



Washington State  
**DEPARTMENT OF  
ENTERPRISE SERVICES**

# SUPPLIER DIVERSITY – USING RESERVED AWARDS IN COMPETITIVE SOLICITATIONS FOR GOODS/SERVICES

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# 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

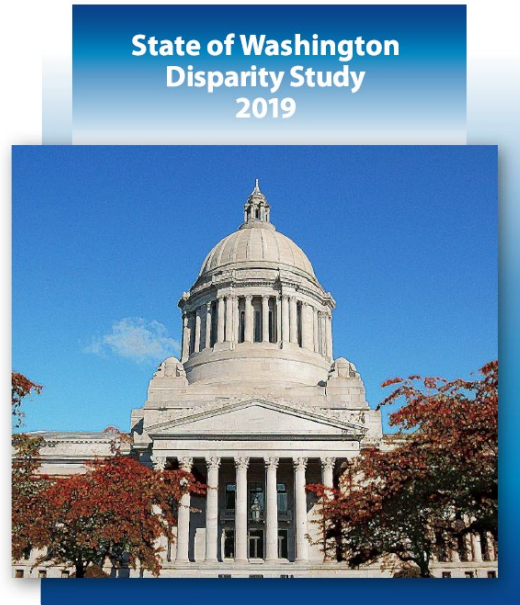
Developing procurement policies and procedures, that encourage and facilitate the purchase of goods and services from **Washington small businesses, microbusinesses, and minibusiness, and minority and women-owned businesses** to the maximum extent practicable . . .



## 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



“ . . . 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.”

One of the Study’s recommendations was for DES to create a race- and gender-neutral SBE target market (see page 20).



# 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 – Using Reserved Awards
- C-6 – Solicitation/Contract Language
- C-7 – Other Strategies
- C-8 – Transparency



Open the  
Market to  
Small/Vet bus's



# STRATEGY IS IN §C7(c) OF THE POLICY AND HANDBOOK

## C7(c). Using Reserved Awards

An illustration showing a diverse group of people, including a woman with dark hair, a man with a beard, and a child, looking towards the right. The background is dark and slightly blurred.

③ Implementation of this policy includes the following topics: Forecasting (C1), Outreach (C2), Unbundling (C3), Contracts under \$150,000 (C4), Pre-bid conferences (C5), Solicitation/Contract Language (C6), Other strategies (C7 (a-c)), and Transparency (C8). To jump to any of these sections use the left-hand navigation window.

③ **This chapter is broken into three sections C7(a - c). You can navigate to each section quickly by using the left-hand navigation window. Use all applicable strategies (7a-7c) in every competitive solicitation.**

# USING RESERVED AWARDS – WHEN AND HOW

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- When? Whenever you think there is a need and the ability
- How?
  - Research market, are there small, diverse, and/or veteran options?
  - Research federal funds use
  - Recognize barriers to submitting a bid
  - Identify top needs of customers

# THE STRATEGY IN PRACTICE

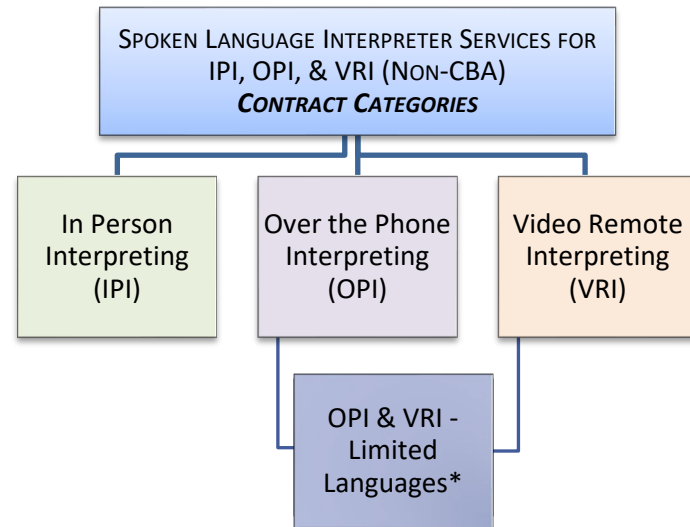
## Spoken Language Interpreter Services for IPI, OPI, & VRI (Non-CBA) – Contract 18222

### Recognizing Need:

- Many small, diverse, and/or veteran-owned businesses in industry

### Recognizing Issues:

- Customers needed many language options
- Customers needed three modalities: In-Person Interpreting (IPI); Over the Phone Interpreting (OPI); and Video Remote Interpreting (VRI).



# THE STRATEGY IN PRACTICE

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## How?

