

## Introduction

The Executive Agency’s Office of Management and Budget (OMB) in accordance with Governor Carney’s Supplier Diversity Executive Order has created the following supplier diversity plan. This plan was not created to exclude any potential suppliers. All events, workshops and publications sponsored by OMB are accessible to the entire vendor community.

**Please note** there is a more detailed supplier diversity diagram on page nine with expected activities for each step in the cycle.



## Overview

On June 16, 2021 Governor John C. Carney executed Executive Order No. 49 Enhancing Economic Opportunities for Delaware’s Diverse Business Community and Continuing Our Commitment to Supplier Diversity Initiatives

This Executive Order stipulates that the State benefits from an inclusive business environment that includes providing opportunities for minority, women, veteran, service-disabled veteran, and individuals with disabilities owned businesses and that:

- The State recognizes the importance of an inclusive business environment that includes the creation and expansion of diverse business enterprises; and
- A diverse business community that participates fully and prospers in a competitive marketplace for the procurement of goods and services strengthens the economy and social fabric of the State; and
- Through its Supplier Diversity initiatives, the State has shown its commitment to maximizing the participation of diverse businesses and businesses of a unique size to participate in state contractual work and has made great advances to provide a more equitable and inclusive process; and
- The State has created and will continue to create initiatives to promote economic development and encourage procurement participation by diverse businesses and businesses of a unique size; and
- As part of the State’s commitment to ensure an equitable and diverse business community, it created within the Government Support Services of the Delaware Office of Management and Budget, then transferred to the Department of State’s Division of Small Business, the Office of Supplier Diversity (“OSD”) whose mission is to enhance economic opportunities for the diverse business community of minority, women, veteran, service-disabled veteran, and individuals with disabilities owned businesses as well as small businesses of a unique size and assist them in competing for the provision of commodities, services, and construction to State departments,

agencies, authorities, school districts, higher education institutions and all businesses; and

- The Director of OSD furthers the objectives of the State’s commitment to an equitable and diverse business community by, among other things, providing strategic advice to the Director of the Division of Small Business and the Governor pertaining to supplier diversity; monitors and evaluates the Executive Branch’s Supplier Diversity Action Plan implemented by each agency; certifies and maintains a directory of diverse businesses and small business enterprises; and educates and advocates for diverse businesses how to conduct business within the State, including their eligibility in the State’s Small Business Focus Program; and
- Programs aimed towards encouraging and enhancing opportunities for diverse businesses and businesses of a unique size continue to be of importance to the State.

### **Designation of the Agency Supplier Diversity Liaison**

Among a number of critical tasks associated within OMB, to designate a Supplier Diversity Liaison (SDL), who shall have direct access to his or her Secretary, department head, or similar cabinet-level official concerning Diverse business enterprise program matters. The OMB Director, Cerron Cade, has appointed Michael Bacu, State Contract Procurement Administrator, Government Support Services as the Supplier Diversity Liaison for the Agency.

**Responsibilities of OMB Supplier Diversity Liaison** shall be responsible for the following:

- Assist the Director of the OSD and the Council in their efforts to maximize supplier diversity among State agencies.
  - Direct and coordinate supplier diversity initiatives within their respective agency, including but not limited to discussing best practices and educating staff.
  - Assist in the development and implementation of their agency’s Supplier Diversity Plan, as identified in section 10 of this Executive Order.
  - Incorporate the entire supplier diversity community of businesses into the agency Supplier Diversity Plans.
  - Prepare reports for the OSD and the Council when necessary.
- Undertake such additional tasks relating to this Executive Order as directed by the OSD, which may include periodic meetings at the discretion of the OSD.

### **Goals of Executive Agency Supplier Diversity Action Plan**

The goals of the OMB supplier diversity action plan align precisely with the goals of Executive Order No. 49. Specifically, those goals are to:

- Maximize contracting opportunities for minority, women, veteran, service-disabled veteran, and individuals with disabilities owned businesses.
- Increase transparency for subcontracting opportunities.
- As appropriate, support the Office of Supplier Diversity statewide goals and objectives for increasing supplier diversity initiatives statewide as defined in Executive Order No. 49.

### **OMB Supplier Diversity Plan**

The primary components of the OMB’s supplier diversity plan include opportunity recognition, education, training (internal and external), outreach and evaluation.

