



STATE OF DELAWARE
OFFICE OF MANAGEMENT AND BUDGET
GOVERNMENT SUPPORT SERVICES
OFFICE OF SUPPLIER DIVERSITY



OFFICE OF SUPPLIER DIVERSITY

FY2014
Q3 Report
January 1, 2014 to March 31, 2014

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Executive Summary

It is good business to do business with firms that are representative of the community we live and work in. The State of Delaware promotes business engagement and encourages vendor participation with the State's agencies and within the state.

- On March 26, 2014, at the end of this third quarter, Governor Markell signed Executive Order 44 expanding the state's supplier diversity initiatives, creating a new Small Business Focus (SBF) Program and includes the study and consideration of how the State of Delaware does business with enterprises owned by individuals with disabilities to create a new certification and expand the supplier diversity community.
- In Q3, the number of certified firms increased by 12 businesses or 0.46%, over Q2, to reach a Q3 year-to-date total of 300 new businesses.
- The state is experiencing an average of 6.42% growth in the sector known as Professional, Scientific, and Technical Services, which includes: Architectural, Engineering, and Related Services; Computer Systems Design and Related Services; and Management, Scientific, and Technical Consulting Services.
- In Q3, 198 Supplier Diversity firms are awarded on state contracts, and the direct Certified Business received payments totaling \$18.2Million. This represents a small increase of 0.20% this quarter over the same period last year.
- In Q3, 25 DBE Certified firms worked on DelDOT projects in a sub-contracting capacity, those payments totaled \$3.96Million, representing an increase of \$1.1Million or 39.23% more in this quarter than in the same period last year.
- In Q3, 26 firms made 31 Plan Requests. The Plan Request opportunity removes a financial burden of purchasing plans for non-bidding vendors and allows such a vendor to view the plans electronically for 2 weeks so that they may determine if their business has the capacity to perform as a subcontractor or Tier II contractor on projects.
- In Q3, the Government Support Services' Contracting Unit performed 47,658 points of outreach contacts to the supplier diversity community regarding new state solicitation opportunities.
- In Q3, the OSD had 142 in-person touch points with the community and provided 28 business resource events and business opportunities to the supplier diversity community through the OSD list serve.
- One area that OSD does not have good reporting data on is the 1 for 3 and No Find data. It has been omitted for this report. OSD will continue to work to find improvements in gathering the data and reporting of this type.

Why Supplier Diversity?

The State benefits from an inclusive business environment for minority, women, veteran, and service disabled veteran owned business enterprises. On March 26, 2014, at the end of this third quarter, Governor Markell signed Executive Order 44 expanding the state's supplier diversity initiatives. Executive Order 44 expands the scope of the Governor's Supplier Diversity Council to include the study and consideration of how the State of Delaware does business with enterprises owned by individuals with disabilities as well as certain small businesses. The order also creates the new Small Business Focus (SBF) Program. Businesses are eligible for the SBF Program based upon their size, which is measured by the number of employees (between 25 and 250 FTEs) and gross sales averaged over a three year period (up to \$7 million). Any business in the SBF program must operate free from the control of a business larger than the eligibility size caps. Executive Order 44 replaced: Executive Orders 14 and 29. You can access E.O.44 at: <http://www.governor.delaware.gov/orders/EO44.pdf>.

Governor's Supplier Diversity Council

The Governor's Supplier Diversity Council actively meets to review current activities within the state and to discuss and take actions to continue to increase access to opportunities for the supplier diversity community. During the third quarter of FY2014 the Supplier Diversity Council met on February 26, 2014. The minutes for those meetings are posted on the Office of Supplier Diversity's website at: <http://gss.omb.delaware.gov/osd/sdc.shtml>. At the start of this quarter there were a possible eleven members of the council at any given time and from time to time council members terms expire. During this quarter there was a change in Executive Order on March 26, 2014 and the Council now may have a possible thirteen members. With the change in Executive Order the Council will consider the elements of E.O. 44 and review the areas of opportunity to enhance the supplier diversity initiatives based on this new expansion. The members of Council for this quarter include:

Council Member	Current Professional Role
Ken Anderson, Chair	Director - Entrepreneurial & Small Business Support, DEDO, State of Delaware
Anas Ben Addi	Director - Delaware State Housing Authority, State of Delaware
L.J. Nick Callazzo III	President, Resource Specialists

Ernest (Ron) Frazier, Esq.	President, Countermeasures Assessment & Security Experts, LLC
Clay Hammond	President, DelMarVa Black Chamber of Commerce
Cathy Imburgia	President, Creative Communications
Dean Stotler	State of Delaware Chief Procurement Officer and Director - Government Support Services, OMB
Dr. Sakthi A. Vel	President, Vel Micro Works Inc.
Dr. Devona Williams	President, Goeins-Williams Associates, Inc.

What certifications exist?

In Q3 the Office of Supplier Diversity (OSD) Certifications still include the following:

- MBE Minority Business Enterprise
- WBE Woman Business Enterprise
- VOBE Veteran Owned Business Enterprise
- SDVOBE Service Disabled Veteran Owned Business Enterprise

New after the signing of E.O. 44, there will be a new certification for business owned, controlled, and actively managed by Individuals with DisAbilities, to become:

- IWDBE Individuals with DisAbilities Business Enterprise.

The Office of Supplier Diversity (OSD) will be on a learning tour with the stakeholders throughout the state, to engage with the community and explore to create an application program for this community that aligns in style and substance with the existing four other certifications in the supplier diversity community. OSD will then share the learnings and make a recommendation to Council at the June GSDC meeting.

