



Financial Services Audit Committee Communication

Date: November 18, 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 October 31, 2022 for procurements budgeted to exceed \$1 million.

Table 1: B.I.D. Eligible Procurements as of October 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	41	9	4	54
Total Number of Diversity Plans Submitted	119	31	n/a	150

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. This 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	Total Contract Amount (in millions)
Michigan Location	90%	\$365.3
Member Partner Service Area	85%	\$324.2
Disadvantaged Service Area	61%	\$278.4

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	Total Contract Amount (in millions)
Awarded to Disadvantaged, Minority-owned, Women-owned, and Small Businesses	71%	\$303.0

Table 4: Diversity Certification Percentages

Table 4 provides a breakdown of the percentage of awarded procurements to SBE (Small Business Enterprise), DBE (Disadvantaged Business Enterprise), MBE (Minority-owned Business Enterprise), and WBE (Women-owned Business Enterprise). Note that some firms may have multiple certifications.

	SBE	DBE	MBE	WBE
Percentage of Awarded Procurements to SBE, DBE, MBE, and WBE	7%	56%	22%	12%
Total Contract Amount (in millions)	\$9.0	\$246.1	\$96.2	\$17.2

Table 5: Overall Contracts Awarded

Table 5 provides a breakdown of overall dollars awarded under the B.I.D. Program thus far, distinguishing between firms that met the B.I.D. Program certification criteria (non-scored criteria) and firms that met the three B.I.D. Program geographic criteria (scored criteria).

	Total Contract Count	Total Contract Amount (in millions)
Eligible Procurements	41	\$513.6
Firms that met the certification criteria (non-scored criteria)	29	\$303.0
Firms that met the three geographic criteria (scored criteria)	25	\$278.4

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.

- Attended the virtual National Business League 35th Annual National Black Supplier Conference on November 16, 2022. B.I.D. Program Team members listened to national black supplier and diversity community leaders discuss the importance of developing black suppliers and attended virtual matchmaking sessions with small businesses.
- Met with Bonfire to discuss options for tracking and reporting on GLWA’s efforts to update our vendor database to include information on diversity certifications.
- Continued attendance of the B.I.D. Program Liaison at all Pre-Bid and Pre-Proposal solicitation meetings to overview B.I.D. Program requirements and answer any questions from vendors/contractors.

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

- Continued evaluation of the insurance and bonding requirements for small, minority-owned, and disadvantaged business enterprises.
- Expanding meaningful reporting and performances measures.

Proposed Action: Receive and file this report.