#### **Opportunity Recognition**

A recognized major barrier for small businesses inclusive of Diverse business enterprise is the identification of non-advertised opportunities and the limited amount of time to prepare for advertised opportunities. Specifically, when an advertised opportunity is available there may not be sufficient time for small business inclusive of diverse business(es)

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to identify potential partners and utilize the available resources to assist small business secure opportunities. OMB will execute the following to increase the recognition of opportunities and sufficiently communicate the information to Diverse business enterprise partners to increase the planning time for all interested vendors to prepare for opportunities.

- A. Identify sections/individuals who make under threshold purchases to identify opportunities, these opportunities, when known, will be forwarded to OSD to target/recruit Diverse business enterprise vendors that provide the specific services.
- B. Forecast contracting opportunities without any renewals and upcoming expiration dates.
  - a. One method to accomplish this communication is to push updates through an OSD email.
  - b. Another is to announce GSS Contracts to Watch events where interested vendors can learn about upcoming solicitations, provide feedback and receive topical training.
- C. Commit OMB personnel to soliciting the OSD's online directory for non-advertised under threshold opportunities and expand inclusion of public works opportunities that require a minimum three bids. OMB shall also identify when the OSD directory was solicited for an opportunity and there were not any available Diverse business enterprises registered. The under-threshold solicitation document can be found on the GSS web site.
- D. Identify opportunities (intent to submit) prior to advertised solicitation and attempt to identify before advertisement to ensure all parties are registered to receive bid solicitations. Based on demand agency will host networking, informational partnering seminars to encourage teaming and subcontracting.
- E. Partner with the Division of Facilities Management to identify minor capital improvements project opportunities. This will help foster relationships with small businesses inclusive of Diverse business enterprises.
- F. Identify on [mymarketplace.delaware.gov](http://mymarketplace.delaware.gov) pre-bid attendee's lists and then maintain an awarded vendor's socioeconomic data to identify if the awarded vendor is a certified diverse business.
- G. Publish usage reports on the State's Open Data Portal, [data.delaware.gov](http://data.delaware.gov), to identify purchasing trends to make the buying process transparent and increase opportunities for small businesses inclusive of Diverse business enterprise to market their products and services.
- H. Work with Division of Facilities Management (DFM) to maintain a listing of interested prime contractors for opportunities to foster a partnering environment and effectively procure the supply chain.
- I. Maintain a current listing of procurement contacts throughout the State on [mymarketpace.delaware.gov](http://mymarketpace.delaware.gov).

### Internal OMB Training

Although OMB is prepared to offer external training to interested vendors, OMB recognizes the opportunity to train State personnel on supplier diversity best practices. OMB is committed to attend internal training on supplier diversity offered by OSD, which will include but not be limited to the following topics:

- A. Navigating the OSD database and other resources to access listings of diverse businesses.
- B. Identifying purchasing opportunities and identifying best practice communication methods to clearly communicate the needs to the business community.
- C. Reviewing State spend analysis inclusive of Diverse business enterprise.
- D. Discussing diverse business successes and challenges.
- E. Navigating veteran-owned business directories.

### Subcontracting/2nd Tier Reporting

OMB has identified this as an opportunity to increase the accuracy of Diverse business enterprise spend analysis. OMB in partnership with OSD will commit to the following to collect subcontracting 2<sup>nd</sup> tier data:

- A. Commit to using and continually improving the standard subcontracting /2<sup>nd</sup> tier reporting form. The form can be found on the GSS Agency Resources web site.
- B. Identify currently awarded prime contractors and ensure relevant contact information is easily available via the web site.
- C. Identify primes vendors that have supplier diversity programs and partner with primes to identify any subcontracting opportunities.
- D. Request subcontracting /2<sup>nd</sup> tier spend information from prime current vendors and contractors and report to OSD the primes that have denied the request.
- E. Include in all public works and central contracts the subcontracting /2<sup>nd</sup> tier report.