Also new after the signing of E.O. 44 is the Small Business Focus (SBF) program. Applications for this program were shared with the community through the Office of Supplier Diversity list serve during this quarter.

For Disadvantaged Business Enterprise (DBE) certification you need to contact the Delaware Department of Transportation¹ (DelDOT). There are both social and economic eligibility requirements for the DBE certification. You will find DBE spend details within this report. The DBE office provides reporting of the spend that occurs within the state with DBE firms.

¹ <http://www.deldot.gov/information/business/dbe/index.shtml>

Who is eligible to apply for OSD certification?

A business (sole-proprietorship, partnership, corporation or joint venture) who meets the following criteria:

- The business is at least 51 percent owned, controlled, and actively managed by U.S. Citizen(s) or Permanent Resident(s) who is a:
 - Woman; or
 - Member of one of these ethnic groups: African Americans, Asian/Pacific Americans, Hispanic Americans, Native Americans, and Subcontinent Asian Americans; or
 - Veteran or Service Disabled Veteran owned business as verified by VetBiz.gov; and is
- Operating as for profit business with “useful business functions”; and
- An out-of-state company must first be certified in its home state (this must be a state-level diversity certification, if available) or by one of the following: NMSDC, WBENC, or VetBiz.gov before it can be considered for certification in Delaware.

We encourage all eligible businesses to apply for OSD certification. The application is available to you at: <http://gss.omb.delaware.gov/osd/docs/certapp.pdf>

This will be updated to include the Individuals with DisAbilities Business Enterprise certification once the programming and application elements have been vetted.

The goals of the Small Business Focus (SBF) Program

- Increasing access to opportunities for small businesses to participate in state procurement;
- Creating a program for small businesses of a certain size;
- Certifying those uniquely sized businesses enterprises;
- Creating a Directory of these uniquely sized small businesses;
- Encourage the revising of agency Supplier Diversity Plans to access the Small Business Focus Program Directory when making under threshold procurements; and
- Measuring, analyzing, and reporting on spend for current and future procurements with uniquely sized small businesses in the Small Business Focus Program.

Who is eligible to apply for Small Business Focus (SBF) certification?

To be eligible, a business must meet all of the following criteria:

- Be owned by U.S. Citizen(s) or Permanent Resident(s);
- Be a For-Profit business with “useful business functions”;
- Be within one of the six industry sectors and at or under the eligibility size caps identified below; and
- Operate free from the control of a business larger than the eligibility size caps identified below.

The SBF Industries	NAICS ² sectors* (initial code numbers)	eligibility & graduation size caps	
		FTE (full time equivalents) Based upon a 3 year average	Gross sales
Architecture & Engineering Services	237 and 541	none	< \$3,500,000
Construction	23	< 250	< \$7,000,000
Manufacturing	31, 32, and 33	< 250	none
Retail	42, 44, and 45	< 25	< \$3,500,000
Service	various	< 50	< \$3,500,000
Wholesale	42	< 50	none

Firms that hold specific certifications:

Any firm already certified by their home state or one of the third party certification entities may utilize a *specialized application* to seek Office of Supplier Diversity certification, those include:

- Disadvantage Business Enterprise [49 CFR Pt 26](#) in Delaware, Maryland, or Pennsylvania
- City of Wilmington, Minority Business Enterprise Office ([MBEO](#))
- Center for Veterans Enterprise ([VetBiz.gov](#))
- National Minority Supplier Development Council ([NMSDC](#))
- Women Business Enterprise National Council ([WBENC](#))

Delaware also recognizes other state certifications and the OSD office can be contacted for additional details. The specialized application is available at:

http://gss.omb.delaware.gov/osd/docs/specapp_0612e.pdf

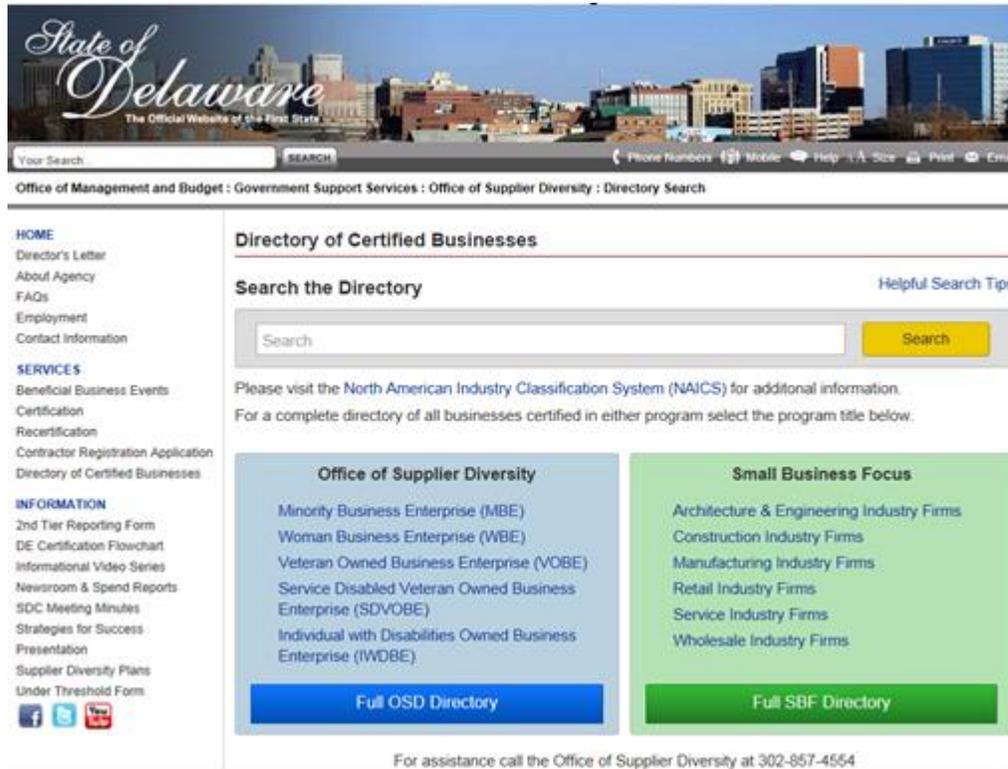
Addition of SBF and Disabled firms to the Website

