



## Financial Services Audit Committee Communication

**Date:** April 22, 2022

**To:** Great Lakes Water Authority Audit Committee

**From:** Megan Savage, Vendor Outreach Coordinator

**Re:** Business Inclusion & Diversity Program Update

**Background:** On November 25, 2020, the GLWA Board of Directors approved an amendment to the Procurement Policy allowing for the formation of a new Business Inclusion & Diversity (B.I.D.) Program within the Financial Services' Procurement Group. The B.I.D. Program Team, which includes internal GLWA Team Members as well as external consultants, executed a Phase I launch of the program on February 1, 2021 and a Phase II launch on July 1, 2021.

**Analysis:** This month we present tables to recap B.I.D. Program activity from the date of the program launch on February 1, 2021 through March 31, 2022 for procurements budgeted to exceed \$1 million.

### Table 1: B.I.D. Eligible Procurements as of March 31, 2022

Table 1 provides an overview of the total number of B.I.D. Program-eligible Procurements awarded, in evaluation, or advertised as active opportunities in GLWA's Bonfire Procurement Portal. Each vendor who submits a response to a B.I.D. Program-eligible procurement must also submit a Business Inclusion and Diversity Plan. The total number of Diversity Plans that GLWA has received for B.I.D.-eligible procurements that have been awarded and that are in evaluation is also provided.

|   | Awarded | In Evaluation Phase | Active (Advertised) | Total |
|---|---------|---------------------|---------------------|-------|
| Procurements Requiring B.I.D. Submittals  | 26      | 14                  | 5                   | 45    |
| Total Number of Diversity Plans Submitted | 77      | 38                  | n/a                 | 115   |

**Table 2: Scored Criteria for Awarded Procurements**

Table 2 provides a breakdown of the percentage of B.I.D. Program-eligible procurements awarded thus far that met the B.I.D. Program scored criteria. The scored criteria is based on whether the vendor has a business presence in the state of Michigan, GLWA’s Member Partner service area, or a disadvantaged municipality within GLWA’s service area.

|                                      | Procurements Awarded Meeting B.I.D. Criteria as a % of Total Awards |
|--------------------------------------|---|
| Michigan Location                    | 92%   |
| Member Partner Service Area          | 85%   |
| Disadvantaged Service Area Territory | 54%   |

**Table 3: Non-Scored Criteria - Disadvantaged, Minority-owned, Women-owned, and Small Businesses**

Table 3 provides a breakdown of the percentage of B.I.D. Program-eligible procurements awarded thus far that met the B.I.D. Program Non-Scored Criteria. This Non-Scored Criteria refers to any diversity certifications that the vendor may hold as a Disadvantaged Business Enterprise (DBE), Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), or Small Business Enterprise (SBE).

|         | Procurements Awarded as a % of Total Awards |
|---------|---|
| Awarded | 65%   |

**Table 4: Overall Contracts Awarded**

Table 4 provides a breakdown of overall dollars awarded under the B.I.D. Program thus far, distinguishing between firms that met all four B.I.D. Program scoring criteria (including scored and non-scored criteria) and firms that met all three criteria (scored criteria only).

|                               | Total Contract Count | Total Contract Amount (in millions) |
|-------------------------------|----------------------|-------------------------------------|
| Eligible Procurements         | 26                   | \$266.8                             |
| Firms that met four criteria  | 17                   | \$108.9                             |
| Firms that met three criteria | 9                    | \$157.9                             |

Other activities completed this month to expand awareness of the B.I.D. Program and to foster the development of effective diversity plans included the following.

- Preparing materials for a virtual presentation on GLWA's procurement process and B.I.D. Program to U.S. Small Business Administration (SBA) small business vendors on May 12, 2022.
- Continued attendance of the B.I.D. Program Liaison at all Pre-Bid and Pre-Proposal solicitation meetings to overview the B.I.D. Program requirements and answer any questions from vendors/contractors.
- Confirmed vendor registration and reporting capabilities within Bonfire to track identified criteria.

Additionally, the following tasks remain at the top of our priority list.

- Developing contract language for B.I.D. Program requirements.
- Continued evaluation of the insurance and bonding requirements for small, minority-owned, and disadvantaged business enterprises.
- Identifying meaningful reporting and performances measures.

**Proposed Action:** Receive and file this report.