### **Training, Education and Outreach**

OMB is aware of the need to communicate to the vendor community the opportunities available with the State. OMB has defined three levels of training, education and outreach, which can be found in the definition section. OMB is committed to the following:

- A. Work with OSD to assist in publishing success stories, identify agency opportunities, develop strategies for success, and contribute content for OSD newsletter and social media outlets.
- B. Offer and promote ask the expert training initiatives (level 1 training, education and outreach) on the web site to solicit questions on how to do business with the respective agency and facilitate forums to answer submitted questions, identify consistent themes, and meet decision makers.
- C. OMB will promote the Division of Facilities Management contractor registry, which provides contractors with an additional level of references checks, to work with facilities management for under threshold opportunities. Services include, acoustical ceilings, carpentry, concrete, controls, electric power, flooring, general construction, masonry, mechanical, metal studs and drywall, painting/wall covering, plumbing, roofing, site work, steel erection, testing and balancing.
- D. OMB will encourage the use of the OSD streamlined certification application for eligible Diverse business enterprise with other Federal, State and private M/WBE certifications such as 8(a), Disadvantaged Business Enterprise, the Minority Supplier Development Council, and the Women Business Enterprise National Council.
- E. Identify prime partnerships where the prime vendor is willing to participate in supplier development forums to assist Diverse business enterprise(s) in becoming 2<sup>nd</sup> tier supplier.

### **Evaluation**

OMB will conduct and/or participate in surveys and benchmarking studies for continuous improvement. In addition, OMB will commit to monitoring and evaluating the Agency supplier diversity plan quarterly based on elements from the OSD Supplier Diversity Score Card (appendix) and feedback from the Governor's Supplier Diversity Council. The following Key Performance Indicators (KPI's) will also be used to evaluate the supplier diversity plan.

- A. Has OMB spend increased for diverse businesses compared to the same time frame previous fiscal year?
- B. Has OMB increased the number of different diverse businesses solicited for under threshold opportunities from the previous quarter?
- C. Has OMB increased their participation rates for diverse businesses (# of Diverse business enterprises that have submitted proposals)?
- D. Has OMB increased subcontracting/2<sup>nd</sup> tier spend reported by prime vendors.

## Definitions

### Office of Supplier Diversity (OSD)

The Office of Supplier Diversity within the Division of Small Business shall have, as its mission, to assist the entire supplier diversity community of minority, women, veteran, service-disabled veteran, and individuals with disabilities owned businesses as well as small businesses of a unique size in competing for the provision of commodities, services, and construction to State departments, agencies, authorities, school districts, higher education institutions and all businesses.

### OSD Directory (the directory)

Is a listing of certified minority and/or women businesses in the OSD online directory that have been approved by OSD - <https://business.delaware.gov/directory-of-certified-businesses/>

### Under Threshold Purchases

Products and services that are not on an Agency or mandatory use contract are not advertised through a formal bid process and may be procured through the Under Threshold Procurement Process. The dollar amounts and types of purchases are below.

### Purchasing Thresholds

#### Material and Non-Professional Services

Less than \$10,000 - Open Market Purchase

\$10,000 - \$49,999.99 - 3 Written Quotes

\$50,000 and over - Formal Bid

#### Public Works (Construction)

Less than \$50,000 - Open Market Purchase

\$50,000 - \$149,999.99 - 3 Letter Bids

\$150,000 and over - Formal Bid

#### Professional Services

Less than \$100,000 - Open Market

\$100,000 and over - Formal RFP Process

### Mandatory Use Contract

Delaware Code identifies Government Support Services as the Section responsible for administering state-wide central use contracts. Specifically, 29 Del. C. § 6911, Authority and responsibilities; Government Support Services shall act as the exclusive contracting agent for all purchases of materiel and nonprofessional services not subject to the small purchasing procedures made by contracting agencies made by 2 or more covered agencies.

Meanwhile, covered agency is defined as any agency except school districts, Delaware Technical & Community College, the Delaware State University and the Legislative Branch of State government.

### **Diverse Business Enterprise**

Means a for-profit business which is at least fifty-one percent owned and at least fifty-one percent controlled by a minority, woman, veteran (including those who have served in the United States military and have been honorably discharged and those who served or continue to serve in the National Guard), service-disabled veteran, or Individual with a Disability as certified by the Office of Supplier Diversity (“OSD”) in the Department of State’s Division of Small Business or the Disadvantaged Business Enterprise (“DBE”) Program in the Delaware Department of Transportation.

### **Minority and/or Women Business Enterprise (MWBE)**

The company must be (a) 51 percent owned by woman and/or minority group (b) 51 percent managed by woman and/or minority group (c) certified as a M/WBE in home state of business a for profit business. Minority groups include African Americans, Asian Americans, Hispanic Americans, Native Americans and Subcontinent Asian Americans. All ethnicities of women are eligible for certification.

