



Washington State  
**DEPARTMENT OF  
ENTERPRISE SERVICES**

# SUPPLIER DIVERSITY – SOLICITATION/CONTRACT LANGUAGE WASHINGTON CONTRACTS FOR GOODS/SERVICES

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OCTOBER 3, 2023

# PRESENTER

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# OVERVIEW

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- Department of Enterprise Services (DES) is the state's lead procurement agency.
- DES also procures and manages around 200 statewide contracts with around 1,500 vendors.
- DES is responsible for developing and implementing procurement policies and procedures for Washington agencies.

# STATUTORY DIRECTIVE

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## RCW 39.26.005

Legislature intends that the state develop procurement policies, procedures, and materials that encourage and facilitate state agency purchase of goods and services from Washington small businesses.



## RCW 39.26.090

Developing procurement policies and procedures, that encourage and facilitate the purchase of goods and services from **Washington small businesses, microbusinesses, and minibusiness, and minority and women-owned businesses** to the maximum extent practicable . . .

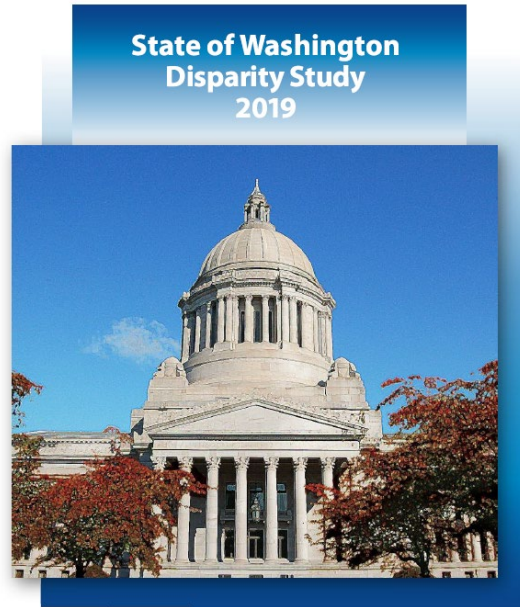


## Executive Order

EO 22-01: Equity in Public Contracting requires cabinet agencies to use the Tools for Equity to improve the scope and equity of public spending in Washington

# 2019 DISPARITY STUDY

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“ . . . Minorities and White women do not enjoy equal access to all aspects of State contracting opportunities . . . Some remedial action is warranted and necessary to ensure non-discrimination in State contracting.”

A DES recommended best practice: review vendor requirements so that they are no greater than necessary to protect the State’s interests

# SUPPLIER DIVERSITY POLICY

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# SUPPLIER DIVERSITY POLICY

- Enterprise Services Policy No. [POL-DES-090-06](#) – Supplier Diversity
  - Effective April 1, 2023
- [Supplier Diversity Virtual Handbook](#)



Enterprise Services Policy No. POL-DES-090-06

## Supplier Diversity

Applies to: Any procurement by the executive and judicial branches of state government, including state agencies, departments, offices, divisions, boards, commissions, institutions of higher education as defined in [RCW 28B.10.015](#) and correctional and other types of institutions ([RCW 39.26.010\(1\)](#)) ([RCW 39.26.100](#)) ([RCW 39.26.102](#)) governed by RCW 39.26.

### Authorizing sources:

- State Law [RCW 39.26.090\(6\)](#)
- State Law [RCW 39.26.005](#)
- State Law [RCW 39.26.240](#)
- State Law [RCW 39.26.245](#)
- State Law [RCW 39.26.160\(3\)\(b\)](#)
- State Law [RCW 43.60A.200](#)
- State Law [RCW 39.26.010](#)
- [Executive Order 19-01](#)
- [Executive Order 22-01](#)
- [DES Policy 210-01](#)

### Related sources:

- [Executive Order 05-03](#)

Effective date: April 1, 2023

Last update: N/A

Sunset review date: 5 years from Effective date

Approved by:  Tara C. Smith, Director

### Reason for Policy


The Legislature has directed the Department of Enterprise Services to develop procurement policies and procedures that encourage and facilitate the purchase of goods and services from Washington small businesses, microbusinesses, minibusinesses, diverse, and veteran-owned businesses to the maximum extent practicable. Supplier diversity adds value such as innovation, quality improvements, efficiencies, and cost savings.