At the end of Q2 OSD launched a new website which contains the online Directory of Certified Businesses. This new site streamlined the search and find steps for agency procurement officials to located certified vendors and for businesses in general to find B-to-B business contacts. The OSD certified firms (including a place holder for IWDBE firms) and the SBF certified firms are both contained within the same site and are distinguished by a certification number, the actual type of certification, and a medallion. The side-by-side locating of Office of Supplier Diversity (OSD) Certified firms and Small Business Focus (SBF) Program Certified firms creates ease in finding businesses in either or both programs that meet the need(s) of the agency, municipality, or outside business seeking a good, service, or trade within the Directory. Businesses are coded with a blue OSD medallion tag or a green SBF medallion tag, which identifies within which

² [North American Industry Classification System \(NAICS\)](#) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. A NAICS code has 6 digits. The first 2 to 3 digits are used to identify the industry for the Small Business Focus Program. You can review NAICS at: <http://www.census.gov/eos/www/naics/>

program the business is certified; some businesses will have both, others may only be in one program or the other. The site is located at:

<http://directory.osd.gss.omb.delaware.gov/index.shtml>



FY2014 Delaware's Supplier Diversity Community

As we consider reporting on the state's spending during the third quarter of FY2014, we first should consider the community itself. Overall, in the third quarter of FY2014, the number of certified firms increased by 12 businesses or 0.46%, from 2,604 (the number of certified firm at the end of FY14Q2) to 2,616 (the number of firms certified at the end of the third quarter of FY2014). This is a year to date growth of 300 businesses and 12.95% growth. Firms counted in the MBE column are not necessarily firms that are male owned firms. A firm can be 50% Asian Male and 50% Asian Female; this is a minority (MBE) firm and not a women owned (WBE) as certification is based upon 51% ownership and control but that ownership is clearly not male as it is equally owned across genders. Of course, some MBE firms are male-owned, we just do not have absolute numbers to report on male owned firms as this is not an eligibility requirement.



Classifications of OSD certified Business Enterprises	FY2013 MBE Quantity	FY2013 WBE Quantity	FY2014 Q1 MBE Quantity	FY2014 Q1 WBE Quantity	FY2014 Q2 MBE Quantity	FY2014 Q2 WBE Quantity	FY2014 Q3 ³ MBE Quantity	FY2014 Q3 WBE Quantity	FY2014 Q3 Over FY2013 MBE	FY2014 Q3 Over FY2013 WBE
African American	546	252	620	259	621	262	618	267	13.19%	5.95%
Subcontinent Asian	140	65	150	64	150	63	148	65	5.71%	0.00%
Hispanic American	132	53	139	56	140	56	139	57	5.30%	7.55%
Native American	20	7	26	6	26	6	26	6	30.00%	-14.29%
Asian American	91	44	100	47	102	48	100	49	9.89%	11.36%
Veteran (all)	9	0	9	0	13	1	16	1	78%	100%
Women Caucasian		957		1,023		1042		1032		7.84%
Total Certified	2,316		2,499 Increase FY14Q1 over FY13 of 183 firms = 7.9%		2,604 Increase FY14Q2 over FY14Q1 of 105 firms = 4.2%		2,616 Increase FY14Q3 over FY14Q2 of 12 firms = 0.46%		Increase FY14Q3 over FY13 of 300 firms = 12.95%	

NAICS codes within the OSD certified vendor pool.

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. NAICS was developed under the auspices of the Federal Office of Management and Budget (OMB), and

³ As OSD's database and website changed it provided an opportunity to review and seek verification for some data points that were confusing. Therefore there are some tally changes in Q3 that are less than and then more than the Q2 numbers. For example, there was a firm marked as both Hispanic MBE and Hispanic WBE, a review determined the firm was erroneously previously coded (and therefore counted) in both Hispanic MBE and Hispanic WBE, which was a double count that was corrected in Q3.

adopted in 1997⁴. Below are the top five NAICS codes under which firms are certified. The number of firms with these NAICS codes has increased from the end of FY2013 through the third quarter of FY2014. The state is experiencing an average of 6.42% growth in the sector known as Professional, Scientific, and Technical Services. In fact, these five NAICS codes are all within one sector, they all begin with 541 and that sector is known as the Professional, Scientific, and Technical Services sector. Delaware’s supplier diversity community is demonstrating increases in these competencies through the continued increase in the number of companies working in these subsectors.

