

**REPORT OF THE GOVERNOR'S COMMISSION ON SUPPLIER DIVERSITY  
TO THE GOVERNOR**

February 24, 2022

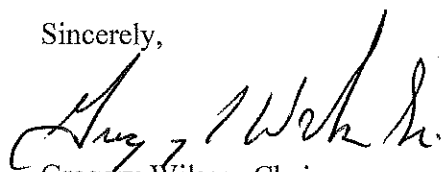
Dear Governor Holcomb:

The Governor's Commission on Supplier Diversity ("Commission") is pleased to submit the attached report, as required by I.C. 4-13-16.5-2 (f)(9). The report is required to prepare a review of the Commission to be submitted to the governor and the legislative council on March 1 and October 1 of each year, evaluating progress made in the following areas:

- Identifying minority business enterprises, women's business enterprises, and veteran owned small businesses in the state;
- Assessing the needs of minority business enterprises, women's business enterprises, and veteran owned small businesses;
- Initiating aggressive programs to assist minority business enterprises, women's business enterprises, and veteran owned small businesses in obtaining state contracts;
- Giving special publicity to procurement, bidding, and qualifying procedures;
- Including minority business enterprises, women's business enterprises, and veteran owned small businesses on solicitation mailing lists;
- Evaluating the competitive differences between qualified minority or women's nonprofit corporations and other than qualified minority or women's nonprofit corporations and veteran owned small businesses that offer similar services and make recommendation to the department on policy changes necessary to ensure fair competition among minority business enterprises, women's business enterprises, and veteran owned small businesses.
- Defining the duties, goals, and objectives of the deputy commissioner of the department as created under this chapter to assure compliance by all state agencies, separate bodies corporate and politic, and state educational institutions with state and federal legislation and policy concerning the awarding of contracts (including, notwithstanding section 1(d) of this chapter or any other law, contracts of state educational institutions) to minority business enterprises, women's business enterprises, and veteran owned small businesses.
- Establishing annual goals:
  - for the use of minority and women's business enterprises; and
  - derived from a statistical analysis of utilization study of state contracts (including, notwithstanding section 1(d) of this chapter or any other law, contracts of state educational institutions) that are required to be updated every five (5) years.

Attached here is the report for March 1, 2022. Our next report, due October 1, 2022, will be submitted in the fall. We are proud of the work of the Commission and of the Indiana Department of Administration's Division of Supplier Diversity. If you have questions regarding this report, please do not hesitate to contact me, or the Deputy Commissioner of the Division of Supplier Diversity, Maia Saprashvili.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gregory Wilson".

Gregory Wilson, Chairman  
Governor's Commission on Supplier Diversity

## **Commission Update**

### **Quarterly Commission Meetings**

The Governor's Commission on Supplier Diversity held four (4) planned quarterly and one (1) ad hoc meeting in 2021. The first quarterly Commission meeting took place On February 26<sup>th</sup>, 2021, in which the Commission revise certification reciprocity policy for out-of-state companies applying for Indiana MBE/WBE certification.

In accordance with the applicable administrative regulations, on January 12, 2009, the Governor's Commission on Supplier Diversity ("Commission") officially adopted a certification reciprocity policy, which states that the DSD office only considers applications from out-of-state companies based in states that recognize Indiana certifications.

Based on this policy, the DSD office may deny applications for certification from states that do not maintain a reciprocal certification program for Indiana certified minority, women, and veteran owned businesses. DSD proposes that the Commission adopt a slightly revised reciprocity policy, that 1) permits DSD to grant a state reciprocity status after review of the state's program without obtaining prior Commission approval, 2) requires DSD to periodically check the status of the certification programs in the qualifying reciprocity states identified by DSD if any of these states make changes and/or modifications to the existing programs, and 3) if any of the states previously recognized by DSD subsequently changes or eliminates its certification program, or halts acceptance of Indiana certifications, the DSD has authority to eliminate the state as a qualifying reciprocity state without prior Commission approval.

#### **Out-of-State Firm Minimum Requirements:**

1. Out-of-state businesses must be headquartered in a state that recognizes Indiana Certifications.
2. Applications from out-of-state enterprises must, at a minimum, meet State of Indiana requirements set forth in 25 IAC 5-3-2 & 25 IAC 5-3-7.
3. Out-of-state firms must have equivalent certification from its state government agency. Proof of state certification must be provided with the certification application packet. City, county, commission, and council certifications do not fulfill this requirement.
4. For new out-of-state applications, a copy of the official onsite that was conducted by its state certifying agency must be provided to the DSD. The onsite had to be conducted within three years of the date the application was submitted to the DSD.