The purpose of this policy is to ensure that all procurement professionals and those with acquisition responsibilities use approved, legally compliant strategies that encourage and facilitate the purchase of goods and services from small, diverse, and veteran-owned businesses to the maximum extent possible. Agencies must take action to remove barriers that prevent small, diverse, and veteran-owned businesses from receiving equitable access to state goods and services procurements.

# SUPPLIER DIVERSITY TOOLS

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- C-1 – Forecasting
- C-2 – Outreach
- C-3 – Unbundling
- C-4 – Contracts under \$150,000
- C-5 – Small/Veteran's Business Points
- C-6 – Solicitation/Contract Language
- C-7 – Other Strategies
- C-8 – Transparency



Open the  
Market to  
Small/Vet bus's



# STRATEGY IS IN §C6 OF THE POLICY AND HANDBOOK

## C6. Solicitation/Contract Language procedure

Solicitation definition +

<i>Action by:</i>	<i>Action:</i>
<b>Procurement staff</b>	<ol style="list-style-type: none"><li>1. Includes the agency's intent to increase spending with small, diverse, and veteran-owned businesses in:<ol style="list-style-type: none"><li>a. Advertisements;</li><li>b. Solicitations (RFPs, RFQs, etc.); and</li><li>c. Subcontractor inclusion plans, where appropriate.</li></ol></li><li>2. Meets with all relevant stakeholders to determine whether the effect of language used in the solicitation is a barrier to, or discourages small, diverse, and/or veteran-owned businesses from bidding on the solicitation.</li><li>3. Removes solicitation/contract language, terms, and conditions that are barriers to small-, diverse-, and veteran-owned businesses. Areas that have created barriers include:</li></ol>

# SOLICITATION/CONTRACT LANGUAGE – WHY

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- Solicitation and contract language are one of the reasons that small and/or veterans' businesses do not have equal access to all aspects of State contracting opportunities.
- Improving language:
  - Helps to provide equity, not just equality, for Small/Veteran Business Firms
  - Helps Comply with Policy, RCWs, and Governor's Goals
  - Keeps state funds in state by using Washington Based Firms
    - Helps local economies

# SOLICITATION/CONTRACT LANGUAGE – WHAT NOW?

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- The SDP Virtual Handbook:
  - 1. Contains several resources (section C6)
  - 2. Discusses six common barriers created by language
- Let's discuss a few more examples:

# SOLICITATION/CONTRACT LANGUAGE – WHAT NOW? Qs

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1. Are you requesting bidders to be of a certain size (revenue, staff, etc.)? Why?
2. Are your solicitations and/or sample contracts too long?
3. Are you asking for insurance requirements that are unnecessary?
4. Do your solicitations clearly identify what sections are the most important?
5. Are your solicitation interview questions relevant, necessary, and drafted at the time that the solicitation was written?
6. Include a bid proposal checklist as an aide to bidders.

# SOLICITATION/CONTRACT LANGUAGE – EXAMPLE

## 3. PROPOSAL CONTENTS AND REQUIREMENTS

### 3.1 PROPOSAL CONTENTS OVERVIEW

Proposals must be submitted per the instructions in Sections 2.5 (SUBMISSION OF PROPOSALS) and 3.2 (PROPOSAL REQUIREMENTS AND GUIDELINES) in the order noted below.

#### A. Bidder Forms and Certifications (Exhibit A)

All the following are included in Exhibit A:

- i. Bidder Profile & Submittal Form\* (Section 3.3 and Exhibit A, Section A)
- ii. Diverse Business Inclusion Plan (Section 3.4 and Exhibit A, Section B)
- iii. References (Section 3.5 and Exhibit A, Section C)
- iv. Executive Order 18-03 Worker's Rights\* (Section 3.7 and Exhibit A, Section D)

#### B. Draft Contract (Section 3.8 and Exhibit B)

#### C. Written Proposal (Section 3.9 and Exhibit C)

*\*Authorized signature required*

# QUESTIONS

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# THANK YOU

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