NAICS Code	Description	FY2013 Vendors by Trade	FY2014 Q1 Vendors by Trade	FY2014 Q2 Vendors by Trade	FY2014 Q3 Vendors by Trade ⁵	FY2014 Q3 Over FY2014 Q2	FY2014 Over FY2013
541512	Computer Systems Design Services	275	296	297	295	-0.67%	7.27%
541511	Custom Computer Programming	269	282	284	284	0.00%	5.58%
541611	Administrative Management & General Management Consulting Services	261	271	272	279	2.57%	6.90%
541330	Engineering Services	189	196	196	197	0.51%	4.23%
541519	Other Computer Related Services	172	183	183	186	1.64%	8.14%

Plan Requests

In addition to certification, the Office of Supplier Diversity manages a process known as Plan Requests. Any Public Works construction project that has architectural or engineering plans or

⁴ You can review NAICS codes data and information at <http://www.census.gov/eos/www/naics/index.html>

⁵ As mentioned in footnote number two (2) above, as OSD’s database and website changed it provided an opportunity to review and seek verification for some data points. Some changes also triggered changes to NAICS codes and those are reflected in this chart.

drawings involved has the Plan Request option for vendors. A vendor may make a request to view the plans or drawings. The request comes into the Office of Supplier Diversity and is reviewed, passed along to the solicitation owner if appropriate, and once the solicitation owner reviews they send their decision back to OSD. OSD then works with the technology team to cause an internet site to be created especially for the approved vendor where they can view the requested plans. This Plan Request option removes the financial burden of purchasing plans for non-bidding vendors and allows such a vendor to view the plans electronically for 2 weeks so that they may determine if their business has the capacity to perform as a subcontractor or Tier II contractor on projects. Plan Requests are for school projects, colleges and university projects, state buildings under Division of Facilities Management (DFM), the National Guard, and any other state public work project. This process has been in place since August of 2012.

There is a group of vendors that are excluded from this process – they are known as Bid Rooms or Plan Rooms. Plan Rooms do not perform construction trade work on a contract but instead collect plans from throughout the country or a region and then share the plans with their customers. The Plan Request form explains the limitations on use - including that drawings are not for re-distribution. Plan Rooms and Bid Rooms are therefore excluded as their sole purpose of receiving the plans is to redistribute to their subscribership. The obvious safety aspect about who has what plans for which project is one of the most compelling reasons for this exclusion.

There is a specific email address created for Plan Requests, it is PlanRequests@state.de.us.

This chart documents the quarter request volume against that of the past two quarters and FY2013.

Plan Request history	FY2013	FY2014 Q1	FY2014 Q2	FY2014 Q3
Plan Requests received	147	115	60	31
Businesses requesting	79	78	52	26
Requests approved	147	106	56	26
Requests denied	0	9	4	5
Solicitations involved	37	38	16	14
Requesting businesses that are OSD Certified	2	7	1	7

Past year-over-year analysis FY2013 to FY2011

The State of Delaware ultimately serves the citizenry and works with various vendors each quarter and year to perform and fulfill all necessary functions. From the vantage point of the Office of Supplier Diversity, we track and review state spend with the Supplier Diversity Community. In FY2013, the State of Delaware spent \$92.1Million with the Supplier Diversity Community. This is an increase of \$17.4Million or 23% over FY2012. These figures include direct contracting with OSD Certified vendors, subcontracting through DelDOT with the Disadvantaged Business Enterprises (DBE Certified vendors), and with those businesses that are not certified but have self-identified in their W-9 submission that they are a firm owned by a minority, woman, or veteran. Further, each of Delaware’s central contracts require that awarded vendors provide a Tier 2 report, which is a report of all work that the prime vendor (awarded vendor to a state central contract) has done with one or more subcontractors who are members of the supplier diversity community. We look at these numbers as a consolidated total as well as reviewing each separate category.

	FY2011	FY2012	FY2013
Direct Certified OSD Spend*	\$53,828,569.99	\$54,204,991.09	\$66,644,945.94
DelDOT DBE Subcontracting**	\$6,920,209.07	\$9,299,557.08	\$11,068,404.94
OSD 2nd Tier	\$286,581.64	\$527,777.56	\$11,226.07
Self-Registered W-9	\$2,549,793.34	\$10,727,113.42	\$14,403,073.75
Total	\$63,585,154.04	\$74,759,439.15	\$92,127,650.70

Increase over previous year **17.57%** **23.23%**

* Includes DSHA OSD spend

**DelDOT DBE Subcontracting data represents Q1-Q2 spend in FY2012 data

The continued year over year increases in total spend with the supplier diversity community is both good for the state and good for the community.

Government Support Services, Contracting Unit, outreach

The GSS Contracting Unit manages all aspects of central or statewide contracts. As part of this teams’ commitment to a fair and equitable bidding platform, each contract specialist and manager performs outreach as the contracts they manage are opened for bid and posted within

<http://bids.delaware.gov/>. Businesses that have registered within the state’s free Vendor Notification Service receive notification of newly posted bids that match the United Nations Standard Products and Services Code® (UNSPSC®)⁶ codes that the business has registered with. The outreach performed by the contracting team to reach the supplier diversity community is significant, over the past four years to date there have been 447,168 points of outreach contacts made by the contracting team. The chart below counts each point of outreach contact. Note that this is different from the number of entities contacted as a firm may be listed in more than one of the sources and any firm may have more than one contact person identified on any list. These contact attempts are from various sources including:

- Office of Supplier Diversity (OSD): <http://gss.omb.delaware.gov/osd/certdir.asp>
- Veteran / Service Disabled Veteran: <http://www.vip.vetbiz.gov>
- SBA / CCR vendor database: http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm
- MyMarketPlace vendor listing: http://contracts.delaware.gov/vendor_list.asp
- DFM Contractor Registry: <http://dfm.delaware.gov/contractor/index.shtml>

	FY2011	FY2012	FY2013	FY2014 Q1 correction to Q1 report ⁷	FY2014 Q2	FY2014 Q3	Total to date
Number of Contracts	33	76	45	2	21	42	196
Number of outreach communications performed to:							
Delaware Businesses	151	756	612	44	225	497	2,016
Small Businesses	1,541	67,800	24,918	1,048	5,585	23,994	118,253
MBE / WBE	3,286	33,994	16,590	650	4,861	12,835	66,705
Veteran / Service Disabled Veteran	2,202	29,116	12,114	188	2,679	10,332	53,764
Totals	7,180	131,666	54,234	1,930	13,350	47,658	447,168

⁶ You can review UNSPSC data and information at: <http://www.unspsc.org/>

⁷ As reported in the Q2 report, this column includes corrections to the reported numbers in the published FY2014 Q1 reporting, where Q2 numbers were inadvertently reported.