SPOKEN LANGUAGE INTERPRETER SERVICES FOR IPI, OPI, & VRI (NON-CBA)		
CONTRACT CATEGORY	MINIMUM REQUIRED LANGUAGES	TOTAL CONTRACT AWARDS
OPI & VRI	All Top 20 Languages	<ul style="list-style-type: none"> <li>Up to three (5) statewide awards, to the highest scored, responsive, responsible bidders</li> </ul>
OPI & VRI – Limited Language*	Any Language(s)	<ul style="list-style-type: none"> <li>Up to two (2) awards, to the highest scored otherwise not awarded, responsive, responsible bidders who certify and qualify as a Washington Small Business and/or Certified Veteran-Owned Business</li> </ul>
IPI	All Top 20 Languages	<ul style="list-style-type: none"> <li>Up to three (3) awards, by geographic region (for each of the 6 specified regions), to the highest scored, responsive, responsible bidders</li> </ul>

Language	Over the Phone - Prescheduled Standard (per min)	Over the Phone - Prescheduled Rush (per min)	Over the Phone - On Demand (per min)	Video Remote - Prescheduled Standard (per min)
Arabic*				
Bosnian/Croatian/Serbian				
Burmese*				
Cantonese*				
Chin*				
Czech				
Dari*				
Dutch				
Farsi*				
French				
German				
Greek				
Haitian Creole				
Hebrew				
Hindi*				
Hungarian				
Ilocano				
Japanese*				
Khmer (Cambodian)				
Korean*				
Kurdish-Kurmanji				
Lao*				
Mandarin*				
Marshallese				
Mixteco Bajo*				
Oromo				
Persian*				
Polish*				
Portuguese				
Punjabi*				
Romanian				
Russian*				
Samoan				
Somali				
Spanish*				
Swahili				
Tagalog				
Thai*				
Tigrinya				
Turkish				
Ukrainian*				
Urdu				
Vietnamese*				
Wolof				
Yoruba				

# RESERVED AWARDS – HOW AND WHY

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- A reserved award does not shift your strategy that much
  - Your must haves and pass/fails remain unchanged
  - Some evaluation determination at the forefront is required – work through your strategy
  - Messaging reserved awards for users to help ensure any potential federal funds are considered – this can be done using FAQs worksheet and including the messaging on the Contract Summary page
- Benefits:
  - 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

IMPACT ATTENUATORS CATEGORY/SUBCATEGORY			TOTAL POTENTIAL CONTRACT AWARDS	
CATEGORY	SUBCATEGORY	CONTRACT AWARDS*	RESERVED CONTRACT AWARDS**	
Permanent Attenuators – Impact Attenuators in which final installations remain in place	QuadGuard Elite	Up to 2	Up to 2	
	SCI1000GM	Up to 2	Up to 2	
	SCI70GM	Up to 2	Up to 2	
	TAU-M	Up to 2	Up to 2	
	QuadGuard M10	Up to 2	Up to 2	
Temporary Attenuators – Impact Attenuators intended- to be in place during work zone traffic control operations and then removed	ABSORB-M	Up to 2	Up to 2	
	SLED	Up to 2	Up to 2	
Truck/Trailer Mounted Attenuators – Impact Attenuators intended for temporary use and designed to be mounted to a host vehicle		Up to 2	Up to 2	
NCHRP 350 Units – National Cooperative Highway Research Program Report 350. The category of NCHRP 350 compliant attenuators is the previous testing and evaluation criteria. This category may be selected when it has been determined that a MASH-compliant attenuator system is not available.		Up to 64***		

# RESERVED AWARDS – HOW

- Actual Outcomes/experience
  - HVAC Services 02919 – the reserved awarded Contractor is the leader in sales
  - This Contractor has been able to service areas that here without a bid

Contractor Name	Total Sales	Percentage of Total Sales
AIR SYSTEMS ENGINEERING, INC.	\$762,714.00	7.73%
APOLLO SHEET METAL, INC.	\$238,022.00	2.41%
ENERGY SYSTEMS MANAGEMENT/TRS INC.	\$5,171,542.00	52.38%
HERMANSON COMPANY, LLP	\$0.00	0.00%
MACDONALD MILLER FACILITY SOLUTIONS LLC	\$0.00	0.00%
MCKINSTRY COMPANY, LLC	\$3,700,049.00	37.48%
Grand Total	\$9,872,327.00	100.00%



# RESERVED AWARDS – RESOURCES

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- The Supplier Diversity Handbook has a listing of Best Practices, and some additional tools/templates

# QUESTIONS

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# THANK YOU

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