



Supplier Diversity Inclusion Plan • Calendar Year 2020

Agency: Washington State Department of Agriculture

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2020 Washington State Department of Agriculture Supplier Diversity Inclusion Plan

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

WSDA has assessed our purchasing and procurement history and known upcoming needs; based on the report provided by OMWBE, WSDA utilized diverse businesses for approximately 16% of our spend in FY19.

Since WSDA uses the DES Master Contracts as our first resource for purchasing and contracting needs, our Supplier Diversity Inclusion Plan addresses the other procurement areas where we can successfully increase our percentage of OMWBE vendors utilized. It should be noted that due to the uniqueness of the agency's core business, purchasing and contracting needs don't always align with these certified businesses. A very significant portion of our annual spend is beyond our control and we are not able to shift to diverse vendors.

Information is also provided below on additional areas of spend WSDA has little to no ability to shift.

1. There are many existing DES Master Contracts WSDA utilizes that do not have diverse options. Some of those DES Master Contracts include, but are not limited to the following. DES could assist agencies and the state overall in reaching goals by continuing to increase contracts with diverse vendors.
 - Commercial Card Solutions, contract no. 00612 (\$739K in FY19)
 - Hazardous Waste Handling and Disposal Service, contract no. 03614 (\$332.4k in FY19)
 - Copiers, Printers & Related Devices, contract no. 05214 (\$103k in FY19)
 - Small Package Delivery, contract no. 0416 (\$60.6k in FY19)
 - Computer Equipment, contract no. 05815 (\$42k in FY19)
 - Office Supplies & Paper, contract no. 04411 (\$22k in FY19)
 - NASPO Mobile Phones, contract no. 06012 9\$403k in FY19)
 - NASPO Lab Equipment, contract no. 07215(\$133.4k in FY19)
 - Correctional Industries Contracts, contract no.'s 05616, 04918, 06616, 10103, 06416 (\$77k in FY19)



2. WSDA works specific niche markets where resources are often found through word of mouth, associations we are connected with, and/or events attended by employees. Oftentimes, we get the opportunity to enter into direct buy contracts with vendors who are able to self-certify as a small, mini, or microbusinesses in WEBS for services such as program materials, brochures, or graphic design. Many of these vendors, however, are not certified through OMWBE.
3. In addition, WSDA sends employees to hundreds of conferences each year that focus on specific subject matter, making it difficult and often impossible to shift that spend to another organization. Oftentimes there are travel expenses that couple with the conference attendance, but due to the specific nature of the travel requirements, opportunities to affect this segment of spend are limited.
4. WSDA also holds countless association memberships. Again, due to the specific nature subject matter expertise of the associations, this is spend we are often unable to influence.
5. WSDA has multiple laboratories with specialty scientific equipment. Many of the pieces of equipment cost upwards of \$250k per unit and are purchased through the DES Master Contract or competitively procured. Once those assets have been acquired, each laboratory must order consumables that fit with their instrument in order to perform testing activities. Given the highly specialized nature of testing activities and consumables needs, we must purchase from vendors who offer the necessary supplies, expertise, standardization, and compatibility with existing equipment. Through our analysis to date, we have not found diverse vendors to shift spend in the scientific / laboratory arena.

Diverse Spend Focus

Our best opportunity to increase diverse business spend continues to be in the Maintenance, Repair and Operations (MRO) and Janitorial contracting categories. In that light we have identified OMWBE and other diverse qualified firms that can provide those services and are continuing to work to increase our spend over time through monitoring and working with divisions to understand the suppliers they should be utilizing.

WSDA also has some ability to influence diverse spend in Human Resources (HR) related contracting categories, such as mediation and personnel investigations available through the DES Master Contract. We are selecting diverse vendors to contract with when suitable for the specific engagement and we will continue doing so as the need for those types of engagements arises. However, the money spent annually in these categories is small and the agency tries to limit our need for these types of contract whenever possible.

