Supplier Diversity Office Programs FAQs for Buyers

General

1. **How do I calculate the annual value of a procurement?**
    - If it is a bid or an RFQ for a one-time purchase, the value of the purchase is the annual value of the procurement.
    - For all other procurements, the annual value is the total value of the procurement divided by the duration of the contract. Thus, every 12 months of contract duration is counted as one year, even if the procurement starts in one fiscal year and ends in another.
    - If you are unsure or cannot estimate the procurement size, you should include SDP language into the procurement.

2. **Can you review how agency spending is credited toward benchmarks?**
   The following types of spending are credited toward each agency's benchmarks:

    - The agency's **direct** (i.e. Mosaic) spending with diverse and small businesses
    - Validated SDP **indirect** spending reported by the department's prime contractors
    - Validated SDP **indirect** spending reported by Purchase of Service (POS) contracts

3. **How can I attract more diverse vendors to bid on my procurement?**
    - Departments are encouraged to use the SDO's Directory of Certified Businesses to conduct additional outreach to businesses providing services that are responsive to new procurements.
    - The SDO has a Cross Functional Team which promotes opportunities for diverse and small businesses. The team notifies qualified diverse businesses of upcoming procurements and helps guide them through the bidding process. If you have an upcoming bid, please contact Katherine Thomas at Katherine.l.thomas@mass.gov for SDO assistance.
    - The SDO periodically offers networking events to connect buyers to small and diverse businesses. All departments are encouraged to participate.
    - When purchasing from Statewide Contracts, ensure that many vendors are invited to bid on the RFQ.

4. **Where are the SDO policies posted?**
   All relevant SDO documents for buyers are posted on the SDO webpage under Program Resources for Departments.

Small Business Purchasing Program (SBPP)

1. **Where can I find the SBPP language for RFRs and RFQ's?**
   SBPP language can be found on the Program Resources for Departments page.

2. **Do RFQs fall under the SBPP requirement?**

Whenever a department conducts an RFQ with an estimated annual value of $250,000 or less, the RFQ/SOW must include the SBPP contract language and be evaluated with an SBPP preference. Additionally, the "SBPP Eligible" selector must be set to "Yes" for such RFQs. SBPP language can be found on the Program Resources for Departments page.

3. **How can I tell if a bidder is in the SBPP?**
   COMMBUYS has a report (available under the gear icon in the upper right corner, Reports option) titled "Bidder SBPP Status, By Bid Number." Enter the last five digits of the COMMBUYS bid number, and you will be able to see the full list of bidders with their SBPP status.

4. **How do I evaluate responses to an SBPP-eligible bid?**
   The SDO provides guidance on evaluating submissions in response to SBPP-eligible solicitations in a document titled Best Value Evaluation of Responses to Small Procurements: A Guide for Strategic Sourcing Teams.

Supplier Diversity Program (SDP)

1. **Where can I find the SDP language for RFRs?**
   SDP language can be found on the Program Resources for Departments page.

2. **Do the July 1, 2021 policy changes that increased the large procurement threshold from $150,000 total to $250,000 annually exempt active contracts that existed prior to that date and that do not reach the new large procurement size from the SDP requirement?**

   No. The SDP continues to apply to all contracts that include SDP language at the time of bid, and all awarded contractors are required to meet their contractual SDP commitments.

3. **What if a department contract includes SDP language but does not generate $250,000 a year in spending?**

   The SDP continues to apply to all vendors on such contracts because the SDP requirement is determined at the time of the original procurement. If the opportunity was estimated to have an annual value of $250,000 or more, and thus was posted as a large procurement, the SDP is required regardless of annual contract sales.

4. **Does the SDP language apply to all vendors on a contract or only to those whose individual sales exceed $250,000 per year?**

   The SDP reporting requirement applies to **ALL** vendors on the contract, regardless of individual sales and annual contract sales.

5. **When is an awarded contractor required to begin submitting SDP reports?**

   The SDO recommends quarterly reporting, but SDP spending information must be collected at least annually. All vendors, even with zero sales, are required to report SDP spending in the SDO Hub for Departmental Contracts, and in the Operational Services Division's Vendor Reporting Management (VRM) for statewide contracts.

6. **Do you have any recommendations for vendors to identify SDP partners?**

   - Departments should educate bidders about the SDP requirement as early as possible. For example, the SDO can be invited to a bidders' conference and deliver a 10-minute presentation explaining how the program works.
   - Discussions with vendors should address the flexibility of the SDP: vendors are not required to subcontract and may choose SDP partners that fulfill general business or operational needs, SDP partners are not required to be based in Massachusetts, and one-time expenses may be included in SDP reporting. This information is included in SDO's bidders' conference presentation.
   - The SDO can help bidders and awarded contractors who need assistance in fulfilling their SDP commitment. Vendors may use the SDO Directory of Certified Businesses or the SBA Small Business Search directory to find partners. When using the SBA directory, please note that the SDO recognizes only the Veteran Owned Small Business (VOSB) and Service-Disabled Veteran Owned Small Business (SDVOSB) certifications. Vendors can also contact the SDO at sdp@mass.gov to discuss partnership options.

7. **Does the SDP apply only to large procurements, or can agencies choose to include SDP in small procurements as well?**

   Departments may include SDP language in small procurements.