



Financial Services Audit Committee Communication

Date: December 16, 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 November 30, 2022 for procurements budgeted to exceed \$1 million.

Table 1: B.I.D. Eligible Procurements as of November 30, 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	52	9	3	64
Total Number of Diversity Plans Submitted	133	22	n/a	155

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	92%	\$403.7
Member Partner Service Area	87%	\$361.6
Disadvantaged Service Area	60%	\$219.1

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	56%	\$245.3

Table 4: Diversity Certification Percentages

Table 4 provides a breakdown of the vendors who met the certification criteria as SBE (Small Business Enterprise), DBE (Disadvantaged Business Enterprise), MBE (Minority-owned Business Enterprise), and/or 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	10%	79%	31%	10%
Total Contract Amount (in millions)	\$18.4	\$320.9	\$77.1	\$65.1

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	52	\$552.0
Firms that met the certification criteria (non-scored criteria)	29	\$245.3
Firms that met the three geographic criteria (scored criteria)	31	\$219.1

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.

- Conducted Procurement Team training on reviewing and evaluating B.I.D. Program vendor diversity certifications on November 10, 2022.
- Presenting the B.I.D. Program to the City of Farmington Hills City Manager and Procurement Director on December 16, 2022.
- 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.
- Identifying meaningful reporting and performances measures.

Proposed Action: Receive and file this report.