit that would allow them to continue to qualify for certification. We then either lose the spend credit, decreasing our numbers on the OMWBE report, or we go to a different vendor and lose the long term business relationship we built with a previously certified vendor
3. If a business is owned by a minority or a woman, it doesn't seem fair to them that they can no longer be a certified business just because they made their business successful enough to increase their personal net worth. Their minority status did not change, just their level of success. It seems like an odd qualifier to us
4. The certified directory tool is difficult to navigate and ends up not targeting results we need. Mainly the issue with the search function is the commodity codes- sometimes we don't know what terms to use in order to target the right search result. Sometimes you will need to search "store" after the type of item, sometimes "merchant", sometimes "merchant wholesaler", etc. It just makes it that extra bit more cumbersome to search that way. It might be easier if someone broke down the commodity codes into more sensible categories and we could search by category to make sure we aren't missing valuable businesses in search results
5. Not enough certified vendors on statewide contract
6. A lot of certified businesses have websites that are not usable, not up to date, or have information that states they are providing different goods/services than the commodity codes they are registered under
7. Smaller businesses having less capability to:
 - a. Provide bulk products
 - b. Provide competitive prices
 - c. Deliver in a short time frame

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

- There is a certified minority-owned vendor on statewide contract for office supplies. They previously have not been able to supply us with copy paper due to contract limitations. We are working with DES now to get the contract updated so we can move a large portion of our office supply spend over to that diverse vendor.
- Starting a periodically published newsletter for agency purchasers with information about supplier diversity and certified vendors
- Our agency has active representation at the Supplier Diversity data workgroup, and we will continue to engage in that as long as the workgroup is live
- Establishing procedures and standards for the purchasers throughout our agency, as well as our contracts specialists
- Reaching out to local bookstores to try to find a vendor that is small and can provide us

with the books we typically purchase from Amazon or elsewhere

- We are updating our internal policies for purchasing and contracts to have more supplier diversity information included
- We are updating agency-wide training for purchase card holders, contract managers, and purchase coordinators
- Drafting a plan to drastically decrease our spend with Amazon and Office Depot
- Attending events such as WA Procurement Connect to gain more knowledge and build relationships
- Analyzing our IT Acquisitions group's spend to find opportunities to move to small/diverse businesses
- Work with diverse subcontractors on statewide contract where possible