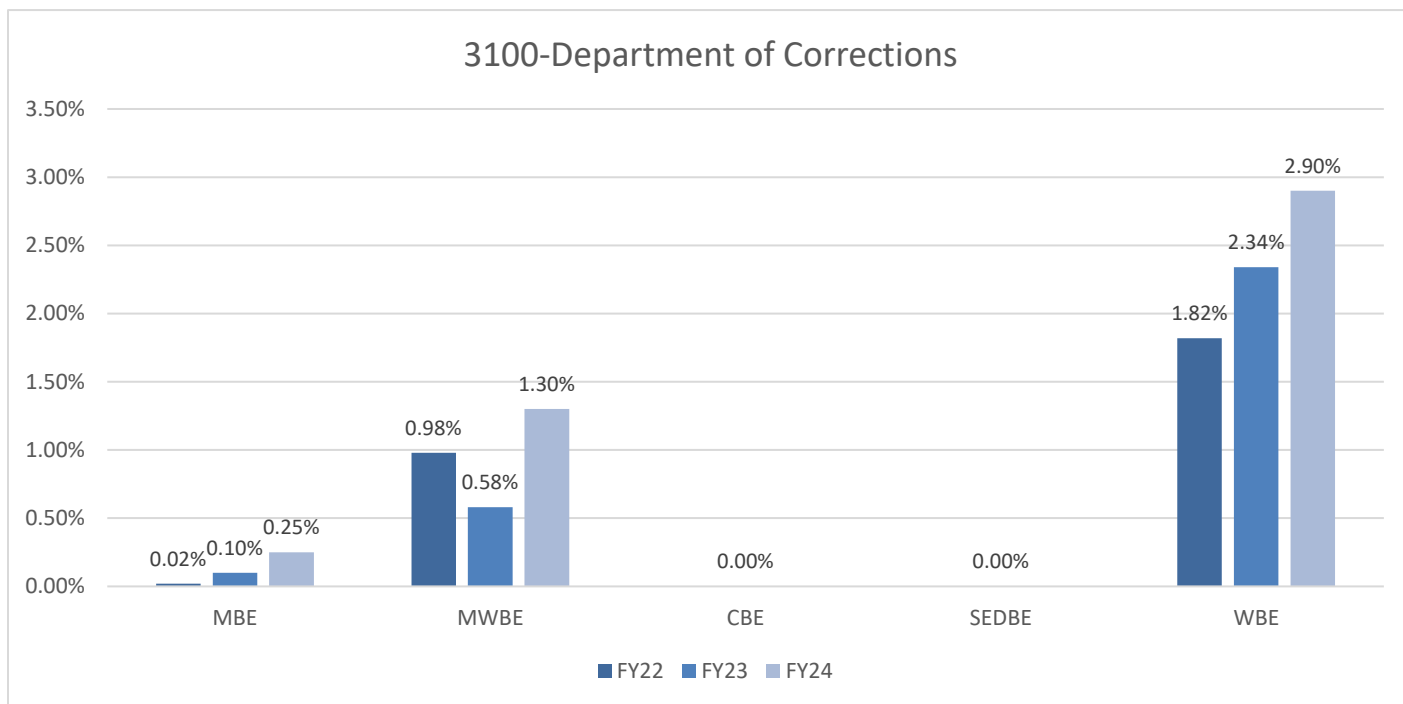




FY25 Business Diversity Spending Goal Plan – Department of Corrections

[Governor's Supplier Diversity Subcabinet approved best practices](#)

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



FY23 Spending % Goal: None established

FY23 Actual Spend %: 3.01%

FY24 Spending % Goal: 5.33%

FY24 Actual Spend %: 4.45%

FY25 Spending Goal: 5.25%

Summary Statement:

The Department of Corrections (DOC) is committed to providing opportunities for a diverse supplier base to participate in the procurement process, encouraging the use of minority-owned, women owned, and veteran-owned, small business vendors as suppliers. Supporting equity and inclusive prosperity in a state in which all people share equal rights and opportunities to prosper, the Department is uniquely positioned to work with small businesses in the communities where we have a justice presence. Over the past year, DOC has focused on purchasing culture, education and training to shift the paradigm from lowest price to best value for the state. DOC actively participated in several outreach events partnering with OMWBE, DVA, DES and other State agencies.

While DOC made progress in FY24 increasing dollar spend by \$3.2 million dollars and using a total of two more vendors than in previous years, more strategic improvements are necessary to meet our voluntary goals. In the next fiscal year, DOC will continue to participate in the annual Business Partnership forums including OMWBE and DES hosted events. The next areas of focus will include improving forecasting and procurement card processes.

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

Forecasting is an area where DOC could improve in the future as we have had mixed results in performance. Often the requests come to the procurement team without sufficient lead time to make posting to the forecasting worksheet effective. The training and awareness activities completed this year will provide a good foundation for increased conversation around forecasting. Steps completed in FY24 include:

- Developed reporting process for newly forecasted purchases that is coordinated by the dedicated data analyst for Business Diversity Program.
- Business Diversity Data Analyst developed the initial spreadsheet, populated the procurement opportunities that were available and posted to DOC's external website.
- Educated senior leadership about their role in Business Diversity and requested assistance in forecasting future purchases.
- Messaging to Local Business Managers to meet with local leadership teams to gather forecasting data and establish a process to report items for posting to our website.