Commission also determined that nothing in this memorandum shall be construed as limiting DSD ability to consider additional factors when determining a state or firm eligibility status pursuant to the Commission's reciprocity policy.

The 5<sup>th</sup> Commission meeting was held on December 13, 2021. Commission meeting began with a half an hour ethics orientation for the new Commission. The first agency to report to the Commission was Indiana Department of Transportation ("INDOT"). After INDOT, the meeting was proceeded by the reports of the State Educational Institutions ("SEIs") on their utilization

numbers. Detailed utilization numbers are provided in the Commission meeting minutes that are published on DSD’s webpage after the Commission adopts them.<sup>1</sup>

Deputy Commissioner of the Indiana Department of Administration (“IDOA”) Division of Supplier Diversity (“DSD”), Maia Sibrashvili, provided updates on MBE/WBE program activities and highlights of the MBE/WBE certification, compliance, and business outreach of the year of 2020. Ms. Sibrashvili provided:

- Overview of the creation of the Division, MBE/WBE/IVOSB participation goals and the three (3) main functions of the Division: certification, contract compliance and business outreach.
- Overview of the Division’s organizational chart and MBE/WBE/IVOSB participation goals.
- Certification review which highlighted the electronic certification process.
- Outreach for the vendors informing them about the e-certification.
- New participation goals for the State of Indiana went into effect on July 1, 2021.
- DSD’s look back at the year of e-certification
- Average days to certify MBEs/WBEs and IVOSBs still stably below regulatory requirement.
- E-certification phase II starting in January 2022.
- DSD is working with the 100 Top Contract subcommittee to review state spend on the agency level.
- Compliance wins.
- “100 contracts” subcommittee meetings and recommendations.
- 2021 Business Outreach Strategy - Transforming Your Vision.
- IDOA DSD Business conference in person after COVID.
- Bi-monthly Certification and Pay Audit webinars.

Maia Sibrashvili was proceeded by the Directors of Certification and Contract Compliance, Kesha Rich and Corlisha Mitchell who presented detailed information about DSD’s certification and contract compliance areas. Maia Sibrashvili provided updates regarding DSD’s business outreach events in 2021.

### **Governor’s Commission on Supplier Diversity Subcommittee Meetings**

With Chairman Greg Wilson’s initiative, IDOA DSD was directed to create a subcommittee that is comprised of the Commission members to discuss the Disparity Study 2020 findings and help the IDOA implement recommendations given in the final report of the Study. The Disparity Study report was posted on the IDOA’s website in early 2021.<sup>2</sup>

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<sup>1</sup> IDOA DSD website for Commission meeting minutes: <https://www.in.gov/idoa/mwbe/minority-and-womens-business-enterprises/governors-commission-on-supplier-diversity/commission-meeting-minutes/>.

