



OMF OFFICE OF
MANAGEMENT
AND FINANCE

Inclusive Contracting in the Procurement Process

Presented By: Theresa Green, Inclusive Contracting Manager

City of Portland
Bureau of Revenue and Financial Services
Office of Management and Finance, Procurement Services

Anti-Racism | Equity | Transparency | Communication | Collaboration | Fiscal Responsibility

Today, we will cover:

What is inclusive contracting and why is it important?

What are some potential outcomes of inclusive contracting?

Role of Procurement Services' Inclusive Contracting Manager

Incorporating Equity Strategy

Using data to lead informed decisions about where equity needs to be applied

Measuring progress and outcomes

What plan do we have in place to gauge how well we are doing towards meeting equity goals?

Evaluate

Identify best practices, areas for process improvement



What is inclusive contracting?

Inclusive contracting is the application of social equity in contracting strategy throughout the procurement process to provide access and opportunities for a diverse range of businesses and entrepreneurs.

There is no “one-size fits all” inclusion plan. Multiple social equity in contracting strategies can be applied.



A few examples of effective strategies to achieve equity in contracting

multiple strategies can be applied

Social Equity in Contracting Programs

Prime Contractor Development Program (PCDP), Community Opportunities and Enhancements Program (COEP), Regional Workforce Equity Agreement (RWEA), Workforce Training and Hiring Program (WTHP), Subcontractor Equity Program (SEP), Minority Evaluator Program (MEP)

Targeted Marketing

Direct engagement, communicate information clearly, increase project visibility, choosing locations of events or project meetings, collaborate with other equity partners

Effective use of Procurement methods

Request for Proposals (RFP), Invitation to Bid (ITB), Construction Manager/General Manager (CMGC), Direct Contracts

Take advantage of available data

Contract data reporting is a service that Procurement Services provides to bureaus. A consultation with our Social Equity Performance Manager to understand your needs can pave the way to standardization of contract data across City bureaus.

Preparing to Succeed

Early engagement, project specifications/plans, project team identified with clear understanding of their role



Why is inclusive contracting important; and who benefits from it?



Inclusive contracting advances economic equity and bolsters opportunities for equitable outcomes in communities that have historically and continue to be under resourced. Inclusive contracting also strengthens our economy by increasing competition.

All City Bureaus are responsible for incorporating equity in their contracting process. Inclusive contracting is a strategic approach to inserting equitable practices designed to attract firms owned by Black, Indigenous, and People of Color, and Women-owned firms through intentional efforts for project inclusion.

Additional Benefits

For City of Portland:

- Practices are aligned with City's Core Values
- Historically underrepresented and underutilized firms are identified for targeted outreach.
- Respond to calls for changes in the way we conduct our contracting business.

For City Bureaus:

- Create business opportunities
- Connect with contracting community
- New business relationships
- Demonstrate that the City values firms and their contributions to the project.
- Repair or strengthen relationships with contracting community

For the Contracting Community:

- Local firms are sought after for inclusion
- Valuable feedback lends to the development of equitable specifications
- Education needs about the project are identified and met
- Support services are offered to firms who need assistance responding

What are some outcomes of inclusive contracting practices?

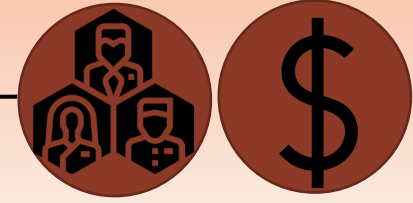
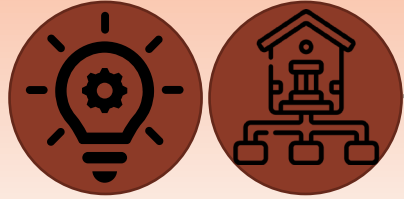
A targeted universalism approach will help with the following:

- Sends a clear message to firms who may have been hesitant to do business with the City: We want to do business with you.
- Market awareness
- Provide firms with visibility of an upcoming City contract opportunity
- Identification of challenges or barriers firms may have to responding to an opportunity
- Increased interest in bureau projects and foresight into candidate pool
- Increased participation. More firms able to compete, resulting in more responses.
- Project data is collected, tracked, and measured against goals.
- May contribute to meeting bureau equity goals or aspirational goals on the project
- Contracts awarded to target audience
- Builds positive and fruitful business relationships

What is the role of Procurement Services' Inclusive Contracting Manager ?