Remaining Steps:

- Develop strategies to identify potential procurements earlier in the process so posting to the forecasting worksheet provides sufficient lead-time to disadvantaged businesses to assess the ability/desire to bid.
- Develop a budget review process that identifies new funding for procurements that can be identified at the beginning of the fiscal year/biennium and forecasted for scope, budget and timing before adding to the forecasting worksheet.

How are supplier diversity efforts managed within your agency:

DOC has established a Business Diversity Leadership Team. This team is led by the Business Diversity Program Manager and contains Business Services leadership with the ability to influence agency operations. This team now meets bi-weekly having recently reduce frequency from weekly. DOC was fortunate to receive funding several years ago for two dedicated positions for Business Diversity. The first position is the Business Diversity Program Manager that is responsible for program administration, outreach efforts and is the liaison with other agencies and our vendors. The second is a Management Analyst position that is responsible for data analysis, manages DOC's Business Diversity dashboard and maintains the forecasting worksheet. These two positions work closely with the Procurement and Logistics Manager who has leadership over procurement staff. The Procurement and Logistics Manager has an accountability role and sustains efforts through education and feedback to both agency and procurement staff. DOC's procurement function is a hybrid model with central, regional and local procurement staff. Some key strategies in managing our program include:

- Consistent leadership presence.
- Partnering with OMWBE, DVA, DES and other partnering agencies.
- Active participation in The Governor's Subcabinet on Business Diversity and it's workgroups.

- Being data focused:
 - Performance data reporting to Operational Leaders.
 - Continuously reviewing data to identify new businesses, strategies and communicating with impacted staff.
 - The Procurement and Logistics Managers continual review of purchase orders and education/mentoring of procurement staff.
- Building relationships with businesses, both those that are certified and those that can become certified.
- Mentoring and coaching businesses for success.
- Staying active in the business community.

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

Yes, DOC is sending Outreach Campaigns in addition to using WEBS and posting with OMWBE's opportunities page.

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

We are prepared to use the contract compliance module, currently we don't have any agreements utilizing subcontractors.

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

DOC maintains a forecasting spreadsheet that is updated when new opportunities are identified. That spreadsheet is posted on our external website where businesses can review under the section "About/Doing Business\Opportunities". Typically, higher risk Requests for Proposal (RFP) are coordinated through our Contracts and Legal Affairs unit. WEBS and Access Equity are used to increase outreach, and efforts are documented in a spreadsheet. The Procurement Unit also conducts competitive procurements and utilizes the same Outreach tools but tracks outreach efforts in our electronic procurement system, TRACKS, on each procurement request (PR). Procurement professionals are required to document on the order if outreach occurred. This information is saved and reviewed frequently by the Procurement and Logistics Manager who addresses concerns directly with the procurement professionals as well as offering kudos for good work.

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?

At Department of Corrections our agency is focused on sustainable change. Our priority is our internal procurement culture. Changing the culture of procurement is extended beyond our procurement professionals to include agency staff who either make buying decisions or are in leadership positions that have delegated purchase authority to influence behavior. The agency is moving towards normalizing the Tools for Equity in Public Spending and an increase in opportunities for diverse, veteran and small businesses. DOC Procurement Unit developed new statewide purchasing overview training that supports EO22-01 and provided that in-person training to 1,325 employees across the state. It was strongly encouraged for any DOC staff involved in purchasing and ordering, such as: purchase request (PR) initiators, PR reviewers, staff with Delegated Authority, Purchasing Card Custodians, etc. Valuable information and resources were provided.

Some topics covered were types of purchases, best practices for selecting a vendor, and clarifying best value. This training has positively impacted the frequency of opportunities provided to diverse, veteran and small businesses. The data below shows both an increase in dollar spend and the number of unique businesses who did business with DOC.

	2023 (%)	2024 (%)	% Change	2023 (\$ Spent)	2024 (\$ Spent)	Change (%)	Change (\$ Spent)
OMWBE	3.07%	4.45%	44.95%	\$ 5,569,736.00	\$ 8,758,681.00	57.25%	\$ 3,188,945.00
Veteran	2.38%	2.41%	1.26%	\$ 4,311,981.00	\$ 4,737,781.00	9.87%	\$ 425,800.00
Small	10.74%	13.74%	27.93%	\$ 19,479,235.00	\$ 27,056,837.00	38.90%	\$ 7,577,602.00

	2023 Vendor Count	2024 Vendor Count	% Change
OMWBE	37	39	5.41%
Veteran	15	21	40.00%
Small	150	212	41.33%

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

No, spend and percentages increased in every category.

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

DOC has developed a significant number of tools and resources over the last few years that we need to evaluate to ensure that those changes are both effective and sustainable using the LEAN PCDA improvement methodology. It is important to isolate and evaluate changes for effectiveness allowing enough time to determine if changes are effective. Layering more changes on top without evaluation could make it difficult to evaluate individual improvement strategies. Currently, we are continuing with the strategies we've deployed enhancing procurement culture, conducting outreach and partnering with the vendor community.

DOC's new area of focus in the upcoming year will be forecasting. While DOC implemented the required DES spreadsheet to forecast future procurements, we have not approached forecasting with the lens of LEAN process improvement. In the new calendar year, DOC will kick off an effort to develop new processes for identification of forecasted procurements in the fiscal/biennial year budget cycle. This work will inform forecasting for the 25-27 biennial budget.