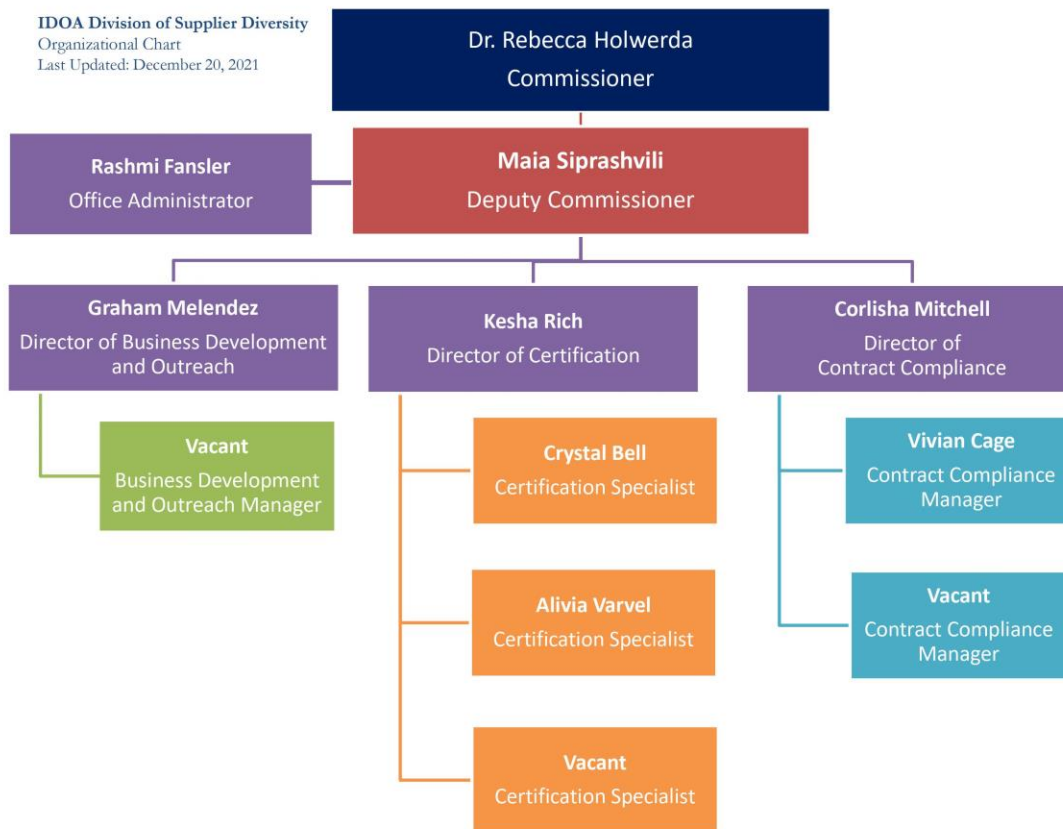
<sup>2</sup> IDOA DSD’s weblink for the Disparity Study 2020 final report: <https://www.in.gov/idoa/mwbe/minority-and-womens-business-enterprises/disparity-study/>

The subcommittee members meet monthly and have discussed the following items:

- Creating Public Service Announcement (“PSA”) regarding the Governor’s Commission on Supplier Diversity’s roles and responsibilities.
- Working on the Frequently Asked Questions (“FAQs”) for the prime contractors and subcontractors participating on state contracts and posting them on DSD’s website.
- Reviewing the list of vendors that are frequently used on State contracts and working on the recommendations for using more state certified vendors.
- Helping State of Indiana vendors to be familiarized with the revised MBE/WBE goals.
- Examining the State’s top 100 contracts (by contract value) to assess the MBE/WBE/IVOSB participation commitments and utilization.

### **Division of Supplier Diversity Team**

Here is the current DSD Organizational Chart:



**IDOA DSD Certification:**

DSD certification team continues to serve the MBE/WBE and the IVOSB vendor communities. Average days to certify remains stable and is currently 32 days for MBE/WBE and 1 day for IVOSB.

**MBE/WBE Certification Statistics Q3 2021 and Q4 2021:**

<u>New Applications Received</u>				<u>Recertification Applications Received</u>			
	<b>MBE</b>	<b>WBE</b>	<b>TOTAL</b>		<b>MBE</b>	<b>WBE</b>	<b>TOTAL</b>
Q3 2021 (as of 8/31/21)	33	58	91	Q3 2021 (as of 8/31/21)	32	53	85
Q4 2021 (as of 11/30/21)	51	51	109	Q4 2021 (as of 11/30/21)	29	63	92

**IVOSB Certification Statistic Q3 2021 and Q4 2021s:**

	<u>Q3 2021</u>	<u>Q4 2021</u>
New Incoming Applications	18	18
Recertification Applications	13	11
Applications Completed	16	17
Average Processing Time (Days)	1	1

**Total Certified Firms in Q3 2021 and Q4 2021:**

	<u>TOTAL</u>	<u>MBE</u>	<u>WBE</u>	<u>IVOSB</u>
Q3 2021 (as of 8/31/21)	1,707	506	974	227
Q4 2021 (as of 11/30/21)	2,351	823	1,267	261

## **IDOA DSD Contract Compliance:**

DSD is the final approval authority on requests to change subcontractor participation plan, so the vendor education, whether it is the primary contractor or the subcontractor, is crucial. The flow chart below demonstrates the process of amending the contract as it relates to the MBE/WBE and IVOSB subcontractor plan changes.



DSD’s Contract Compliance team continues to proactively audit state contracts with the MBE/WBE and IVOSB subcontractor utilization. In 2021, there have been total of **125** compliance reviews, most of them requests to alter subcontractor participation plan and Good Faith Effort (“GFE”) reviews. The Contract Compliance team attended **33** pre-proposal meetings and presented the information on the tier two MBE/WBE and IVOSB utilization.