FY2014 Delaware's Supplier Diversity Q3 spend snapshot

The third quarter of FY2014 overall spend is represented in this snapshot, and the same analysis is shared for Q2 and Q1 of this fiscal year 2014. The third quarter of FY2014 continued with work within the supplier diversity community as \$28.8Million was spent this quarter with the supplier diversity community, and \$89.9Million year to date. This spend represents a small increase of 0.20%, or \$57,439 more committed to the supplier diversity community when compared with the same period last year.

	FY13 Q1	FY14 Q1	FY13 Q2	FY14 Q2	FY13 Q3	FY14 Q3	FY14 total year-to-date
Direct Certified OSD Spend	\$14,520,744	\$20,187,240	\$13,154,251	\$20,383,442	\$22,492,654	\$18,181,909	\$58,752,591
DeIDOT DBE Subcontracting	\$2,872,473	\$4,302,111	\$3,713,186	\$4,423,571	\$2,843,322	\$3,958,807	\$12,684,489
OSD 2nd Tier	\$6,878		\$524	\$609,619	\$1,568	\$424,525	\$1,034,144
Self-Registered W-9	\$2,431,882	\$3,998,907	\$3,493,607	\$6,512,943	\$3,413,192	\$6,242,934	\$16,754,784
Total	\$19,831,978	\$29,191,080	\$20,361,568	\$31,929,575	\$28,750,736	\$28,808,175	\$89,928,830

Increase over previous year same quarter

47.19%

56.81%

0.20%

The Summary Score Card:

The report below provides an overview of the spending by each agency for the third quarter of FY2014. This snap shot reports the actual dollars spent with vendors who are OSD Certified, and includes dollars from both the state's checkbook as well as the State's procurement card purchases. The third column tracks the number of vendors awarded who are OSD Certified vendors. That column tallies to 198, which represents the number of awards, and is an increase over Q3 by 7 additional vendors. This chart includes, by agency, the spend this quarter spend with the supplier diversity community, which means that the spend can be directly with OSD Certified vendors or with vendors who self-identify on the W-9. When a vendor is awarded a contract, vendors next market themselves to the agencies so that the procurement officials at each agency learn more about their company. This is an effective relationship building technique, especially when a contract has more than one awarded vendor. The chart below shows not only the dollars spent in Q3 by agency but it also shows the number of supplier diversity community vendors that were awarded on a contract.



Agency	FY2014 Q3 OSD Certified	MMP OSD Vendors end of Q3 FY2014	% of Awarded OSD on MMP
Legislative	\$145,821.03	0	0.00%
Judicial	\$106,739.21	0	0.00%
Executive	\$1,257,603.86	111	56.06%
Technology	\$755,958.70	21	10.61%
Other Elective	\$88,847.59	0	0.00%
Legal	\$77,938.14	3	1.52%
Finance	\$660,273.09	1	0.51%
DHSS	\$963,547.53	6	3.03%
DSCYF	\$544,705.51	5	2.53%
Correction	\$1,822,116.17	5	2.53%
DNREC	\$703,144.20	2	1.01%
DSHS	\$169,891.39	2	1.01%
State	\$387,303.35	6	3.03%
DeIDOT	\$2,623,191.97	13	6.57%
Labor	\$252,762.09	3	1.52%
Agriculture	\$20,342.01	0	0.00%
Elections	\$25,066.00	0	0.00%
Fire	\$8,395.56	0	0.00%
Nat'l Guard	\$106,937.28	1	0.51%
Exceptional Citizens	\$289.45	0	0.00%
Higher Education	\$825,796.57	1	0.51%
Education	\$6,635,239.18	18	9.09%
Total	\$18,181,909.88	198	100.00%

Note: Spend data includes Pcard, OSD No Find, and Agency 1 for 3 Opportunities are summarized for all agencies.

OSD = Office of Supplier Diversity Certified firms

MMP = MyMarketplace.Delaware.gov the state's electronic and transparent procurement portal hosted by Government Support Services.

One area that OSD continues to not have good reporting on for the above chart is the 1 for 3 and No Find data. It has been omitted. OSD will continue to work to find improvements in reporting of this type.

Count of Supplier Diversity vendors awarded contracts

Supplier Diversity Vendors are awarded as vendors on state contracts. During the third quarter of FY2014, of the 198 contract awards to vendors that are Supplier Diversity Vendors, the following are awarded on more than one contract:



Vendor	MBE WBE	Vets /SDV	Delaware	# of contracts
22nd Century Technologies, Inc.	Y	N	Y	2
Arugie Enterprises Corp	N	Y	Y	2
Corporate Interiors, Inc.	Y	N	Y	2
G. A. Blanco and Sons, Inc.	Y	N	N	2
Laurus Systems, Inc.	Y	N	Y	2
Positive Directions II, LLC	Y	N	Y	2
Therapy Services of Delaware, Inc.	Y	N	Y	2
Assurance Media, LLC	Y	N	Y	3
Garden State Highway Products, Inc.	Y	N	N	3
S & S Worldwide, Inc.	Y	N	N	3
SHI International Corp	Y	N	N	3

Self-Identified supplier diversity entities through the W-9

Any vendor doing work must provide a W-9 form for tax purposes. Delaware has a Substitute Form W-9; it allows vendors to self-identify in the Additional Reporting Elements section of the form, by checking all that apply, as: Women Owned, Veteran Owned, Minority Owned, and Small Business. Some firms who self-identify on the W-9 are also OSD Certified, but not all are. When reporting spend for the quarter, a culling process occurs to remove all vendors that are OSD Certified from the group in the W-9 spending column. This means that the chart below reports on the monies spent with firms that self-identify on their W-9 form but are not certified through the Office of Supplier Diversity.