Furthermore, we are in the process of connecting with Tabor 100 Business Development with the goal of finding better ways for WSDA expand business opportunities with small, minority, women, and other diverse business enterprises. It would be helpful to WSDA to find ways to collaborate with diverse vendor organizations to better understand and address barriers to contracting with the State of Washington agencies.



Lastly, we continue to advertise procurements to diverse businesses for each procurement both in WEBS and out our website to allow a fair and open opportunity to a varied range of businesses. We take the time to speak with vendors, small or large, and provide resources via email and telephone. Doing business with the state can be complicated for those who are not well-versed in our framework and regulations, so taking the time to share knowledge with business owners is important. Our aim is to provide people with actionable information to help them with the goal of working with Agriculture and/or other WA State agencies.

WSDA continues to work to increase our OMWBE certified vendor usage in areas that we can affect spend. In many categories, the overall spend value is small enough that 1-2 purchases have an extraordinary effect on our diverse spend numbers and has a direct correlation with our diverse spend.

Based on the reports received from OMWBE, we have increased overall OMWBE certified vendor usage from 0.60 percent in June 2016 to 4.42% in June 2019. Additionally, we have increased Veteran business usage from 0.27 percent in June 2016 to 0.71 percent in June 2019; small business usage has increased from 3.54 in June 2016 percent to 11.25 percent in June 2019.

There is a discrepancy in the data for WSDA small business spend when comparing the OMWBE report with the WSDA Accounts Payable small business diversity report. Based on WSDA's records, the agency spent \$1,006,949; the OMWBE report shows only \$752,014 spent in the small business category. WSDA would like to request credit for \$1,006,949 spent with small businesses in FY19, which would increase the calculation for our FY19 small business support.

FY2020 Approach:

- Increase diverse business spend in the MRO and janitorial contracting areas.
 - We actively solicit diverse businesses and subcontractors with every contract issued; 63% of current WSDA janitorial agreements are with diverse vendors. We are currently running a competitive solicitation to source a new vendor for our largest WSDA satellite office which was advertised to 125 diverse vendors in WEBS; there was at least one diverse vendor who submitted a proposal.
 - We continue working with agency staff to utilize the Grainger Supplier Diversity inclusion program to make DES Master Contract purchases through Pacific Office Solutions. Run quarterly reports related to our MRO spend and work with end users to shift spend to the diverse vendors available.
- Successfully connect with Tabor 100 to find ways to collaborate and share information.
- Continue to monitor Amazon spend and shift to master contract vendors when available. Continue to try to connect with Amazon to find a better way to identify diverse vendors selling products within the Amazon marketplace.
- Continue to actively search for diverse businesses to do business with for both small purchases and contracting needs.
- Collaborate with OMWBE to provide a list of non-registered vendors that appear to qualify for OMWBE certification that can be used in OMWBE outreach efforts.



Subcontractors:

After another extensive search we are not able to identify any diverse subcontractors within our internal contracts.

Food for thought as noted in 2019:

The OMWBE roster is predominately public works vendors and the majority of the WSDA procurements are for scientific equipment, research, accredited laboratory testing, professional services, and supplies, which produces its own challenges. It would seem easier for agencies to meet the diverse vendor requirements if there were more OMWBE certified vendors in all spend categories. Some questions that still remain from last year are:

- How does OMWBE incentivize vendors outside of the public works arena to certify as OMWBE? The incentives should be reviewed to determine if they could be revised to attract other vendor types.
- What are the barriers for entry for the different vendor groups? How would certification directly benefit them? It seems that benefits have to be clear and tangible for vendors.

By statute we are required to advertise our competitive procurements via the WEBS system. It remains a point of frustration that OMWBE firms are not automatically registered in the WEBS vendor registration system. It seems to make sense to facilitate WEBS registration as a part of OMWBE certification as it would improve process efficiencies for all agencies and assist with getting procurements in front of a more diverse audience of vendors to allow for greater support of diverse firms.