The Contract Compliance team also advocates for MBE/WBE/IVOSB subcontractors on State of Indiana contracts who cannot otherwise resolve matters with prime vendors. The team must ensure that each prime’s committed obligations are met according to the MBE/WBE/IVOSB sections of the signed contract clauses.

DSD outreach and compliance teams regularly publicize procurement and bidding opportunities with the State of Indiana. Bid notices and due dates are electronically sent out to over 4,000 recipients on a weekly basis. Special project announcements and procurement opportunities are separately sent out, as well as posted on the Division’s website: <https://www.in.gov/idoa/mwbe/2488.htm>.

## **DSD Contract Compliance Initiatives:**

During 2021, the Contract Compliance team implemented improvements to current procedures, which included enhanced communication with other state agencies and vendors, hosted MBE/WBE/IVOSB goal awareness webinars, and revamped its website to provide thorough information to certified firms who participate on State contracts.

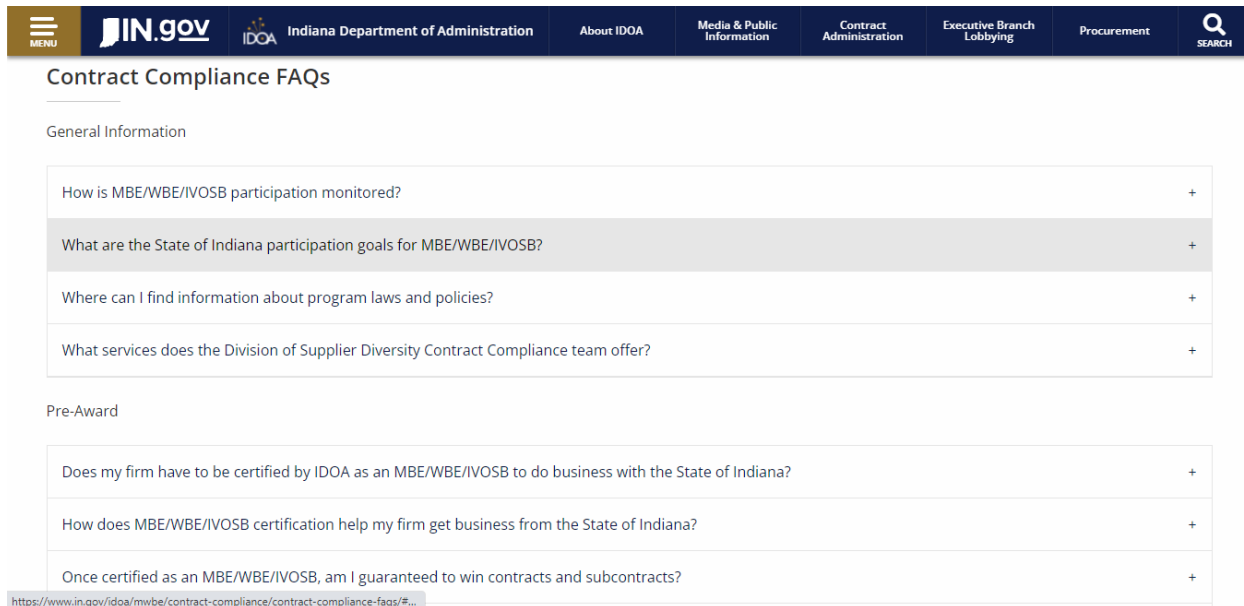
DSD Contract Compliance team continues to partner with the IDOA General Counsel in the review of contracts and amendments that contain MBE, WBE, or IVOSB subcontractor commitments. This partnership allows DSD to review the MBE/WBE and IVOSB Subcontractor Compliance clauses to ensure that subcontractor commitments made during the solicitation cycle are accurately reflected on the resulting contract and/or amendments. As a result of this initiative, numerous contracts and amendments were corrected, which would have otherwise inadvertently removed over \$4 million in participation commitments from MBE, WBE, and IVOSB firms.