- ✓ Engage historically underutilized and underrepresented businesses and their support networks to introduce contract opportunities with the City of Portland.
- ✓ Develop social equity in contracting policy for City Bureaus
- ✓ Manage social equity in contracting programs.
- ✓ Project consultations.
- ✓ Vendor outreach
- ✓ Advocacy
- ✓ Support relationships with equity partners whom we rely upon to advocate on behalf of the contracting community.
- ✓ Support the development of business relationships.

Incorporating Equity Strategy



When does inclusive contracting begin?

In the bureau at conception of the project or identification that a new contract is needed. Bureaus have equity goals that apply to how they serve the public, and contracting practices in general.

Where does inclusive contracting begin?

Generally, in the bureau. Bureaus are responsible for the identification of opportunities to contract with firms owned by Black, Indigenous, or people of color and Women owned firms.

The Chief Procurement Officer may also request the Inclusive Contracting Manager review a project to help meet equity goals.

Who contributes to the success of the project?

All project stakeholders play a role in the success of the project. Stakeholders can be internal (engineers, project manager, contract managers, Procurement Buyers) and external- community partners. social equity forums, trade unions, and the local business community.

Steps to take

STEP 1:

- ❑ Draft project specifications, or Engineers Plans (75% completion).
- ❑ Determine project estimate.
- ❑ Identify initial project stakeholders.

STEP 2:

- ❑ Invite initial project stakeholders to discuss equity on the project. Compile questions, and list bureau equity goals for the project intended to review with Procurement Services.
- ❑ Identify areas of opportunity and determine what type of assistance your bureau needs. (For example: finding new firms, engaging firms, communicating the opportunity, methods for soliciting and contracting)

STEP 3:

- ❑ Email the Inclusive Contracting Manager to request a meeting. Copy Purchasing Manager or Procurement Supervisor, and Compliance Services Supervisor.
- ❑ Inclusive Contracting Manager will confirm the Inclusive Contracting Team for the project. All members share a vested interest in meeting equity goals on the project.
- ❑ Meeting scheduled to discuss goals, roles, and accountability.

The Inclusive Contracting Team for your project will consist of internal and external project stakeholders.

The Inclusive Contracting Team will take a collaborative approach to setting and achieving equity goals for the project. Roles are clearly defined, and accountability is assigned to areas of responsibility to help us stay on track.

Together, we will answer the following questions:

- What equity goals do we intend to accomplish for this project?
- How do these goals benefit the communities we serve?
- What methods will be used to help achieve equity goals on the project?
- How will we use data to be successful?
- How will we measure success?



Contributors to success of meeting equity goals include members of the inclusive contracting team assigned to the project.

Positions that involve project development, the procurement process, or contract management should be included.

A RACI matrix approach is applied to provide visibility, clearly defined roles, and accountability.

A collaborative effort is expected towards setting and meeting equity goals on the project.

In the Bureau:

- Chief Engineer, Assist Engineer
- Project Manager
- Project Requestor
- Contract Manager Contract Analyst
- *Bureau Director

*Although not directly involved they may support equity goals on the project (for example: removing or reducing barriers when it is within their authority to do so).

In Procurement Services:

- Inclusive Contracting Manager
- Equity Analyst
- Social Equity in Performance Manager
- Procurement Buyer
- Procurement Manager/Supervisor
- Compliance Manager/Supervisor/Specialist

Additional:

- City Attorney
- Office of Equity and Human Rights
- Community Partners
- Supplier Diversity Consultants
- Strategic Sourcing Program Coordinator
- Other experts

Measuring Progress and Outcomes

Some roles on the Inclusive Contracting Team will have assigned tasks with benchmarks set for completion. Procurement Services' Social Equity Performance Manger will provide guidance on setting benchmarks and tracking progress throughout the process towards meeting project goals. Evaluations will occur throughout the process to course correct where needed. Data sourced from compliance and financial systems will be used to report how well we did at meeting our goals.

Some questions to consider:

- How well did we communicate to our target audience?
- Did we reach our target audience?
- Did we increase competition?
- Did we increase contract opportunities?
- Did we attract more firms owned by Black, Indigenous, People of Color, and Women-owned firms, and did they respond?
- Did we meet or exceed utilization goals on the project?
- Did we increase workforce pipeline and retention?

Evaluate

- Effectiveness of the inclusive contracting plan
- Key takeaways
- Areas for process improvement
- Bureau feedback for Procurement Services
- Other



Thank you!

Theresa Green, Inclusive Contracting Manager

Email: Theresa.Green@portlandoregon.gov

Cell: (503) 823.8241