Agency	FY2014 Q1	FY2014 Q2	FY2014 Q3
Legislative		\$1,067.50	\$5,705.00
Judicial	\$146,652.21	\$175,477.12	\$169,066.51
Executive	\$50,114.04	\$112,539.34	\$206,933.07
Technology		\$0.00	\$7,165.00
Other Elective	\$5,179.00	\$693.60	\$1,265.00
Legal	\$239,972.00	\$251,967.87	\$253,210.33
Finance	\$105,109.85	\$92,340.49	\$60,420.67
DHSS	\$957,206.59	\$614,004.22	\$707,947.68
DSCYF	\$159,922.36	\$227,452.06	\$402,170.77
Correction	\$2,852.82	\$16,336.43	\$28,709.56
DNREC	\$78,029.22	\$203,795.27	\$228,203.53

DSHS	\$30,713.62	\$340,474.28	\$298,663.96
State	\$23,141.38	\$78,946.67	\$60,420.15
DelDOT	\$92,074.10	\$314,896.15	\$547,062.57
Labor	\$28,483.10	\$45,928.18	\$116,125.15
Agriculture	\$9,728.38	\$23,623.86	\$139,798.48
Elections		\$0.00	\$57,687.42
Fire	\$240.98	\$1,570.06	\$1,668.71
Nat'l Guard	\$438,878.77	\$1,423,425.50	\$300,748.00
Exceptional Citizens		\$546.99	
Higher Education	\$66,051.33	\$443,839.83	\$581,068.11
Education	\$1,564,557.55	\$2,144,017.20	\$2,068,894.74
Total	\$3,998,907.30	\$6,512,942.62	\$6,242,934.41

3rd Quarter FY2014

There are various data points that make up the current Supplier Diversity Score Card. Agencies track and measure their Supplier Diversity efforts along these analytics. Agencies each have a Supplier Diversity Plan and those can be found at the Office of Supplier Diversity website at: <http://gss.omb.delaware.gov/osd/supplierdiversity.shtml> or within each agency. In addition to looking at the spend that is done directly with OSD Certified firms, this chart looks at the spend in the form of dollars as well as in the form of a percentage of the total spend with OSD Certified firms. The first column captures the spend with OSD Certified firms in the quarter. As the budget for each agency is different, the second column reports what the percent of the total OSD Certified spend is from each agency. This percentage of total spend allows us to normalize the vantage point to find averages. The average percentage for the quarter is 4.06%. 5 agencies exceed the average for the quarter. We also review the OSD spend in comparison to the total spend by each agency for the quarter. In this instance, the average agency spent 3.60% of their total spend with the OSD Certified community, 6 agencies exceed that average. The \$18.2Million quarterly spend with OSD Certified firms is 1.84% of the \$987Million total spent by these agencies in the quarter. Of note is that this total spend has not been adjusted to remove any debt-service or any non-discretionary spend, if any. This is an area for potential improvement.

AGENCY	FY2014 Q3 Direct Certified OSD Spend	Agency Direct Certified OSD (1st column) as a % of the total Direct Certified OSD Spend	FY2014 Q3 Agency Total Spend	Agency Direct Certified OSD (1st column) Spend as a % of that agency's Q3 total spend (3rd column)
Legislative	\$145,821.03	0.80%	\$699,111.75	20.86%
Judicial	\$106,739.21	0.59%	\$4,861,619.95	2.20%
Executive	\$1,257,603.86	6.17%	\$122,414,229.59	1.03%
Technology	\$755,958.70	3.71%	\$7,974,981.16	9.48%
Other Elective	\$88,847.59	0.44%	\$14,726,114.47	0.60%
Legal	\$77,938.14	0.38%	\$6,491,789.51	1.20%
Finance	\$660,273.09	3.24%	\$41,547,734.03	1.59%
DHSS	\$963,547.53	4.73%	\$391,393,142.01	0.25%
DSCYF	\$544,705.51	2.67%	\$24,722,814.42	2.20%
Correction	\$1,822,116.17	8.94%	\$23,936,541.01	7.61%
DNREC	\$703,144.20	3.45%	\$25,593,137.37	2.75%
DSHS	\$169,891.39	0.83%	\$9,278,072.90	1.83%
State	\$387,303.35	1.90%	\$12,908,951.23	3.00%
DelDOT	\$2,623,191.97	12.87%	\$100,916,784.13	2.60%
Labor	\$252,762.09	1.24%	\$7,597,121.41	3.33%
Agriculture	\$20,342.01	0.10%	\$15,334,106.01	0.13%
Elections	\$25,066.00	0.12%	\$580,538.66	4.32%
Fire	\$8,395.56	0.04%	\$309,502.75	2.71%
Nat'l Guard	\$106,937.28	0.52%	\$2,501,925.57	4.27%
Exceptional Citizens	\$289.45	0.00%	\$14,700.70	1.97%
Higher Education	\$825,796.57	4.05%	\$35,203,949.53	2.35%
Education	\$6,635,239.18	32.55%	\$138,519,688.62	4.79%
Total	\$18,181,909.88		\$987,526,556.78	1.84%
Average		4.06%		1.84%

Quarter over Quarter Analysis

As we look at current quarter spending with the OSD Certified community, looking at a trend in comparison to the same period last year is helpful. As mentioned in the FY2014 Q1 report, OSD worked with the Manager of Business Analysis at Government Support Services and together resolved a formulaic error in the previous year calculations. The correction was able to be

applied to each quarter of FY2013 but was not able to be applied on a quarterly basis going back into FY2012. Therefore, we can only perform a quarter over quarter analysis with the past year.

