



MassDOT Supplier Diversity

April 26, 2021

Overview

- Enhance MassDOT's supplier diversity strategy from all funding sources, including federal and state funds, and capital and operating budgets.
- Increase contract awards to preferred vendors through implementation of a strategy that improves both access and opportunity for such vendors to participate in the bidding of contracts in construction and goods and services. Such preferred vendors include MBE, WBE, DBE, ACDBE, PBE, VBE, LGBTBE, SDVOBE, DOBE.
- Goods and services is all spending not related to vertical or horizontal construction.
- Construction is all facets of vertical and horizontal construction including design and study.

Construction spending: supplier diversity up

M/WBE Awards/Commitments and Payments							
MassDOT Federal Fiscal Years 2017,2018,2020 and (2021-half yr)							
	2017	2018	2019	2020	2021 (1/2 yr)		Grand Totals
Total Awards	\$ 126,770,966	\$ 120,620,180	\$ 268,707,175	\$ 435,850,052	\$ 76,153,502		\$ 1,028,101,875
Total M/WBE Awards	\$ 16,761,960	\$ 18,267,447	\$ 48,696,753	\$ 96,540,880	\$ 15,989,076		\$ 196,256,116
	13%	15%	18%	22%	21%		19%
By Ethnicity/Gender							
Black American							
Awards	\$ 1,337,998	\$ 218,750	\$ 4,754,385	\$ 6,485,805	\$ 526,300		\$ 13,323,238.00
Hispanic American							
Awards	\$ 3,188,632	\$ 1,950,402	\$ 10,919,423	\$ 9,612,787	\$ 10,270,001		\$ 35,941,245.00
Native American							
Awards	\$ -	\$ -	\$ 460,630	\$ -	\$ -		\$ 460,630.00
Asian-Pacific American							
Awards	\$ -	\$ 384,459	\$ 397,600	\$ 129,000	\$ -		\$ 911,059.00
Subcontinent Asian American							
Awards	\$ -	\$ -	\$ -	\$ 5,077,862	\$ -		\$ 5,077,862.00
Women							
Awards	\$ 12,180,911	\$ 10,903,395	\$ 32,122,133	\$ 75,235,426	\$ 5,179,812		\$ 135,621,677.00
Others							
Awards	\$ 54,420	\$ 11,825	\$ 42,582	\$ -	\$ 12,963		\$ 121,790.00
Total Payments	\$ 449,391,251	\$ 363,476,361	\$ 276,952,308	\$ 365,917,268	\$ 162,427,543		\$ 1,618,164,731.00
M/WBE Payments	\$ 50,408,666	\$ 40,953,876	\$ 40,080,774	\$ 46,577,387	\$ 24,460,815		\$ 202,481,518.00
	11%	11%	14%	13%	15%		13%

Goods & services spending

Where we are currently

- Three stages of procurement proficiency for goods and services – Awareness, Opportunity in Bidding, and Informed Contract Awarding.
- MassDOT is currently in the Awareness stage; defined by focus on and actions designed to create awareness of current preferred vendors and to incorporate that knowledge into an active procurement strategy.

Where we strive to be

- We strive to conduct procurement activities that identify and remove all barriers to the full and equal participation of all identified preferred partners – Informed Contract Awarding.

Actions in Progress

Goods and Services

- Revising internal procurement policy for more inclusionary action steps
- Distributing revised procurement policy and database of preferred partners agency wide
- Adding inclusionary language into all department procurements
- Increasing the current weight assigned to Supplier Diversity commitment when evaluating and awarding departmental contracts

Construction

- Identifying MassDOT construction awards and provide for all upcoming bid contracts in advance – timeframe for advanced notification: 3 months; 6 months; 12 months; 18 months for all upcoming potential bid contracts
- Expanding outreach and development to existing and new firms to participate in the construction bidding process
- Contracting with a vendor to help expand existing ODCR Disadvantaged Business Enterprise Supportive Services (especially for minority women who are underrepresented)



Planned Action Items

Goods and Services

- Leverage more features in Commbuys procurement platform that support supplier diversity efforts
- Create MassDOT-wide buyer group led by Chief Procurement Officer
- Work with Commonwealth's new Supplier Diversity Office to:
 - Analyze quarterly data on the participation of preferred vendors on MassDOT contract awards
 - Regularly interface with variety of internal and external stakeholders across state

Construction

- Hold quarterly meetings with MBE and WBE firms to solicit feedback and inform about contract opportunities
- Revise any processes deemed as barriers
- Examine existing construction bids (3-5 years) and identify potential areas for construction opportunities

We will explore a variety of medium-long term ideas after completion of the above steps

Appendix:

Background about ODCR state program

Supplier Diversity - Framework

Disadvantaged Business Enterprise (DBE)

Minority Business Enterprise (MBE)

Women's Business Enterprise (WBE)

Veterans Business Enterprise (VBE)

Service-Disabled Veteran Owned Business Enterprise (SDVOBE)

Good Faith Effort (GFE)

Certification programs: Unified Certification Program (UCP), Supplier Diversity Office (SDO)

Prime Contractor

Sub-Contractor

Letter of Intent (LOI)

Office of Diversity and Civil Rights (ODCR)

M/WBE meaning

- Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) commonly called (M/WBE) follow special provisions that follow (Implementing Chapter 102, Section 24 and Chapter 273, Section 124 of the Acts of 1994 and Chapter 56, Sections 1 to 5 of the Acts of 2010 and subsequent Acts)
Revised May 20, 2016
- Meaning special provisions for participation by Minority or Women Business Enterprises (M/WBE's) for participation goals
- Create and increase M/WBE to have equal opportunity to receive and participate in the performance of its state funded contracts

Setting Goals

- Design-Bid-Build Projects: M/WBE Participation Goal ____%
(One half of this goal shall be met in the form of Subcontractor construction activity)
- Design-Build Projects: M/WBE Design Participation Goal ____%
and M/WBE Construction Participation Goal ____%
(One half of the Construction Goal shall be met in the form of Subcontractor construction activity)
- Service-Disabled Veteran Owned Business Enterprise (SDVOBE) is also recognized

Prime & Sub-Contractors Relationships

- M/WBE and SDVOBE must be certified via various state directories (SDO), VetBiz database, etc.
- Bidders will provide conditional commitment to subcontract with certified M/WBE firms
- Only firms which have been certified are eligible to participate on state funded contracts for credit toward the M/WBE participation goal
- M/WBE and SDVOBE must independently manage, supervise, and perform the work (their own workforce, equipment and resources)
- Lowest 2 bidders, with signed letters of Intent from each M/WBE will be selected

Required Activities to ensure efficacy

- Evidence of Good Faith efforts will be evaluated by ODCR
- Compliance to existing provisions and or regulations
- Monitoring which includes site visits will be conducted
- Enforcement of provisions agreed to will be in operation
- Sanctions will be enacted, if necessary, towards actions that are not consistent with the overall intent of the provisions