To raise the awareness of revised MBE/WBE and IVOSB goals, the Contract Compliance team conducted comprehensive training for the state agencies from July through September 2021. The sessions were targeted specifically for Head Procurement Agents, Contract Administrators, and Controllers; however, any state employee was welcome to attend regardless of their job function. Each webinar provided:

- An overview of the State’s MBE/WBE and IVOSB programs;
- Brief explanation of the 2020 Disparity Study and its findings;
- Review of newly established MBE/WBE participation goals; and
- Insights for how state employees, regardless of role, can aid the State in meetings its MBE, WBE, and IVOSB participation goals

July 8 <sup>th</sup>	July 15 <sup>th</sup>	July 22 <sup>nd</sup>	July 29 <sup>th</sup>	August 5 <sup>th</sup>	August 19 <sup>th</sup>	September 2 <sup>nd</sup>
• IDOA	• DOC • FSSA • INDOT	• ISP • BMV • DNR • DWD • IDEM	• IDHS • SPD • IEDC	• DCS • DOR • IOT • IDOE	• Open session for interested agencies	• Open session for interested agencies

The Contract Compliance team revamped its website to add Frequently Asked Questions and additional guidance for participating on State contracts as a subcontractor. This website is the first of its kind for the Division as it exclusively focuses on what subcontractors can expect at the pre-award, during award, and post-award phases of a solicitation cycle.





## **DSD Business Outreach:**

DSD compliance team regularly publicize procurement and bidding opportunities with the State of Indiana. Bid notices and due dates are electronically sent out to over 4,000 recipients on a weekly basis. Special project announcements and procurement opportunities are separately sent out, as well as posted on the Division's website: <https://www.in.gov/idoa/mwbe/2488.htm>.

So far, in 2021, the Division of Supplier Diversity participated in ninety-two (92) different outreach-based events, fifty (50) of which were presented by DSD. The events that we hosted varied from webinars to business conferences and workshops. By these efforts alone, we have been able to connect with one thousand four hundred twenty-three (1,423) attendees.

This year's DSD's business conference season theme is "Transforming Your Vision." The 13<sup>th</sup> Annual Business Conference took place on Thursday, October 7, 2021, from 8:00 a.m. to 3:00 p.m. EST at the Indiana Government Center South Conference Center, 402 West Washington Street, Indianapolis, IN.

At the Business Conference, the Division of Supplier Diversity covered the content that was focused on leading and managing a business successfully, as well as offered various business resources of how to obtain contracts and the importance of State of Indiana certification as a minority, women, and veteran business owner. This year's conference featured information from our government, corporate and community partners, some of the State of Indiana state agencies as well as highlighting the best practices of successful prime contractors and subcontractors. All businesses provided diverse suppliers with access to updated or new resources that highlighted strategies for businesses to consider as they prepare and develop their contingency plans.

## **2<sup>nd</sup> Annual Cassandra Wilson Award:**

A successful businesswoman herself, Commissioner Cassandra Wilson was a tireless supporter and a loud voice for minority, women, and veteran-owned businesses. We can proudly and without a shadow of a doubt say that Cassandra Wilson left a legacy for diverse businesses in the State of Indiana! She will not be forgotten, and her name will live on! The Governor's Commission on Supplier Diversity asked the Indiana Department of Administration Division of Supplier Diversity to have an award named after Cassandra Wilson that will go to a business, a person, or an organization annually that will advocate for the minority, women, and veteran owned businesses in the State of Indiana. This is the Commission's pledge to Cassandra and her children that her tireless efforts will have no end and her passion will continue to impact on future business generations!

The second annual award was presented to Marsha's Specialty Desserts & Tierney's Catering Deborah Carroll, Owner of Clean Source, Inc. Marsha's Specialty Desserts & Tierney's Catering is an IDOA-certified MBE/WBE desserts and catering shop located in Avon, Indiana. The firm is family owned with 6 members who have over 30 years of baking and cooking experience, specializing in cupcakes, cakes, pies, cookies, and cake pops, in a variety of flavors, as well as, prepared meats, vegetables, prepare salads, cheeses, and breads. As a member of Indiana Grown

& Indiana Artisan, Marsha's Specialty Desserts was selected as the People's Choice award winner in 2018 and 2019 at the Indianapolis Zoo Zoobilation. Community service is embedded in their organization as they frequently partner with the Children's Museum, Riley Hospital, Avon Police Department, Avon Fire Department, and the Julian Center.

**1<sup>st</sup> Ralph W. Adams, Jr., Supplier Diversity Trailblazer Award:**

IDOA DSD established an award on behalf of late Ralph Adams, who was the Director of Certification in DSD. He left the legacy of working with the minority, women and veteran owned businesses and helping them with certification and compliance for over 2 decades. He left the footprint that will never be erased and will always remain with the people that he worked with and mentored.