The chart below demonstrates a slight overall FY2014 Q3 spending increase with the OSD Certified community as compared with the same period in FY2013.

AGENCY	FY2013 Q3 Agency Direct Certified OSD Spend	FY2014 Q3 Agency Direct Certified OSD Spend	Difference	Percent change
Legislative	\$48,190.00	\$145,821.03	\$97,631.03	202.60%
Judicial	\$300,148.52	\$106,739.21	-\$193,409.31	-64.44%
Executive	\$1,381,914.49	\$1,257,603.86	-\$124,310.63	-9.00%
Department of Technology and Information	\$1,214,937.99	\$755,958.70	-\$458,979.29	-37.78%
Other Elective	\$43,383.69	\$88,847.59	\$45,463.90	104.79%
Legal	\$146,059.89	\$77,938.14	-\$68,121.75	-46.64%
Department of Finance	\$1,184,121.63	\$660,273.09	-\$523,848.54	-44.24%
Department of Health and Social Services	\$2,318,366.21	\$963,547.53	-\$1,354,818.68	-58.44%
Department of Services for Children Youth and Their Families	\$832,079.10	\$544,705.51	-\$287,373.59	-34.54%
Department of Correction	\$3,749,277.27	\$1,822,116.17	-\$1,927,161.10	-51.40%
Department of Natural Resources and Environmental Control	\$366,328.11	\$703,144.20	\$336,816.09	91.94%
Department of Safety and Homeland Security	\$246,226.84	\$169,891.39	-\$76,335.45	-31.00%
Department of State	\$542,889.62	\$387,303.35	-\$155,586.27	-28.66%
Department of Transportation	\$3,005,479.32	\$2,623,191.97	-\$382,287.35	-12.72%
Department of Labor	\$543,647.79	\$252,762.09	-\$290,885.70	-53.51%
Department of Agriculture	\$2,646.16	\$20,342.01	\$17,695.85	668.74%
Department of Elections	\$4,275.50	\$25,066.00	\$20,790.50	486.27%
Fire Prevention Commission	\$817.20	\$8,395.56	\$7,578.36	927.36%
Delaware National Guard	\$281,832.44	\$106,937.28	-\$174,895.16	-62.06%
Advisory Council for Exceptional Citizens	\$0.00	\$289.45	\$289.45	100.0%
Higher Education	\$405,427.13	\$825,796.57	\$420,369.44	103.69%
Department of Education	\$5,874,605.18	\$6,635,239.18	\$760,634.00	12.95%
Total	\$22,492,654.08	\$18,181,909.88	-\$4,310,744.20	-19.17%

Subcontracting/Tier II Report

Government Support Services receives subcontracting information on central contracts from the prime or awarded vendors on those contracts, when they have work with the supplier diversity community relative to the core of the contract. The previous reports for Q1 and Q2 reported that there was not Tier II work in the first quarter and there was \$1,229.26 reported in the second quarter. During Q3 reporting, Tier II spend was reported that updates FY2014 to date and is included in the chart below. In the third quarter there was Tier II work reported on two contracts as follows:

Contract	FY14 Q1	FY14 Q2	FY14 Q3	Total
011-Hand Tools/127-Fasteners/577-Industrial		\$686.26	\$7,459.51	\$8,145.77
484-Outsourceprnt			\$1,134.00	\$1,134.00
597-IT Augmentation	\$644,275.03	\$524,819.44	\$403,755.33	\$1,572,849.80
608-Document Destruction			\$4,690.90	\$4,690.90
001-DentalInsBenefit		\$543.00	\$463.00	\$1,006.00
Total		\$644,275.03	\$526,048.70	\$1,170,323.73

Federal Disadvantaged Business Enterprise (DBE) program

The Delaware Department of Transportation (DelDOT) is a recipient of both federal and state funds for their projects. Businesses that are certified as Disadvantaged Business Enterprises (DBE) meet both social and economic eligibility review. The Directory of DBE Certified Firms at DelDOT is at: <http://www.deldot.gov/public.ejs?command=PublicDBEVendorSearch>. The projects that include federal funds may have a federally required sub-contracting participation goal for firms that are Disadvantaged Business Enterprise (DBE) Certified. DelDOT's contract is with a prime contractor or awarded contractor and those contractors bid with identified DBE Certified sub-contractors. The prime contractors provide a Tier II report regarding the DBE participation during each phase of the work. In the third quarter of FY2014 twenty-five (25) different DBE Certified firms worked on DelDOT projects in a sub-contracting capacity, those payments totaled \$3.96Million. This represents an increase of \$1.1Million or 39.23% more in this quarter than in the same period last year.