### **Veteran Owned Businesses**

Business that has registered as veteran owned businesses in the Central Contractor Registry, vetbiz.gov, dynamic small business database or the State’s W-9 online form.

### **Supplier**

Not just limited to vendors that provide commodities, but all vendors inclusive of materials, non-professional services, public works and professional services that can provide products or services work the respective agency supply chain.

### **DFM Contractor Prequalification Application**

A pre-qualification document developed by facilities management to review contractors’ qualifications interested in under threshold public works projects. Services include, acoustical ceilings, carpentry, concrete, controls, electric power, flooring, general construction, masonry, mechanical, metal studs and drywall, painting/wallcovering, plumbing, roofing, site work, steel erection, testing and balancing. The following document can be found on the DFM web site.

For additional details, please go to: <https://dfm.delaware.gov/prequal/index.shtml>

### **Training, Education and Outreach**

#### **Level I - Training, Education and Outreach**

Will consist of primarily using online tools such as presentations, publications contributed to OSD including but not limited to agency opportunities, success stories, published “how to do” online business materials (examples include the strategies for success presentation on OSD web site and the selling to the state guide on the Government Support Services web site) inclusive of purchasing contacts, current active contracts with contact information, links to bids.delaware.gov on purchasing web site, contracting officer contact information, posting the OSD web site on respective agency web sites.

#### **Level 2 - Training, Education and Outreach**

Will consist of participating in events, such as supplier development forums organized in partnership with OSD generally ranging from one to two hours to describe agency processes and discuss potential opportunities, for example the Small Business Administration annual certification and opportunity workshops.

### **Level 3- Training, Education and Outreach**

Will consist of attending trade shows for small businesses inclusive of minority and women businesses, where agency will be able participate in matchmaking sessions to talk to prospective vendors and discuss procurement opportunities.

### **Internal State Agency Training**

Will consist of ensuring agency personnel can navigate veteran owned business database and the OSD directory, understand the OSD certification process and identify resources for assisting businesses, also working with OSD to identify under threshold agency needs, upcoming contracts, identifying non-certified Diverse business enterprises to encourage certification, discussing barriers and opportunities. Training methods will include but not be limited to workshops, webinars and conference calls.

### **Pre “Pre” Bid Meeting**

Will consist of identifying opportunities (intent to submit) prior to advertised solicitation and identify before advertisement applicable MWBEs to ensure all parties are registered to receive bid solicitations. Based on demand agency will host networking, informational partnering seminars to encourage teaming and subcontracting. The intent to submit information will be captured by OSD in partnership with GSS.

### **Subcontracting 2nd tier/Request**

When contract is awarded, a request is made to the prime vendor to submit dollars paid to Diverse business enterprises vendors for services provided for a respective Delaware contract.

Identifying veteran businesses and M/WBE subcontracting for State monies such as pass thru funding for non-profits, grant funded programs, municipalities etc. Examples include but are not limited to Environmental Protection Agency (Clean Water State Revolving Fund, Drinking Water State Revolving Fund), Delaware Transit Corporation, Energy Service Company Projects (ESCO), and library construction funding.

- Subcontracting templates are posted on the GSS web site.

### **Prime Partnerships**

Consist of encouraging and working with currently contracted prime vendors to provide examples of how the diverse community on how to work with respective prime vendor as subcontractor to provide services for current State of Delaware contract. This can also consist of asking prime vendors to participate in vendor trade shows.

### **Identification of Potential and Current Diverse Business Enterprises**

The goal of this metric is to identify all minority, woman, veteran, service-disabled veteran, or Individual with a Disability suppliers or have the potential to become suppliers and ensure they are certified with Delaware’s Office of Supplier Diversity. This can include identifying entry points on respective agency web sites to encourage Diverse business enterprise certification. Examples of agency web sites include Department of State licensing, Accounting W-9 and One Stop business registration. It is anticipated the OSD will review quarterly with respective agency the listing spend with certified diverse businesses and processing the self-

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certified diverse businesses from two primary sources; the Delaware W-9 online, available for completion through the [eSupplier Portal](#) and the Federal Government’s Central Contractor Registry <https://sam.gov/content/home>

**APPROVED:**



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Honorable Cerron Cade  
Director  
Delaware Office of Management & Budget

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