The first recipient of 1<sup>st</sup> Ralph W. Adams, Jr., Supplier Diversity Trailblazer Award was Douglas Vaughn. Mr. Vaughn started his humble beginnings as an impoverished child in Haiti. He overcame many obstacles and established Rite Quality in 1989. Rite Quality is a certified MBE/DBE/SBE/SDB that transforms workplaces through furniture, Jan/San, office products, safety/MRO, and PPE supplies. His daughters serve as the second-generation leaders: Christina and Kimberly Vaughn who are positioning the company for next-level growth and strategic partnerships.

Forty years ago, Douglas began a non-profit, TheHESP.org, that still supports Haitian children with food, clothes, and education. H.E.S.P. has hosted vision clinics, school renovations, and school supply donations.

**DSD Events in from September – December 2021:**

DATE	EVENT	ORGANIZER
September 9, 2021	Anchor Procurement Advisory Council	Indy Chamber
September 20, 2021	Empresarios Certified #2	Latin American Chamber of Commerce, City of South Bend
October 4, 2021	Subcommittee Meeting	IDOA, Governor's Commission on Supplier Diversity
October 7, 2021	IDOA DSD 13 <sup>th</sup> Annual Business Conference	IDOA DSD
November 9, 2021	By Design Supplier Diversity Symposium	Wichita University, State of Kansas

DATE	EVENT	ORGANIZER
November 10, 2021	NAWBO Visionary Awards Luncheon	NAWBO
November 18, 2021	A Deep Dive into the Value of Business Certification	Indiana Black Expo
November 18, 2021	Anchor Procurement Advisory Council	Indy Chamber
November 19, 2021	Purdue University Supplier Diversity Virtual Summit	Purdue University
December 8, 2021	Ball State University Virtual Vendor Fair for Veterans	Ball State University
December 8, 2021	14 <sup>th</sup> Annual Year End Forum	City of Indianapolis, Office of Minority and Women's Business Development

**DSD Events thus far in 2022:**

DATE	EVENT	ORGANIZER
January 10, 2022	NAWBO Monday Connect Calls	NAWBO
January 12, 2022	Ball State University Diversity Vendor Chat	Ball State University
January 13, 2022	31st Annual Dr. Martin Luther King, Jr. Indiana Holiday Celebration	Indiana Civil Rights Commission
January 14, 2022	2022 Martin Luther King Jr. Celebration Program	City of Indianapolis, Office of Minority and Women's Business Development
January 26, 2022	Indiana Department of Transportation & Indiana Airport Authority Disparity Study	Indiana Department of Transportation and Indiana Airport Authority

DATE	EVENT	ORGANIZER
February 2, 2022	“Innovative State Initiatives to Encourage Diversity and Inclusion in Procurement” Webinar	NASCA TV
February 2, 2022	Indianapolis Airport Authority Fireside Chat	Indianapolis Airport Authority
February 7, 2022	NAWBO Monday Connect Calls	NAWBO
February 8, 2022	IndyGo Purple Line Public Meeting: Thriving Through Construction Confirmation	IndyGo
February 9, 2022	INDOT Aviation FAA DBE Goal Methodology Stakeholder Meeting	INDOT
February 9, 2022	Ball State University Diversity Vendor Chat	Ball State University
February 10, 2022	NAWBO Day at the Statehouse	NAWBO
February 10, 2022	2022 Prospanica Indianapolis Networking Event	Prospanica Indianapolis
February 16, 2022	Ivy Tech Business Connection Event	Ivy Tech Community College, Evansville Campus
February 17, 2022	BEI Procurement Round Table	Indy Chamber
February 24, 2022	1 <sup>st</sup> Quarter Governor’s Commission on Supplier Diversity Meeting	IDOA Division of Supplier Diversity

**Conclusion:**

The current MBE/WBE and IVOSB participation goals are as follows:

Construction	Goods and Services	Professional Services	Weighted Average Goal
Minority 7%	Minority 8%	Minority 8%	Minority 8%
Women 5%	Women 13%	Women 11%	Women 10%
Veteran 3%	Veteran 3%	Veteran 3%	Veteran 3%

In conclusion, the Governor’s Commission on Supplier Diversity works closely with the IDOA to ensure that the Division promotes, monitors, and enforces the standards for certification of the Minority, Women’s, and Veteran Business Enterprises, as well as provides equal opportunity to the MBE/WBE and IVOSBs in the state’s procurement and contracting process. Current IDOA leadership does their best to properly administer the program and take the MBE/WBE and IVOSB programs to the next level.