DeIDOT DBE Subcontracting	FY2013	FY2014	FY2014 over FY2013
Q1	\$2,872,473	\$4,302,111	33.2%
Q2	\$3,713,186	\$4,423,571	19.13%
Q3	\$2,843,321	\$3,958,807	39.23%

The 25 subcontractors are:

American Flag Inc
 Arrow Leasing Corp
 Atlantic Surveying And Mapping Llc
 Callahan Paving Products Inc
 Cns Construction Corp
 Crawford Trucking Co Llc
 Curbs Etc Inc
 Easternex International Ltd
 Griffin Sign Inc
 Highway Markings
 Highway Traffic Controllers
 Janette Redrow Ltd
 Kriss Contracting Inc
 M & M Construction Inc
 Mary Thresa Allen DbA Nanticoke Fence
 Paul Pugh Trucking Co., Inc.
 Ramesh C Batta Associates Pa
 Ram-T Corporation
 S & T Trucking
 Sam's Construction
 Seagullffence And Concrete Llc
 Sitework Safety Supplies Inc
 The Vann Organization Inc
 Traffic & Safety Signs Inc
 Wilton Corporation
 American Flag Inc

OSD Participation in the Community

The Office of Supplier Diversity is committed to continued contact and participation in the community. During the first quarter OSD created a list serve and started the outreach to the community. During the second quarter that outreach grew and OSD connected with more resource partners to share further access to business development, opportunities, networking, and engagement to the businesses who joined the list serve. OSD had 142 in-person touch points with the community in the third quarter.

FY2014	Q1	Q2	Q3
Meetings and Events	14	19	31
State of Delaware events	7	7	22
Open For Business		7	9
DE GSS Vendor Day trainings		4	2
PTAC, SBDC, SBA, SCORE		2	4
Veteran meetings		3	1
Vendor requested meetings	6	27	41
Metropolitan Wilmington Urban League			1
ABC Delaware Diversity Committee	1	3	1
DBCC's MBAC	1	3	4
DE Commission for Women	1	1	4
NAWBO			1
DE Hispanic Commission	2	3	5
Chambers of Commerce	8	2	6
National Activities		4	4
Regional Activities		1	6
Quarterly activity total	42	87	142

One of the best ways to learn about the various business development activities and other opportunities is to join the OSD list serve via this link:

<http://directory.osd.gss.omb.delaware.gov/self-registration.shtml>. In that regard, the OSD list serve shared 28 different business-opportunity focused messages with the community this quarter, which shared are included in this chart:

OSD is Sharing:	Date sent
Vendor Day - January 2014 - in New Castle County	1/2/2014
SBF program applications	1/7/2014
Opportunity - Teal Construction - deadline January 16 2014	1/10/2014
School District Vendor Day - Kent County	1/17/2014
City of Wilmington - Small Business Success series	1/23/2014
Kent County is Open for Business - February 6, 2014	1/23/2014
PTAC Government Contracting And Certification Program Kent County 02-25-2014	1/30/2014
Mid-Atlantic - Alliance Small Business Procurement Fair	1/30/2014
NCC Open for Business February 27 2014	2/7/2014
Delaware Veteran Job & Resource Summit, March 10, 2014	2/10/2014
New Castle County Government's Minority Business Forum on the 20th	2/10/2014
Hispanic-American Business Resource Center set to launch in Delaware	2/11/2014
Open for Business Sussex County February 19, 2014	2/11/2014
Swim with the Sharks video competition - NCCCC	2/19/2014
DeIDOT bonding	2/21/2014
2014 Major League Baseball Diversity Business Summit	2/23/2014
Alliance Mid-Atlantic Small Business Procurement Fair	2/27/2014
Alliance Mid-Atlantic 2014 - DATE CHANGE to March 19	3/4/2014
Kent County is Open for Business - March 6	3/4/2014
Sussex County is Open for Business - March	3/4/2014
NMSDC's "Position-to-Win" Business Development Series	3/4/2014
US. Department of Labor has new rules on the Employment of Individuals with Disabilities and Protected Veterans	3/21/2014
NCC Open for Business March 2014	3/22/2014
NCC Open for Business April 2014	3/22/2014
Spring Cleaning - Delaware Solid Waste Authority	3/22/2014
Open for Business Kent County - April 3, 2014	3/22/2014
PTAC's Government Contracting and Certification Program in New Castle County on 03-31-2014	3/22/2014
Swim with the Sharks WINNER announced 2014	3/22/2014

Future Plans for OSD

In addition to continuing the efforts already reported on in this report, the OSD continues to look for additional opportunities to provide analytics to the state and the supplier diversity community.

Growing the outreach and messaging of the Small Business Focus (SBF) Program is an important future activity. In addition to outreach, OSD will share the news with all OSD certified firms as they are certified or recertified, sharing an application if they are eligible and growing the community.

As mentioned above in this report, OSD has a fair amount of work to do in connecting with the Individual with DisAbilities community through a learning tour, to meet and make new resource partnerships and hear comment from the community as to for profit business ownership as well as sharing the access to opportunities that certification and building relationships with the state and community may lead to.

OSD is continuing looking at opportunities to gather more information regarding the 1 for 3 opportunities and the no find results for under threshold procurement opportunities. The 1 for 3 procurement is widespread and is happening, the tracking and reporting is the challenge at the agency levels. OSD is looking at the future technology opportunities that may assist in creating a new system for reporting.

OSD will continue to participate with the Governor's Supplier Diversity Council on initiatives to continue to support supplier diversity opportunities state wide.

Questions, Comments, and Feedback

Your questions, comments, and feedback are always welcome. Please feel welcome to email so that we can find a time to get together to discuss your questions, comments, and feedback.

Collaboration is a wonderful tool to finding results that move us along in a positive direction.

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